

THIS DOCUMENT AND THE ENCLOSED FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, or the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) ('FSMA') if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If before 16 March 2021 (being the date when the Ordinary Shares are to be marked 'ex' entitlement to the Open Offer) you sell or transfer or if you already have sold or transferred all of your Ordinary Shares, please immediately send this document and the accompanying Form of Proxy and Application Form (if applicable), to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you have sold only part of your holding of Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately and refer to the information regarding split applications in the Application Form (if relevant).

The total consideration to be raised under the Open Offer shall be less than €8 million (or an equivalent pounds sterling amount) in aggregate and the Placing Shares and the Subscription Shares are only available to qualified investors for the purposes of the Prospectus Regulation Rules or otherwise in circumstances not resulting in an offer of transferable securities to the public within the meaning of section 102B of FSMA. Therefore, none of the Placing, the Subscription or the Open Offer constitute an offer to the public and, as such, do not require an approved prospectus under section 85 or Schedule 11A of FSMA. Accordingly this document does not constitute a prospectus for the purposes of the Prospectus Regulation Rules and has not been examined or approved by the Financial Conduct Authority pursuant to sections 85 and 87 of FSMA, the London Stock Exchange, any securities commission or any other authority or regulatory body and has not been approved for the purposes of section 21 of FSMA. Neither does it constitute an admission document drawn up in accordance with the AIM Rules. No application is being made for the admission of the Existing Ordinary Shares or the Fundraise Shares to the Official List of the Financial Conduct Authority.

The Company (whose registered office address appears on page 13 of this document) and the Directors (whose names appear on page 13 of this document) accept responsibility, both individually and collectively, for the information contained in this document, including individual and collective responsibility for compliance with the AIM Rules. To the best of the knowledge of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in the Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

Application will be made (subject to the passing of the Resolutions) to the London Stock Exchange for the Fundraise Shares to be admitted to trading on AIM. It is expected that Admission of: (i) the Firm Placing Shares will become effective and that dealings will commence on 31 March 2021; (ii) the Conditional EIS/VCT Placing Shares will become effective and that dealings will commence on 7 April 2021; and (iii) the Conditional General Placing Shares, the Subscription Shares and Open Offer Shares will become effective and that dealings will commence on 8 April 2021. The Fundraise Shares will, when issued, rank in full for all dividends and other distributions declared, made or paid on the Ordinary Shares and otherwise rank *pari passu* in all respects with the Existing Ordinary Shares.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the FCA. Neither the Existing Ordinary Shares nor the Fundraise Shares are or will be traded on any other recognised investment exchange and no application has been or will be made for the Existing Ordinary Shares or Fundraise Shares to be admitted to trading on any such exchange. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration, and if appropriate, consultation with a financial adviser.

This document should be read in its entirety, however your attention is drawn to the letter from the Chairman of the Company which is set out on pages 17 to 26 (inclusive) and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting.

A Notice of General Meeting for the meeting to be held at the Company's offices at 2500 Meridian Parkway (Suite 175), Durham, NC 27713, USA at 2.00 p.m. (9.00 a.m. (EDT)) on 6 April 2021, is set out at the end of this document. In light of the current restrictions in place with respect to the COVID-19 pandemic and, in particular, the response by the UK Government and US Federal and State level authorities (including the restrictions on public gatherings and the guidance on working from home in place at the date of this notice), the Directors have concluded that only such number of Shareholders as are required to meet the quorum requirements set out in the Articles shall be permitted to attend the General Meeting. For the safety of all Shareholders, no Shareholder will be permitted to attend the General Meeting without invitation. As such, it is strongly recommended that Shareholders complete and return the accompanying Form of Proxy as soon as possible but, in any event, so as to be received by the Registrars at The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR, United Kingdom by no later than 2.00 p.m. on 31 March 2021 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

The latest time and date for acceptance and payment in full under the Open Offer is 11.00 a.m. on 1 April 2021. The procedure for acceptance and payment is detailed in Part III of this document and, where applicable, in the Application Form.



Polarean Imaging plc

(Incorporated and registered in England and Wales with registered No. 10442853)

Placing, Subscription and Open Offer of up to 44,932,142 Fundraise Shares at £0.60 per Fundraise Share and Notice of General Meeting

Nominated Adviser, Corporate Broker and Sole Bookrunner
Stifel Nicolaus Europe Limited



Stifel Nicolaus Europe Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting as Nominated Adviser and Corporate Broker in connection with the proposed Placing, Subscription, Open Offer and Admission and Sole Bookrunner to the Company in connection with the proposed Placing. Persons receiving this document should note that Stifel Nicolaus Europe Limited is not acting for anyone other than the Company (including a recipient of this document) and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Stifel Nicolaus Europe Limited or for advising any other person in respect of the proposed Placing, Subscription, Open Offer and Admission or any transaction, matter or arrangement referred to in this document. Stifel Nicolaus Europe Limited has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by Stifel Nicolaus Europe Limited, for the accuracy of any information or opinions contained in this document or for the omission of any information, nor does it make any representation or warranty, express or implied, as to the accuracy of any information

or opinions contained in this document or for the omission of any information. Stifel Nicolaus Europe Limited expressly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise which it might otherwise have in respect of this document. Stifel Nicolaus Europe Limited, as nominated adviser and broker to the Company, owes certain responsibilities to the London Stock Exchange which are not owed to the Company or the Directors.

The Fundraise Shares have not been, and will not be, registered under the US Securities Act of 1933 as amended (the '**Securities Act**') or under the securities laws of any state of the United States or qualify for distribution under any of the relevant securities laws of Australia, Canada, Japan or the Republic of South Africa. Accordingly, subject to certain exceptions, the Fundraise Shares may not be, directly or indirectly, offered, sold, taken up, delivered or transferred in or into Australia, Canada, Japan, the Republic of South Africa or the United States, or for the account or benefit of, US persons (as such term is defined in Regulation S under the Securities Act) or to any national, resident or citizen of Australia, Canada, Japan or the Republic of South Africa. The distribution of this document in other jurisdictions may be restricted by law and, therefore, persons into whose possession this document comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Shareholders who are residents or citizens of any country other than the United Kingdom and any persons (including, without limitation, custodians nominees and trustees) who have a contractual or other legal obligation to forward this document to a jurisdiction outside the United Kingdom should seek appropriate advice before taking any action.

Copies of this document will be available free of charge to the public during normal business hours on any day (Saturdays, Sundays and public holidays excepted) at the offices of Polarean Imaging plc at 27-28 Eastcastle Street, London, W1W 8DH from the date of this document to the date of the General Meeting and also from the Company's website www.polarean.com.

IMPORTANT NOTICES

Forward looking statements

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

Notice to overseas persons

The distribution of this document and the offer of the Fundraise Shares in certain jurisdictions may be restricted by law. Accordingly, neither this document nor any advertisement or any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons outside of the UK into whose possession this document comes should inform themselves about and observe any such restrictions.

This document does not constitute or form part of any offer or invitation to sell or issue or a solicitation of any offer to acquire, purchase or subscribe for Fundraise Shares in any jurisdiction. This document must not be distributed to a US Person or within or into Australia, Canada, Japan, the Republic of South Africa or the United States. The Fundraise Shares have not been and will not be registered under the Securities Act, and may not be offered or sold or subscribed, directly or indirectly, within Australia, Canada, Japan, the Republic of South Africa or the United States or to or by any US Person or any national resident or citizen of Australia, Canada, Japan, the Republic of South Africa or any corporation, partnership or other entity created or organised under the laws thereof except pursuant to an applicable exemption.

The Fundraise Shares have not been approved or disapproved by the US Securities and Exchange Commission (the 'SEC'), any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed on or endorsed the merits of the Fundraise or the accuracy or adequacy of the information contained in this document. Any representation to the contrary is a criminal offence in the United States.

No reliance on information outside of this Circular

No person has been authorised to give any information or to make any representation other than those contained in this document in connection with the Fundraise and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Company, Stifel or their respective directors, partners, officers or employees.

No incorporation of website information

A copy of this document will be made available at the Company's website, www.polarean.com. The contents of the Company's website or any hyperlinks accessible from the Company's website do not form part of this document and Shareholders should not rely on them.

Presentation of market, economic and industry data

Where information contained in this document originates from a third party source, it is identified where it appears in this document together with the name of its source. Such third party information has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Presentation of financial information

Certain data in this document, including financial, statistical and operational information has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data. Percentages in tables have been rounded and, accordingly, may not add up to 100 per cent. In this document, references to “pounds sterling”, “£”, “pence” and “p” are to the lawful currency of the United Kingdom and references to “Dollars” and “US\$” are to a lawful currency of the United States.

Interpretation

Certain terms used in this document are defined and certain technical and other terms used in this document are explained at the section of this document under the headings “Definitions” and “Glossary of Technical Terms”.

All times referred to in this document, the Form of Proxy and the Application Form are, unless otherwise stated, references to London time.

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

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

Shareholders should not construe the contents of this document as legal, tax or financial advice, and should consult their own advisers as to matters contained herein.

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DEFINITIONS

The following words and expressions shall have the following meanings in this document unless the context otherwise requires:

'Act'	the Companies Act 2006;
'Admission'	First Admission, Second Admission and/or Third Admission, as the context requires;
'AIM Rules'	the AIM Rules for Companies as published by the London Stock Exchange from time to time;
'AIM'	the AIM market operated by the London Stock Exchange;
'Amati'	Amati AIM VCT plc, a company incorporated in England and Wales with registered number 04138683 and having its registered office at 27-28 Eastcastle Street, London W1W 8DH;
'Application Form'	the application form relating to the Open Offer which accompanies this document (in the case of Qualifying Non-CREST Shareholders only);
'Articles'	the articles of association of the Company;
'Basic Entitlement(s)'	the <i>pro rata</i> entitlement of Qualifying Shareholders to subscribe for Open Offer Shares pursuant to the Open Offer, as described in Part III of this document;
'Board' or 'Directors'	the board of directors of the Company or a duly authorised committee thereof;
'Bracco'	Bracco Imaging S.p.A, a company incorporated in Italy (with registered number MI146245312) whose registered office is at Via E Folli 50, 20134 Milan, Italy;
'Business Day'	any day which is not a Saturday, Sunday or public holiday on which banks are open for business in the City of London;
'certificated' or 'in certificated form'	a share or other security which is not in uncertificated form (that is, not in CREST);
'Circular' or 'this document'	this circular prepared in relation to the Fundraise;
'Closing Price'	the closing middle market quotation of an Ordinary Share as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange;
'Company' or 'Polarean'	Polarean Imaging plc, a company incorporated in England and Wales with company number 10442853 and having its registered office at 27-28 Eastcastle Street, London, W1W 8DH;
'Conditional EIS Placing Shares'	1,707,651 Placing Shares to be issued as part of the Conditional Placing to certain persons seeking to invest in "eligible shares" for the purposes of EIS;
'Conditional EIS/VCT Placing Shares'	the Conditional EIS Placing Shares and the Conditional VCT Placing Shares;

'Conditional General Placing Shares'	22,135,991 Placing Shares to be issued in the Conditional Placing which are not conditional EIS/VCT Placing Shares;
'Conditional Placing'	the conditional placing of the Conditional EIS/VCT Placing Shares and the Conditional General Placing Shares at the Fundraise Price by Stifel pursuant to the Placing, Subscription and Open Offer Agreement;
'Conditional Placing Shares'	34,651,562 new Ordinary Shares to be issued by the Company pursuant to the Conditional Placing (being the Conditional EIS/VCT Placing Shares and the Conditional General Placing Shares);
'Conditional VCT Placing Shares'	10,807,920 Placing Shares to be issued as part of the Conditional Placing to certain persons seeking to invest through venture capital trusts relief;
'CREST'	the computerised settlement system to facilitate transfer of title to or interests in securities in uncertificated form operated by Euroclear UK & Ireland Limited;
'CREST Manual'	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedure and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996, as amended) as published by Euroclear;
'CREST Member'	a person who has been admitted to CREST as a system-member (as defined in the CREST Regulations);
'CREST Participant'	a person who is, in relation to CREST, a system-participant (as defined in the CREST Regulations);
'CREST Regulations'	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended);
'CREST Sponsor'	a CREST Participant admitted to CREST as a sponsor;
'CREST Sponsored Member'	a CREST Member admitted to CREST as a sponsored member;
'Dealing Day'	a day on which the London Stock Exchange is open for business in London;
'EIS'	the Enterprise Investment Scheme, as set out in Part 4 of the Income Tax Act 2007 and Schedule 5B Taxation of Chargeable Gains Act 1992, as amended from time to time;
'EIS Placing Shares'	the Conditional EIS Placing Shares and the Firm Placing Shares;
'EIS Relief'	the relief available to investors under EIS;
'EIS/VCT Placing Shares'	the EIS Placing Shares and the VCT Placing Shares;
'Enlarged Share Capital'	the entire issued ordinary share capital of the Company immediately following Admission (assuming successful applications are received for all available Open Offer Shares);

'Estimated Expenses'	the estimated expenses incurred in connection with the Fundraise, consisting of all fees, commissions, costs and expenses payable by the Company in relation to the Fundraise;
'Euroclear'	Euroclear UK & Ireland Limited, the Operator of CREST (as defined in the CREST Regulations);
'Excess Application Facility'	the arrangement pursuant to which Qualifying Shareholders may apply for additional Open Offer Shares in excess of their Basic Entitlements in accordance with the terms and conditions of the Open Offer, as described in Part III of this document;
'Excess Application' or 'Excess Shares'	Open Offer Shares which may be applied for by Qualifying Shareholders under the Excess Application Facility;
'Excess CREST Open Offer Entitlement(s)'	in respect of each Qualifying CREST Shareholder, the entitlement to apply for Open Offer Shares in addition to the Basic Entitlement credited to the Qualifying CREST Shareholder's account in CREST, pursuant to the Excess Application Facility, which is conditional on the Qualifying CREST Shareholder taking up their Basic Entitlement in full and which may be subject to scaling back pursuant to the provisions of this document;
'Excess Entitlement(s)'	in respect of each Qualifying CREST Shareholder who has taken up his Basic Entitlement in full, the entitlement (in addition to the Basic Entitlement) to apply for Excess Shares up to the number of Open Offer Shares credited to his stock account in CREST pursuant to the Excess Application Facility, which may be subject to scaling back in accordance with the provisions of this document;
'Excess Open Offer Entitlement(s)'	in respect of each Qualifying Shareholder, the entitlement to apply for Open Offer Shares in addition to the Basic Entitlement, pursuant to the Excess Application Facility, which is conditional on the Qualifying Shareholder taking up their Basic Entitlement in full and which may be subject to scaling back pursuant to the provisions of this document;
'Ex-entitlement Date'	the date on which the Existing Ordinary Shares are marked 'ex' for entitlement under the Open Offer, being 16 March 2021;
'Existing Ordinary Shares'	the 163,274,498 Ordinary Shares in issue at the date of this document;
'FCA'	the Financial Conduct Authority of the United Kingdom;
'Firm Placing'	the unconditional placing of the Firm Placing Shares at the Fundraise Price by Stifel pursuant to the Placing, Subscription and Open Offer Agreement;
'Firm Placing Shares'	2,484,425 Placing Shares to be issued in the Firm Placing;
'First Admission'	admission to trading on AIM of the Firm Placing Shares becoming effective in accordance with Rule 6 of the AIM Rules;
'Form of Proxy'	the form of proxy for use at the General Meeting which accompanies this document;
'FSMA'	the UK Financial Services and Markets Act 2000, as amended;
'Fundraise'	the Placing, Subscription and the Open Offer;

'Fundraise Price'	£0.60 per Fundraise Share;
'Fundraise Shares'	up to 44,932,142 new Ordinary Shares to be issued pursuant to the Fundraise (being the Placing Shares, the Open Offer Shares and the Subscription Shares);
'General Meeting'	the general meeting of the Company, notice of which is set out at the end of this document;
'Group'	the Company and its subsidiary undertakings;
'Hatch Waxman'	the US Drug Price Competition and Patent Term Restoration Act 1984;
'HMRC'	Her Majesty's Revenue and Customs;
'ISIN'	International Securities Identification Number;
'KU Medical Center'	University of Kansas Medical Center;
'London Stock Exchange'	London Stock Exchange plc;
'Long Stop Date'	22 April 2021;
'Money Laundering Regulations'	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2007, the money laundering provisions of the Criminal Justice Act 1993, Part VIII of FSMA (together with the provisions of the Money Laundering Sourcebook of the FCA and the manual of guidance produced by the Joint Money Laundering Steering Group in relation to financial sector firms), the Terrorism Act 2000, the Anti-Terrorism Crime and Security Act 2001, the Proceeds of Crime Act 2002 and the Terrorism Act 2006;
'Net Proceeds'	the proceeds from the issue of the Fundraise Shares (assuming successful applications are received for all available Open Offer Shares), after the deduction of the Estimated Expenses;
'Notice of General Meeting'	the notice of the General Meeting, which is set out at the end of this document;
'NUKEM'	NUKEM Isotopes Imaging GmbH, a privately owned company registered in Germany with company number HRB11813 and having its registered office at Industriestrasse 13, 63755 Alzenau, Germany;
'Open Offer'	the conditional invitation to Qualifying Shareholders to apply to subscribe for the Open Offer Shares at the Fundraise Price on the terms and subject to the conditions set out in Part III of this document and in, where relevant, the Application Form;
'Open Offer Entitlement(s)'	the individual entitlements of Qualifying Shareholders to subscribe for Open Offer Shares allocated to Qualifying Shareholders pursuant to the Open Offer;
'Open Offer Shares'	up to 3,265,489 new Ordinary Shares being made available to Qualifying Shareholders pursuant to the Open Offer;
'Ordinary Shares'	ordinary shares of £0.00037 each in the share capital of the Company;

'Overseas Shareholders'	Shareholders with registered addresses outside the United Kingdom or who are citizens or residents of countries outside of the United Kingdom;
'Placees'	the subscribers for the Placing Shares pursuant to the Placing;
'Placing, Subscription and Open Offer Agreement'	the conditional placing, subscription and open offer agreement entered into between the Company and Stifel on 15 March 2021;
'Placing'	the Firm Placing and the Conditional Placing;
'Placing Shares'	the Firm Placing Shares and the Conditional Placing Shares;
'Prospectus Regulation Rules'	the prospectus rules published by the FCA pursuant to section 73A of FSMA (as amended from time to time);
'Qualifying CREST Shareholders'	Qualifying Shareholders holding Ordinary Shares in CREST in uncertificated form at the Record Date;
'Qualifying Non-CREST Shareholders'	Qualifying Shareholders holding Ordinary Shares in certificated form at the Record Date;
'Qualifying Shareholders'	holders of Ordinary Shares on the Register with the exclusion of Shareholders with a registered address or who are resident in any Restricted Jurisdiction;
'Record Date'	6.00 p.m. on 12 March 2021;
'Register'	the register of members of the Company;
'Registrars' or 'Receiving Agent'	Share Registrars Limited of The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR, United Kingdom;
'Regulation D'	Regulation D promulgated under the Securities Act;
'Regulation S'	Regulation S promulgated under the Securities Act;
'Regulatory Information Service'	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;
'Related Parties'	Amati, Bracco, Jonathan Allis, Richard Hullahen and Cyrille Petit;
'Resolutions'	the resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting;
'Restricted Jurisdiction'	each and any of Australia, Canada, Japan, the Republic of South Africa, the United States and any other jurisdiction where the extension or the availability of the Open Offer would breach any applicable law;
'Second Admission'	admission to trading on AIM of the Conditional EIS/VCT Placing Shares becoming effective in accordance with Rule 6 of the AIM Rules;
'Securities Act'	the United States Securities Act of 1933 (as amended);
'SEDOL'	Stock Exchange Daily Official List;
'Shareholder(s)'	holder(s) of Ordinary Shares, each a 'Shareholder' ;

'Stifel' or 'Nominated Adviser' or 'Nomad' or 'Corporate Broker' or 'Sole Bookrunner'	Stifel Nicolaus Europe Limited, a company incorporated in England with registered number 03719559 and having its registered office at 4th Floor, 150 Cheapside, London, EC2V 6ET, and who at the date of this document is appointed as Nominated Adviser and Corporate Broker to the Company, and is acting as Sole Bookrunner in connection with the Placing;
'Subscribers'	persons who agree, by entering into a Subscription Agreement, to subscribe for Subscription Shares at the Fundraise Price;
'Subscription'	the conditional subscription for the Subscription Shares, to be issued at the Fundraise Price, in accordance with the Subscription Agreements;
'Subscription Agreements'	the agreements dated 15 March 2021 between the Company and each of the Subscribers relating to the Subscription;
'Subscription Shares'	the 4,530,666 new Ordinary Shares issued pursuant to the Subscription;
'subsidiary undertakings'	has the meaning as set out in section 1162 of the Act;
'Takeover Code'	the City Code on Takeovers and Mergers
'Third Admission'	admission to trading on AIM of the Conditional General Placing Shares, the Subscription Shares and the Open Offer Shares becoming effective in accordance with Rule 6 of the AIM Rules;
'UK' or 'United Kingdom'	the United Kingdom of Great Britain and Northern Ireland;
'uncertificated' or 'in uncertificated form'	a share or security recorded in the Company's register of members as being held in uncertificated form, title to which may be transferred by means of CREST;
'US' or 'United States'	the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
'US Person'	has the meaning as set out in Regulation S;
'VCT'	a company which is, for the time being, approved as a venture capital trust as defined by Section 259 of the Income Tax Act 2007;
'VCT Placing Shares'	the Conditional VCT Placing Shares; and
'VCT Relief'	the income tax relief available to investors of a VCT.

GLOSSARY OF TECHNICAL TERMS

'Orange Book'	the publication maintained by the FDA listing approved drug products and information: 'Approved Drug Products with Therapeutic Equivalence Evaluations';
'Clinical Trials'	the Group's Phase III clinical trials which were conducted in the US;
'EMA'	the European Medicines Agency;
'FDA'	the US Food and Drug Administration;
'MRI'	magnetic resonance imaging; a type of scan that uses strong magnetic fields and radio waves to produce detailed images of the inside of the body;
'NDA'	New Drug Application;
'PDUFA'	the United States Prescription Drug User Fee Act of 1992;
'polariser'	the device that the Group designs manufactures and distributes and which produces hyperpolarised xenon, i.e. a hyperpolariser;
'Xe' or 'xenon'	xenon, a chemical element with symbol Xe and atomic number 54, which is a colourless, dense, odourless noble gas found in the Earth's atmosphere in trace amounts; and
'¹²⁹Xe'	a stable isotope of xenon detectable by MRI.

DIRECTORS, SECRETARY AND ADVISERS

Directors	Jonathan Allis Richard Hullahen Bastiaan Driehuys Charles (“ <u>Chuck</u> ”) Osborne Juergen Laucht Cyrille Petit Kenneth (“ <u>Ken</u> ”) West	<i>Non-Executive Chairman</i> <i>Chief Executive Officer</i> <i>Chief Technology Officer</i> <i>Chief Financial Officer</i> <i>Non-executive Director</i> <i>Non-executive Director</i> <i>Non-executive Director</i>
Registered Office	27-28 Eastcastle Street London, W1W 8DH	
Head Office, business address of the Directors and principal trading address	2500 Meridian Parkway Suite 175 Durham, NC 27713 United States	
Company website	www.polarean.com	
Company Secretary	Stephen Austin	
Nominated Adviser, Corporate Broker and Sole Bookrunner	Stifel Nicolaus Europe Limited 4th Floor, 150 Cheapside London, EC2V 6ET	
Solicitors to the Company	Reed Smith LLP The Broadgate Tower 20 Primrose Street London, EC2A 2RS	
Solicitors to the Nominated Adviser and Broker	CMS Cameron McKenna Nabarro Olswang LLP Cannon Place 78 Cannon Street London, EC4N 6AF	
Auditor	Crowe UK LLP St Bride’s House 10 Salisbury Square London, EC4Y 8EH	
Registrars	Share Registrars Limited The Courtyard 17 West Street Farnham Surrey, GU9 7DR	

FUNDRAISE STATISTICS

Fundraise Price	£0.60
Number of Existing Ordinary Shares ¹	163,274,498
Total number of Firm Placing Shares	2,484,425
Total number of Conditional EIS/VCT Placing Shares	12,515,571
Total number of Conditional General Placing Shares	22,135,991
Total number of Placing Shares	37,135,987
Total number of Subscription Shares	4,530,666
Basis for the Open Offer	1 Open Offer Share for every 50 Existing Ordinary Shares
Maximum number of Open Offer Shares ²	3,265,489
Total number of Fundraise Shares ²	44,932,142
Enlarged Share Capital following the Fundraise ²	208,206,640
Percentage of the Enlarged Share Capital represented by the Firm Placing Shares ²	1.2 per cent.
Percentage of the Enlarged Share Capital represented by the Conditional EIS/VCT Placing Shares ²	6.0 per cent.
Percentage of the Enlarged Share Capital represented by the Conditional General Placing Shares ²	10.6 per cent.
Percentage of the Enlarged Share Capital represented by the Placing Shares ²	17.8 per cent.
Percentage of the Enlarged Share Capital represented by the Subscription Shares ²	2.2 per cent.
Percentage of the Enlarged Share Capital represented by the Open Offer Shares ²	1.6 per cent.
Percentage of the Enlarged Share Capital represented by the Fundraise Shares ²	21.6 per cent.
Estimated gross proceeds of the Placing	Approximately £22,281,592 (US\$30,960,272)
Estimated gross proceeds of the Subscription	Approximately £2,718,400 (US\$3,777,216)
Estimated gross proceeds of the Open Offer ²	Approximately £1,959,293 (US\$2,722,438)
Estimated gross proceeds of the Fundraise ²	Approximately £26,959,285 (US\$37,459,927)
Estimated net proceeds of the Fundraise ²	Approximately £25,593,241 (US\$35,561,808)
TIDM	POLX
SEDOL Code	BF3DT58
ISIN Code – Ordinary Shares	GB00BF3DT583
ISIN – Open Offer Basic Entitlements	GB00BLH3GC21
ISIN – Open Offer Excess Entitlements	GB00BLH3GD38

Notes

- 1 As at 15 March 2021, the last practicable date prior to publication of this document
- 2 Assuming successful applications are received for all available Open Offer Shares.
- 3 Based on the Estimated Expenses and assuming successful applications are received for all available Open Offer Shares.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date for the Open Offer	6:00 p.m. on 12 March 2021
Announcement of the Fundraise	15 March 2021
Publication and posting of this document, Form of Proxy and, to Qualifying Non-CREST shareholders only, Application Form	16 March 2021
Existing Ordinary Shares marked “ex” by the London Stock Exchange	7.00 a.m. on 16 March 2021
Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to stock accounts of Qualifying CREST Shareholders	As soon as possible after 8.00 a.m. on 17 March 2021
Recommended latest time for requesting withdrawal of Open Offer Entitlements from CREST for Qualifying CREST Shareholders	4.30 p.m. on 26 March 2021
Latest time and date for depositing Open Offer Entitlements and Excess CREST Open Offer Entitlements into CREST	3.00 p.m. on 29 March 2021
Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 30 March 2021
First Admission and dealings in the Firm Placing Shares expected to commence on AIM	8.00 a.m. on 31 March 2021
Firm Placing Shares expected to be credited to CREST members’ account in uncertificated form	31 March 2021
Latest time and date for receipt of Form of Proxy and CREST voting instructions to be valid at the General Meeting	2.00 p.m. on 31 March 2021
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on 1 April 2021
General Meeting	2.00 p.m. (9.00 a.m. (EDT)) on 6 April 2021
Announcement of result of Open Offer and result of General Meeting	6 April 2021
Second Admission and dealings in Conditional EIS/VCT Placing Shares expected to commence on AIM	8.00 a.m. on 7 April 2021
Conditional EIS/VCT Placing Shares expected to be credited to CREST members’ account in uncertificated form	7 April 2021
Third Admission and dealings in Conditional General Placing Shares, Subscription Shares and Open Offer Shares expected to commence on AIM	8.00 a.m. on 8 April 2021
Conditional General Placing Shares, Subscription Shares and Open Offer Shares credited to CREST members’ account in uncertificated form	8 April 2021
Despatch of definitive share certificates in respect of the Fundraise Shares in be held in certificated form	within 14 days of Admission

Notes:

1. Each of the times and dates above are indicative only and if any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service.
2. All of the above times refer to London time unless otherwise stated.
3. All events listed in the above timetable following the General Meeting are conditional on the passing at the General Meeting of the Resolutions.

EXCHANGE RATES

The exchange rate used throughout this document is £1.00 = US\$1.3895, unless otherwise stated, being the closing rate on the last practicable date prior to publication of this document.

LETTER FROM THE CHAIRMAN OF POLAREAN IMAGING PLC

(Incorporated in England and Wales under the Companies Act 2006 with registered no. 10442853)

Directors:

Jonathan Allis	Non-Executive Chairman
Richard Hulihan	Chief Executive Officer
Bastiaan Driehuys	Chief Technology Officer
Charles (“Chuck”) Osborne	Chief Financial Officer
Juergen Laucht	Non-executive Director
Cyrille Petit	Non-executive Director
Kenneth (“Ken”) West	Non-executive Director

Registered office:

27-28 Eastcastle Street
London
W1W 8DH

16 March 2021

To Shareholders and, for information only, to the holders of options and warrants over Ordinary Shares

Dear Shareholder

Placing, Subscription and Open Offer of up to 44,932,142 Fundraise Shares at £0.60 per Fundraise Share

and

Notice of General Meeting

1. INTRODUCTION

Polarean Imaging plc is a commercial-stage medical imaging technology company, with a proprietary drug-device combination product using hyperpolarised xenon-129 gas to enhance magnetic resonance imaging (MRI) in pulmonary medicine.

On 23 December 2020 the Company announced that it had received confirmation of acceptance of its new drug application by the FDA for the Group’s drug-device combination using hyperpolarised xenon-129 gas to enhance MRI in pulmonary medicine. The FDA has confirmed that the review will follow the standard review time frame with a target PDUFA action date of 5 October 2021 and the Company plans to make full use of the intervening period to prepare for commercialisation and launch of the Company’s technology.

The Company has today announced that it has raised a total of £1,490,655 (US\$2,071,265) by means of the Firm Placing of, in aggregate 2,484,425 Firm Placing Shares at the Placing Price per Firm Placing Share. The Company has also conditionally raised a total of £20,790,937 (US\$28,889,007) (before expenses) by means of the Conditional Placing of, in aggregate 34,651,562 Conditional Placing Shares at the Fundraise Price per Conditional Placing Share and £2,718,400 (US\$3,777,216) by way of the Subscription of, in aggregate 4,530,666 Subscription Shares at the Fundraise Price per Subscription Share. In addition, the Board has also set out its intention to raise up to a further £1,959,293 (US\$2,722,438) (assuming full take up of the Open Offer) by way of the Open Offer to all Qualifying Shareholders to provide them with the opportunity to participate in the Fundraise.

The Open Offer is being conducted on the basis of one Open Offer Share for every 50 Existing Ordinary Shares held on the Record Date at the Fundraise Price per Open Offer Share. Qualifying Shareholders subscribing for their full Basic Entitlement under the Open Offer may also apply for additional Open Offer Shares through the Excess Application Facility. The Open Offer is not being underwritten. The total amount that the Company could therefore raise as a result of the Fundraise is approximately £26,959,285 (US\$37,459,927) (before expenses), assuming that the Open Offer is fully subscribed.

The Fundraise is being conducted in three tranches:

- the first tranche consists of Firm Placing Shares issued under the Firm Placing;
- the second tranche consists of Conditional EIS/VCT Placing Shares issued under the Conditional Placing; and
- the third tranche consists of Conditional General Placing Shares, Subscription Shares and Open Offer Shares issued under the Conditional Placing, Subscription and the Open Offer, respectively.

The Firm Placing is being made pursuant to existing authorities to allot shares for cash and disapply pre-emption rights under section 551 and section 570, respectively, of the Act, which were granted to the Directors at the annual general meeting of the Company held on 13 July 2020. The Firm Placing is conditional upon, among other things, First Admission in respect of the Firm Placing Shares. Accordingly, it is expected that the Firm Placing Shares will be admitted to AIM and will commence trading at 8.00 a.m. on 31 March 2021.

The Company will require additional authority to allot the Conditional Placing Shares, the Subscription Shares and the Open Offer Shares. Accordingly, the Conditional Placing, the Subscription and the Open Offer are conditional, among other things, on the passing of the Resolutions to be proposed at the General Meeting. A notice for the General Meeting, which includes details of the Resolutions is set out at the end of this document.

As part of the Placing, the Company is seeking to raise funds by the issue of the EIS Placing Shares to investors seeking the benefit of tax relief under the EIS and the VCT Placing Shares to investors seeking the benefit of VCT Relief.

Shareholders should note that although the Directors believe that the EIS Placing Shares should qualify for EIS Relief and that the issue of VCT Placing Shares to a VCT should qualify for VCT Relief, no advance assurance has been received from HMRC, and consequently the availability of EIS Relief in relation to the EIS Placing Shares and VCT Relief in relation to the VCT Placing Shares cannot be guaranteed.

Applications will be made to the London Stock Exchange for First Admission, Second Admission and Third Admission. It is expected that:

- settlement of the Firm Placing Shares and First Admission will become effective on or around 8.00 a.m. on 31 March 2021 and that dealings in the Firm Placing Shares will commence at that time;
- settlement of the Conditional EIS/VCT Placing Shares and Second Admission will become effective on or around 8.00 a.m. on 7 April 2021 (being the Business Day following the General Meeting) and that dealings in the Conditional EIS/VCT Placing Shares will commence at that time; and
- settlement of the Conditional General Placing Shares, the Subscription Shares and the Open Offer Shares and Third Admission will become effective on or around 8.00 a.m. on 8 April 2021 (being the Business Day following Second Admission) and that dealings in the Conditional General Placing Shares, the Subscription Shares and the Open Offer Shares will commence at that time.

If the conditions relating to the issue of the Conditional Placing Shares are not satisfied, or the Placing, Subscription and Open Offer Agreement is terminated in accordance with its terms, the Conditional Placing Shares, the Subscription Shares and the Open Offer Shares will not be issued and the Company will not receive the related funds. Shareholders should note that it is possible that First Admission occurs but that Second Admission or Third Admission does not, or that First Admission and Second Admission occur but that Third Admission does not. If any Admission does not occur then the Company will not receive the relevant net proceeds in respect of such Admission and the Company may not be able to finance the activities referred to in this document.

This Circular: (a) sets out the background to and reasons for the Fundraise; (b) explains why the Directors consider the Fundraise to be in the best interests of the Company and its Shareholders; (c) provides details of the General Meeting and the Resolutions to be proposed at that General Meeting; and (d) explains why the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, as they have irrevocably undertaken to do in respect of their own beneficial interests in the Ordinary Shares.

2. RECENT DEVELOPMENTS

Fundraising

Following the positive top-line results from the Company's pivotal phase III Clinical Trials which were announced on 29 January 2020, on 1 April 2020 the Company completed a placing and subscription raising a total of £8.4 million (US\$10.7 million at the exchange rate £1.00 = US\$1.28) (before expenses) through the issue of 46,624,997 Ordinary Shares with new and existing investors at a price of £0.18 per Ordinary Share. This included a £2.2 million (US\$2.8 million at the exchange rate £1.00 = US\$1.28) investment by

Bracco. The net proceeds of this fundraiser were deployed in supporting the preparation and submission of the NDA and in providing additional working capital to build and sell polarisers.

Clinical Trials and submission of NDA

On 7 October 2020, the Company announced its submission of an NDA to the FDA for hyperpolarised ¹²⁹Xe used to evaluate pulmonary function and to visualise the lung using MRI.

The submission of the NDA followed the Clinical Trials which demonstrated equivalence in the effective measurement of regional lung ventilation to the trial comparator. As detailed in the Company's announcement of 29 January 2020, both Clinical Trials met their primary endpoints, showing pre-defined equivalence of hyperpolarised ¹²⁹Xe gas MRI to an approved comparator, ¹³³Xenon scintigraphy, and displayed a benign safety profile.

On 23 December 2020 Polarean announced that the Company had received confirmation of acceptance of its NDA by the FDA. The FDA has confirmed that the review will follow the standard review time frame with a target PDUFA action date of 5 October 2021. The NDA included a request for Hatch Waxman protection, which in conjunction with the Orange Book may lead to 5-7 years of regulatory market exclusivity for the Company's products. It is anticipated that FDA feedback will be received on the potential label and Hatch Waxman grant by the end of September 2021. The Company is also involved in market research on the coding, coverage and payment confirmations which is also expected to be completed by the end of the third quarter of 2021.

Covid-19 study with Oxford University

The Company's hyperpolarised xenon MRI technology has been used in a study conducted by researchers at Oxford University looking at the effects of Covid-19 on the respiratory system. Images were taken of the lungs of 10 patients aged between 19 and 69 reporting respiratory issues three months after a Covid-19 diagnosis. Eight of the patients complained of a persistent shortness of breath and tiredness, although none had been admitted to intensive care or required ventilation. Conventional CT scans had not identified any issues with the lungs of the patients.

The early findings of the study have identified impaired lung function in all of the patients. The early data suggests that although the damage to the lungs from Covid-19 is not identifiable with a standard MRI or CT scan, xenon MRI demonstrates that the ability to transfer oxygen from the lungs into the bloodstream when breathing is visibly impaired for some time.

Oxford University is now planning a further trial of up to 100 people to investigate the findings of the study further.

Delivery of Polarisers

The Company announced on 18 September 2020 that it had completed the installation of a research unit order for a 9820 xenon polariser system at the University of Kansas Medical Center. KU Medical Center is a major research and teaching hospital and the polariser is intended to form the cornerstone of a new hyperpolarised ¹²⁹Xe imaging research programme.

In addition, the Company has delivered but not yet completed installation of a research unit at MD Anderson Cancer Center. Installation will proceed upon finalisation of the facility's construction activities. Following this installation, the total number of the Company's polarisers installed will be 24.

Board Changes

Cyrille Petit, Chief Corporate Development Officer and Head of Strategic Initiatives of the Bracco Group, was appointed to the Board on 1 June 2020 as Bracco's representative. Mr Petit was appointed to the Board on the same basis as regards voting and term of appointment as the Company's existing non-executive directors. He also serves as a member of the audit committee of the Company.

On 23 December 2020, the Company announced that Ken West would be retiring as an employee of the Company and would therefore no longer hold the position of Chief Operating Officer. The Board approved

Mr West's continued involvement as a Consultant to the Company and his transition to a Non-Executive Director.

Having joined the senior management team of the Company in April 2019, on 22 February 2021 Charles ('Chuck') Fremont Osborne, Jr. was appointed to the board as Chief Financial Officer. Mr Osborne is a Certified Public Accountant with previous experience of financial operations within the pharmaceutical industry and of working for public companies.

3. BACKGROUND TO AND REASONS FOR THE FUNDRAISE

Following the submission of the NDA, the Company is focusing on preparing for the commercial launch of the Company's drug-device combination. The Group is undertaking the Fundraise at this time in order to strengthen the Company's balance sheet while it prepares for the commercial launch.

The Company also intends to continue to develop and extend its IP portfolio as it prepares for the marketing of its drug device platform ahead of the commercial launch.

4. USE OF PROCEEDS

The Net Proceeds of the Fundraise, which are estimated to be £25,593,241 (US\$35,561,808), will be used to:

- fund sales and marketing expenses to build the commercial team and infrastructure, targeting Academic Centers of Excellence in pulmonary medicine across the US, and be prepared to accelerate commercialisation upon receipt of FDA approval expected on 5 October 2021 (approximately £10,795,250 (US\$15 million));
- support clinical trials, regulatory expenses and Medical Affairs team buildout to expand indications to gas exchange and red blood cell transfer, as well as investigate extension to other geographies (approximately £4,318,100 (US\$6 million));
- support research and development costs to fund continued development of improved versions of the polariser, and commercialise imaging software (approximately £2,159,050 (US\$3 million)); and
- provide additional working capital and for general corporate purposes (approximately £8,320,841 (US\$11,561,808)).

The Company will require further capital in order to execute its longer-term strategy which includes the commercial launch of its technology in new jurisdictions, including Europe. The Board will therefore continue to explore additional funding options, including strategic partnerships, non-dilutive government funding from grants and further issues of Ordinary Shares, subject to the Directors being satisfied with the issue price of the shares at the time.

5. CURRENT PROSPECTS AND OUTLOOK

Polarean is currently trading in line with market expectations. The audit for the year ended 31 December 2020 is now underway, with the full year revenue for 2020 expected to be approximately US\$1.0 million (2019: US\$2.3 million), the unaudited adjusted EBITDA loss approximately US\$5.8 million (2019: US\$5.3 million) and unaudited loss after tax for the year of US\$6.6 million (2019: US\$6.1 million). Following the completion of the Fundraise, the Group will have cash of around £28.5 million (US\$39.6 million).

The Group expects to release its audited results for the year ended 31 December 2020 by the end of May 2021.

6. DETAILS OF THE FUNDRAISE

6.1 The Placing

The Company proposes to raise £1,490,655 (US\$2,071,265), before expenses, through the issue of the Firm Placing Shares at the Fundraise Price. In addition, the Company has conditionally raised £20,790,937 (US\$28,889,007), before expenses, by way of the Conditional Placing, which involves the issue to new and existing institutional investors of the Conditional Placing Shares at the Fundraise

Price. The Fundraise Price represents a discount of approximately 7.7 per cent. to the Closing Price of £0.65 per Existing Ordinary Share on 12 March 2021, being the last Business Day prior to the announcement of the Fundraise.

The Placing Shares represent approximately 22.7 per cent. of the Existing Ordinary Shares and will, when issued, represent approximately 17.8 per cent. of the Enlarged Share Capital.

The Placing Shares will, following Admission, rank in full for all dividends and distributions declared, made or paid in respect of the issued Ordinary Share capital of the Company and otherwise rank *pari passu* in all other respects with the Existing Ordinary Shares.

The Placing Shares are not being made available to the public and none of the Placing Shares are being offered or sold in any jurisdiction where it would be unlawful to do so, including Australia, Canada, Japan, the Republic of South Africa or the United States. As noted above, the Placing Shares have not been, and will not be, registered under the Securities Act or under the securities laws of any state of the United States or qualify for distribution under any of the relevant securities laws of Australia, Canada, Japan or the Republic of South Africa.

The Placing, Subscription and Open Offer Agreement

On 15 March 2021, the Company entered into the Placing, Subscription and Open Offer Agreement pursuant to which Stifel has agreed to act as agent for the Company and use its reasonable endeavours to place the Placing Shares at the Fundraise Price with certain new and existing institutional investors. The Placing, Subscription and Open Offer Agreement is:

- in respect of the Firm Placing Shares, conditional, among other things, upon First Admission becoming effective on or before 8.00 a.m. on 31 March 2021 (or by such later time and/or date as Stifel and the Company may agree but not later than 8.30 a.m. on 2 April 2021);
- in respect of the Conditional EIS/VCT Placing Shares, conditional, among other things, upon: (i) the passing of the Resolutions; (ii) First Admission having occurred; and (iii) Second Admission becoming effective on or before 8.00 a.m. on 7 April 2021, (or by such later time and/or date as Stifel and the Company may agree but not later than 8.30 a.m. on the Long Stop Date); and
- in respect of the Conditional General Placing Shares, the Subscription Shares and the Open Offer Shares, conditional, among other things, upon: (i) the passing of the Resolutions; (ii) First Admission and Second Admission having occurred; and (iii) Third Admission becoming effective on or before 8.00 a.m. on 8 April 2021, (or by such later time and/or date as Stifel and the Company may agree but not later than 8.30 a.m. on the Long Stop Date).

The Placing, Subscription and Open Offer Agreement contains customary warranties from the Company in favour of Stifel in relation to (amongst other things) the accuracy of the information in this document and other matters relating to the Company and its business. In addition, the Company has agreed to indemnify Stifel in relation to certain liabilities they may incur in undertaking the Placing. Stifel has the right to terminate the Placing, Subscription and Open Offer Agreement in certain circumstances prior to Admission. In particular, Stifel may terminate in the event that there has been a material breach of any of the warranties, the conditions of the agreement have become incapable of fulfilment or for force majeure. The Placing has not been underwritten.

The Firm Placing Shares will represent approximately 1.2 per cent. of the Enlarged Share Capital and the Conditional Placing Shares will represent approximately 16.6 per cent. of the Enlarged Share Capital.

The Subscription

The Subscription Shares will be issued to the Subscribers, at the Fundraise Price, by the Company pursuant to the Subscription Agreements. The Subscription is conditional, amongst other things, upon: (i) the passing of the Resolutions; (ii) First Admission and Second Admission having occurred; and (iii) Third Admission becoming effective on or before 8.00 a.m. on 8 April 2021 (or by such later time and/or date as Stifel and the Company may agree but not later than 8.30 a.m. on the Long Stop Date).

The Subscription Shares will represent approximately 2.2 per cent. of the Enlarged Share Capital.

6.2 The Open Offer

Basic Entitlement

Qualifying Shareholders (other than, subject to certain exemptions, those Shareholders in Restricted Jurisdictions) have the opportunity under the Open Offer to subscribe for Open Offer Shares at the Fundraise Price, payable in full on application and free of expenses, *pro rata* to their existing shareholdings, on the following basis:

1 Open Offer Shares for every 50 Existing Ordinary Shares

held by them and registered in their names on the Record Date, rounded down to the nearest whole number of Open Offer Shares. Qualifying Shareholders may apply for any whole number of Open Offer Shares up to their Basic Entitlement.

The Open Offer Shares will (assuming successful applications are received for all available Open Offer Shares) represent approximately 1.6 per cent. of the Enlarged Share Capital.

Excess Application

The Open Offer is structured so as to allow Qualifying Shareholders to subscribe for Open Offer Shares at the Fundraise Price *pro rata* to their holdings of Existing Ordinary Shares. Qualifying Shareholders may also make applications in excess of their *pro rata* initial entitlement. To the extent that *pro rata* entitlements to Open Offer Shares are not subscribed for by Qualifying Shareholders, such Open Offer Shares will be available to satisfy such Excess Applications where Qualifying Shareholders have taken up their full Basic Entitlement. Applications for Excess Shares will be allocated in such manner as the Directors may determine, and no assurance can be given that such applications by Qualifying Shareholders will be met in full or in part or at all. Excess Applications will be rejected if and to the extent that acceptance would result in a Qualifying Shareholder, together with those acting in concert with him/her/it for the purposes of the Takeover Code, holding 30 per cent. or more, or increasing an existing holding of 30 per cent. or more, of the Enlarged Share Capital.

Overseas Shareholders

The attention of Qualifying Shareholders who have registered addresses outside the UK, or who are citizens or residents of countries other than the UK, or who are holding Existing Ordinary Shares for the benefit of such persons (including, without limitation, custodians, nominees, trustees and agents), or who have a contractual or other legal obligation to forward this document or the Application Form to such persons, is drawn to the information which appears in paragraph 6 of Part III of this document.

In particular, Qualifying Shareholders who have registered addresses in or who are resident in, or who are citizens of, countries other than the UK (including without limitation any Restricted Jurisdiction), should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their Open Offer.

Settlements and dealings

The Open Offer is not a rights issue. Qualifying CREST Shareholders should note that although the Basic Entitlements and Excess Entitlements will be admitted to CREST and be enabled for settlement, they will not be tradable and applications in respect of the Basic Entitlements and Excess Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying Non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders who do not apply to take up their Basic Entitlements will have no rights under the Open Offer or receive any proceeds from it. If valid acceptances are not received in respect of all Basic Entitlements under the Open Offer, unallocated Open Offer Shares may be allotted to Qualifying Shareholders who have made valid applications under the Excess Application Facility and the proceeds retained for the benefit of the Company. Qualifying Shareholders should be aware that in the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for will not be sold in the market or placed for the benefit of Qualifying Shareholders.

Application has been made for the Basic Entitlements and Excess Entitlements of Qualifying CREST Shareholders to be admitted to CREST. It is expected that such Basic Entitlements and Excess Entitlements will be admitted to CREST on 17 March 2021.

Further details of the Open Offer and the terms and conditions on which it is being made, including the procedure for application and payment, are contained in Part III of this document and for Qualifying Non-CREST Shareholders on the accompanying Application Form. To be valid, duly completed CREST voting instructions and Forms of Proxy must be received by the Registrar by no later than 2.00 p.m. on 31 March 2021. Application Forms and payment in full for the Open Offer Shares applied for should be returned to, or received by, as the case may be, the Receiving Agent by no later than 11.00 a.m. on 1 April 2021.

Further information on the Open Offer and the terms and conditions on which it is made, including the procedure for application and payment, are set out in Part III of this document and, where relevant, on the Application Form. It is expected that Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Basic Entitlements and Excess Entitlements at 8.00 a.m. on 17 March 2021.

If the conditions of the Placing, Subscription and Open Offer Agreement are not fulfilled or (where capable of waiver) waived on or before 8.00 a.m. on 22 April 2021 (or such later time as the Company and Stifel may agree), the Open Offer will not become unconditional and application monies will be returned to applicants, without interest, as soon as practicable thereafter.

7. EFFECT OF THE FUNDRAISE

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

Qualifying Shareholders who do not take up their Open Offer Entitlements in full will experience a dilution to their interests of approximately 21.6 per cent. (assuming full take up under the Open Offer).

8. APPLICATIONS FOR ADMISSION

Applications will be made to the London Stock Exchange for the Fundraise Shares to be admitted to trading on AIM. Subject to, amongst other things, Shareholder approval of the Resolutions at the General Meeting, Admission is expected to take place, and dealings in the Fundraise Shares on AIM are expected to commence:

- for the Firm Placing Shares (being First Admission), at 8.00 a.m. on 31 March 2021 (or such later date as may be agreed between the Company and Stifel, being no later than 8.30 a.m. on 1 April 2021);
- for the Conditional EIS/VCT Placing Shares (being Second Admission), at 8.00 a.m. on 7 April 2021 (or such later date as may be agreed between the Company and Stifel, being no later than 8.30 a.m. on the Long Stop Date); and
- for the Conditional General Placing Shares, the Subscription Shares and the Open Offer Shares (being Third Admission), at 8.00 a.m. on 8 April 2021 (being the Business Day following Second Admission) (or such later date as may be agreed between the Company and Stifel, being no later than 8.30 a.m. on the Long Stop Date).

9. DIRECTORS' AND OTHER INTERESTS

As at the date of this document and immediately following Third Admission, the interests (all of which are beneficial unless otherwise stated), whether direct or indirect, of the Directors and their families (within the meaning set out in the AIM Rules) in the issued share capital of the Company and the existence of which is known to or could, with reasonable diligence, be ascertained by that Director, are as follows:

Name	Date of this document		Immediately following Third Admission	
	No of Existing Ordinary Shares	Percentage of Existing Ordinary Shares	No of Ordinary Shares issued	Percentage of Enlarged Share Capital**
Jonathan Allis	2,433,129	1.5	2,593,129	1.3
Richard Hullihen	2,928,899	1.8	3,048,899	1.5
Bastiaan Driehuys	12,267,503	7.5	12,267,503	5.9
Charles Osborne	–	–	–	–
Juergen Laucht	–	–	–	–
Cyrille Petit	350,000	0.2	434,000	0.2
Kenneth West	475,594	0.3	475,594	0.2

** Assuming successful applications are received for all available Open Offer Shares

10. SIGNIFICANT SHAREHOLDERS

As at the date of this document and immediately following Third Admission, the Directors are aware of the following persons who, directly or indirectly, are interested in three per cent. or more of the Existing Ordinary Shares and their resultant holdings after Admission:

Name	Date of this document		Immediately following Third Admission	
	No of Existing Ordinary Shares	Percentage of Existing Ordinary Shares	No of Ordinary Shares issued	Percentage of Enlarged Share Capital**
Amati AIM VCT plc	23,571,429	14.4	26,114,469	12.5
Bastiaan Driehuys	12,267,503	7.5	12,267,503	5.9
Bracco Imaging S.p.A.	12,222,222	7.5	16,388,888	7.9
NUKEM Isotopes Imaging GmbH	11,234,208	7.0	11,234,208	5.4
Walker Crips Investment Management	8,524,968	5.2	9,215,241	4.4
Hargreaves Lansdown	7,418,170	4.5	7,418,170	3.6
Raymond James Investment Services	6,800,424	4.2	6,800,424	3.3
Chelverton Asset Management Ltd	6,750,000	4.1	9,300,000	4.5
Share Centre	6,640,116	4.0	6,640,116	3.2
John Sudol	6,206,121	3.8	6,206,121	3.0
Hargreave Hale AIM VCT	5,204,597	3.2	7,111,877	3.4

* The percentages shown are based on the most recent share register analysis or latest date of notification

** Assuming successful applications are received for all available Open Offer Shares

11. RELATED PARTY TRANSACTION

Jonathan Allis, Richard Hullihen, Cyrille Petit and Amati are, respectively, directors of and a substantial shareholder in the Company and their participation in the Fundraise constitutes a related party transaction in accordance with rule 13 of the AIM Rules. Kenneth West who is not subscribing for Fundraise Shares and is therefore considered to be an independent Director for these purposes, having consulted with Stifel, in its capacity as nominated adviser to the Company, considers the terms of the Related Parties' participation in the Fundraise to be fair and reasonable insofar as the Shareholders are concerned.

The subscription by Bracco constitutes a related party transaction for the purposes of the AIM Rules. The Directors (other than Cyrille Petit who, as he is representative of Bracco on the Board, did not participate in the Board's consideration of this matter), having consulted with Stifel, in its capacity as nominated adviser

to the Company, consider that the terms of Bracco's subscription for Subscription Shares is fair and reasonable in so far as Shareholders are concerned.

12. GENERAL MEETING

The Directors do not currently have the authority to issue all of the Fundraise Shares simultaneously so the Conditional Placing, Subscription and Open Offer will be subject to Shareholders approving resolutions to increase the Directors' authority to allot the Conditional Placing Shares, Subscription Shares and the Open Offer Shares, and to disapply statutory pre-emption rights, at the General Meeting. A notice is set out at the end of this document convening the General Meeting to be held at the Company's offices at 2500 Meridian Parkway (Suite 175), Durham, NC 27713, USA on 6 April 2021 at 2.00 p.m. (9.00 a.m. (EDT)).

In light of the current restrictions imposed by the UK Government and US Federal and State authorities as a result of the COVID-19 pandemic, the General Meeting will be held with the minimum number of members legally required to be present. For the safety of all Shareholders, no Shareholders will be permitted to attend the General Meeting in person without invitation. The Company therefore strongly encourages all Shareholders to submit their Form of Proxy appointing the Chairman as their proxy. Only the formal business of the Resolutions will be carried out at the General Meeting.

The Company will provide a facility for Shareholders to join the General Meeting either online or telephonically and there will be an opportunity for Shareholders to ask questions. In order to facilitate the process, and so that questions can be fully answered at the end of the General Meeting, the Board would request questions to be submitted in advance, before 2.00 p.m. on 31 March 2021.

The following Resolutions will be proposed at the General Meeting:

- (A) Resolution 1, which will be proposed as an ordinary resolution, is to authorise the Directors to allot and grant rights to subscribe for, or convert any security into, shares up to: (i) 34,651,562 Ordinary Shares (being an aggregate nominal value of £12,821) in connection with the Conditional Placing; (ii) 4,530,666 Ordinary Shares (being an aggregate nominal value of £1,676) in connection with the Subscription; and (iii) 3,265,489 Ordinary Shares (being an aggregate nominal value of £1,208) in connection with the Open Offer;
- (B) Resolution 2, which will be proposed as an ordinary resolution, is to authorise the Directors to allot and grant rights to subscribe for, or convert any security into, shares up to 31,230,996 Ordinary Shares (being an aggregate nominal value of £11,555 and 15 per cent. of the Enlarged Share Capital) otherwise than in connection with the Fundraise;
- (C) Resolution 3, which will be proposed as a special resolution and which is subject to the passing of Resolution 1, is to disapply statutory pre-emption rights, provided that such authority shall be limited to: (i) 34,651,562 Ordinary Shares (being an aggregate nominal value of £12,821) in connection with the Conditional Placing; (ii) 4,530,666 Ordinary Shares (being an aggregate nominal value of £1,676) in connection with the Subscription; and (iii) 3,265,489 Ordinary Shares (being an aggregate nominal value of £1,208) in connection with the Open Offer; and
- (D) Resolution 4, which will be proposed as a special resolution and which is subject to the passing of Resolution 2, is to disapply statutory pre-emption rights, provided that such authority shall be limited to 31,230,996 Ordinary Shares (being an aggregate nominal value of £11,555 and 15 per cent. of the Enlarged Share Capital) otherwise than in connection with the Fundraise.

Resolution 1 authorises the allotment of such number of Fundraise Shares as are necessary for the Conditional Placing, Subscription and Open Offer. Resolution 2 provides the Directors with a standing authority to allot up to 31,230,996 Ordinary Shares (being an aggregate nominal value of £11,555 and 15 per cent. of the Enlarged Share Capital) otherwise than in connection with the Fundraise.

Resolution 3 authorises the disapplication of statutory pre-emption rights in respect of such number of Fundraise Shares as are necessary for the Conditional Placing, Subscription and Open Offer and Resolution 4 provides the Directors with a standing authority to allot equity securities otherwise than in accordance with statutory pre-emption rights (up to 15 per cent. of the Enlarged Share Capital).

13. ACTION TO BE TAKEN

13.1 In respect of the General Meeting

Please check that you have received the following with this document:

- a Form of Proxy for use in relation to the General Meeting; and
- a reply-paid envelope for use in connection with the return of the Form of Proxy (in the UK only).

To vote, at the General Meeting in respect of your shareholding, you should complete, sign and return your Form of Proxy in accordance with the instructions printed thereon so as to be received by post or, during normal business hours only, by hand, at Share Registrars Limited of The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR, United Kingdom, as soon as possible but in any event so as to arrive by not later than 2.00 p.m. on 31 March 2021 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)). Appointing a proxy in accordance with the instructions set out above will enable your vote to be counted at the General Meeting.

13.2 In respect of the Open Offer

If you do not wish, or are not entitled, to apply for any Open Offer Shares under the Open Offer, you should not complete or return the Application Form. Shareholders are nevertheless requested to complete and return the Form of Proxy.

Qualifying Non-CREST Shareholders wishing to apply for Open Offer Shares or Excess Shares must complete the enclosed Application Form in accordance with the instructions set out in Part III of this document and on the accompanying Application Form and return it to the Receiving Agent so as to arrive no later than 11.00 a.m. on 1 April 2021.

If you are a Qualifying CREST Shareholder, no Application Form will be sent to you. Qualifying CREST Shareholders will have their Basic Entitlements and Excess Entitlements credited to their stock accounts in CREST. You should refer to the procedure for application set out in Part III of this document. The relevant CREST voting instructions must have settled in accordance with the instructions in Part III of this document by no later than 11.00 a.m. on 1 April 2021.

Qualifying CREST Shareholders who are CREST Sponsored Members should refer to their CREST Sponsors regarding the action to be taken in connection with this document and the Open Offer.

14. RECOMMENDATION AND IRREVOCABLE UNDERTAKINGS

The Directors consider the Fundraise to be in the best interests of the Company and its Shareholders as a whole and accordingly unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting as they have irrevocably undertaken to do in respect of their own beneficial holdings amounting, in aggregate, to 18,455,125 Existing Ordinary Shares, representing approximately 11.3 per cent. of the Existing Ordinary Shares.

In addition to the Directors, certain other Shareholders have irrevocably undertaken to vote in favour of the Resolutions in respect of the Existing Ordinary Share in which they are interested, amounting in aggregate to 23,456,430 Existing Ordinary Shares, representing 14.4 per cent. of the Existing Ordinary Shares.

15. AVAILABILITY OF THIS DOCUMENT

Copies of this document will be available on the Company's website at www.polarean.com from the date of this document until the date of Third Admission.

Yours faithfully

Dr Jonathan Allis
Chairman

PART II

RISK FACTORS

The investment described in this document may not be suitable for all of the recipients of this document. In addition to all of the other information set out in this document, the following specific risk factors should be considered carefully by potential investors, who should also ensure that they have read this document in its entirety before making a decision to invest in the Company. Although the Directors will seek to minimise the impact of the risk factors, investment in the Company should only be made by investors able to sustain a total loss of their investment. Before making a final decision, investors in any doubt are strongly advised to consult their stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised pursuant to FSMA if resident in the United Kingdom or, if not, another appropriately authorised independent financial adviser.

Prospective investors should be aware that an investment in the Company is speculative and involves a high degree of risk. In addition to the other information contained in this document, the Directors believe that the following risk factors are the most significant for potential investors and should be considered carefully in evaluating whether to make an investment in the Company. If any of the risks described in this document actually occur, the Company may not be able to conduct its business as currently planned and its financial condition, operating results and cash flows could be seriously harmed. In that case, the market price of the Ordinary Shares could decline and all or part of an investment in the Ordinary Shares could be lost. However, the risks listed do not necessarily comprise all those associated with an investment in the Company. Additional risks and uncertainties not presently known to the Directors, or which the Directors currently deem immaterial, may also have an adverse effect on the Company. In particular, the Company's performance may be affected by changes in market or economic conditions and in legal, regulatory and tax requirements. The risks listed below are not set out in any particular order of priority.

RISKS RELATING TO THE COMPANY'S BUSINESS

Early stage of operations

The Company's operations are at an early stage of development and there can be no guarantee that the Company will be able to, or that it will be commercially advantageous for the Company to, develop its proprietary technology. Further, the Company currently has no positive operating cash flow and its ultimate success will depend on the Directors' ability to implement the Company's strategy, generate cash flow and access capital markets. While the Directors are optimistic about the Company's prospects, there is no certainty that anticipated outcomes and sustainable revenue streams will be achieved. The Company will not generate any material income until commercialisation of its proprietary technology has successfully commenced and in the meantime the Company will continue to expend its cash reserves. There can be no assurance that the Company's proposed operations will be profitable or produce a reasonable return, if any, on any investment.

Results from clinical studies

Positive results from clinical studies may not necessarily be predictive of the results from later clinical studies. Many companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in later-stage clinical trials or clinical trials for different applications of a product after achieving positive results, and the Group cannot be certain that it will not face similar setbacks. Moreover, pre-clinical and clinical data is often susceptible to varying interpretations and analyses, and many companies that believed their product candidates performed satisfactorily in pre-clinical studies and clinical trials nonetheless failed to obtain regulatory approval. If the Group fails to produce positive results in future clinical trials or regulatory approval, the development timeline and commercialisation prospects for its product candidates, and, correspondingly, its business and financial prospects, would be materially adversely affected.

Regulatory approvals and compliance

The Company will need to obtain various regulatory approvals (including FDA and EMA approvals) and otherwise comply with extensive regulations regarding safety, quality and efficacy standards in order to market its future products. These regulations, including the time required for regulatory review, vary from country to country and can be lengthy, expensive and uncertain. While efforts will be made to ensure compliance with government standards, there is no guarantee that any products will be able to achieve the necessary regulatory approvals to promote that product in any of the targeted markets and any such regulatory approval may include significant restrictions on the uses for which the Company's products can be promoted and used. In addition, the Company may be required to incur significant costs in obtaining or maintaining its regulatory approvals. Delays or failure in obtaining regulatory approval for products would be likely to have a serious adverse effect on the value of the Company and have a consequent impact on its financial performance.

Future funding requirements

The Company will need to raise additional funding or enter into a strategic partnership with industry partners to undertake work beyond that being funded by the Fundraise. There is no certainty that this will be possible at all or on acceptable terms. In addition, the terms of any such financing may be dilutive to, or otherwise adversely affect, Shareholders.

Dependence on key personnel

The success of the Company, in common with other businesses of a similar size, will be highly dependent on the expertise and experience of the Directors and key employees. However, the retention of such key personnel, or the ability to attract replacement personnel with the appropriate expertise and skills, cannot be guaranteed. Should key personnel leave the Company's business, prospects, financial condition or results of operations may be materially adversely affected.

Intellectual property and proprietary technology

No assurance can be given that the Group will develop technologies or product candidates which are patentable, that any current or future patent applications will result in granted patents, that the scope of any patent protection will be sufficiently broad to provide protection for the Group's intellectual property rights and exclude competitors or provide competitive advantages to the Group, that any of the Group's patents will be held valid if challenged or that third parties will not claim rights in or ownership of the patents and other proprietary rights held by the Group.

When patents, trademarks or other proprietary rights are obtained, the Group may be subject to claims in relation to the infringement of these rights. Adverse judgments against the Group may give rise to significant liabilities in monetary damages, legal fees and/or an inability to manufacture, market or sell products either at all or in particular territories using existing trademarks and/or particular technology. Where the Group has given assurances to customers that its products do not infringe proprietary rights of third parties, any such infringement might also expose the Group to liabilities to those customers. Even claims without merit could deter customers and have a detrimental effect on the Group's business as well as being costly and time consuming to defend and diverting Group resources.

Further, there can be no assurance that others have not developed or will not develop similar products, duplicate any of the Group's products or design around any patents held by the Group. Others may hold or receive patents which contain claims having a scope that covers products developed by the Group (whether or not patents are issued to the Group).

The Group may rely on patents to protect, among other things, its products. The commercial success of the Company's current product candidates is reinforced by the Group's ability to obtain, protect and enforce its intellectual property rights so as to preserve its exclusive rights in respect of its technologies and candidates. These rights act only to prevent a competitor from copying but not from independently developing products that perform the same functions. No assurance can be given that others will not independently develop or otherwise acquire substantial equivalent techniques, develop alternative techniques or otherwise gain access to the Group's unpatented proprietary technology or disclose such technology or that the Group can ultimately protect meaningful rights to such unpatented proprietary technology.

Technology and products

The Group is a manufacturer and service provider for noble gas polariser devices and ancillary instruments with a special focus on pulmonary imaging. The development and commercialisation of its proprietary technology and future products, which are in early stages of development, may require additional clinical trials and there is a risk that safety and efficacy issues may arise when the products are tested. There is also a risk that there will be delays to the development of the products or that unforeseen technical problems arise as the Group's technology becomes increasingly automated. There is also a risk that technological changes may overtake the devices and instruments that the Company provides. These risks are common to all new medical products and there is also a risk that the clinical trials may not be successful.

Research and development risk

The Group will be operating in the life sciences and medical device development sector and will look to exploit opportunities within that sector. The Group will therefore be involved in complex scientific research, and industry experience indicates that there may be a very high incidence of delay or failure to produce results. The Group may not be able to develop new products or to identify specific market needs that can be addressed by technology solutions developed by the Group. The ability of the Group to develop new technology relies, in part, on the recruitment of appropriately qualified staff as the Group grows. The Group may be unable to find a sufficient number of appropriately highly trained individuals to satisfy its growth rate which could affect its ability to develop as planned.

Reliance on third parties

The business model for the Group anticipates that it will have limited internal resources over the next few years and that it will use third party providers wherever possible to conduct the research, development, registration, manufacture, marketing and sales of its proposed products. In addition, the Group currently relies on a small number of key suppliers to provide the raw materials used in its drug device product. The commercial success of the Group's products will depend upon the performance of these third parties. The Group cannot guarantee that the third parties will be able to carry out their obligations under the relevant arrangements. Disagreements between the Group and any of these third parties could lead to delays in the Group's research and development programme and/or commercialisation plans. If any of those third parties were to terminate their relationship with the Group, the Group would be required to obtain development and/or commercialisation services from other parties or develop these functions internally. The process of entering into such similar relationships or developing these functions internally could require significant expenditure and, while the Directors believe that the Group would be able to enter into arrangements with other companies within a reasonable period of time, upon commercially reasonable terms, and in compliance with applicable regulatory requirements, no assurance can be given that it would be able to do so, and failure to do so, or failure to do so in a timely manner, could materially and adversely affect the Group's business, operating results and financial condition.

Manufacturing

There can be no assurance that the Group's proposed products will be capable of being manufactured in commercial quantities, in compliance with regulatory requirements and at an acceptable cost. The Group intends to outsource the manufacture of the raw materials and finished products required in connection with the research, development and commercial manufacture of its proposed products and, as such, will be wholly dependent upon third parties for the provision of adequate facilities and raw material supplies. ¹²⁹Xe, the specific isotope of xenon which is the active ingredient in the Group's drug-device product, is available from a limited number of suppliers and there can be no assurance that adequate supplies of this material at acceptable cost can be obtained. In addition, where the Group is dependent upon third parties for manufacture, its ability to procure the manufacture of the drug-device in a manner which complies with regulatory requirements may be constrained, and its ability to develop and deliver such products on a timely and competitive basis may be adversely affected. Product manufacture is subject to continual regulatory control and products must be manufactured in accordance with Good Manufacturing Practice. Any changes to the approved process may require further regulatory approval. Substantial cost increases and/or delays in production could adversely impact on the Group's financial results and liquidity.

Product development timelines

Product development timelines, both for current products and those that we may develop in the future, are at risk of delay, particularly since it is not always possible to predict the rate of patient recruitment into clinical trials. There is a risk therefore that product development could take longer than presently expected by the Directors. If such delays occur the Company may require further working capital. The Directors shall seek to minimise the risk of delays by careful management of projects.

Importance of the Vote

Shareholders should be aware that if the Resolutions are not approved at the General Meeting and the Second and/or Third Admission does not take place, a portion of the net proceeds of the relevant tranche(s) of Fundraise will not be received by the Company. In the event that a portion of the Net Proceeds of the Fundraise are not received by the Company, the Directors may need to secure ongoing working capital or take strategic action to secure funds for the Group.

RISKS RELATING TO THE MARKETS IN WHICH THE COMPANY OPERATES

Covid-19 Pandemic

The Company experienced a period of disruption in 2020 caused by the Covid-19 pandemic and the ongoing nature and uncertainty of the pandemic in many countries including the measures and restrictions put in place (travel bans and quarantining by employees in particular) continue to have the ability to impact the Company's business continuity, workforce, supply-chain, business development and, consequently, future revenues.

Economic, political, judicial, administrative, taxation or other regulatory factors

The Group may be adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors, in the areas and countries in which the Group operates and is proposed to operate.

Currency risk

The Group presents its financial information in US Dollars although part of its business may be conducted in other currencies. As a result, it will be subject to foreign currency exchange risk due to exchange rate movements which will affect the Group's transaction costs and the translation of its results. The Ordinary Shares are traded in Pounds Sterling.

General legal and regulatory issues

The Group's operations, including its development facilities and the facilities operated by its third party providers, are subject to laws, regulatory restrictions and certain governmental directives, recommendations and guidelines relating to, amongst other things, occupational safety, laboratory practice, prevention of illness and injury and animal and human testing. Such laws and regulations are liable to be changed from time to time. There can be no assurance that future legislation will not impose further government regulation, which may adversely affect the business or financial condition of the Group. Furthermore, as the Group already has some exposure to the UK market, there is a risk that possible legislative changes, including those related to the UK's recent exit from the European Union could lead to additional barriers to trade and regulatory divergence, particularly as such barriers and divergence relates to the Group's trial processes and commercialisation plans, which could adversely affect the Group.

Environmental and safety compliance issues

The Group and the third party providers responsible for conducting the research, development, and manufacture of the Group's products are required to comply with environmental and safety laws and regulations, including those governing the use and handling of hazardous materials and labelling standards. The cost of compliance with these and similar future regulations could be substantial. Although the Directors believe that the Group's procedures comply with applicable regulations, the risk of accidental contamination or injury from such materials cannot be eliminated. In the event of an incident, the resulting liabilities could have an adverse impact on the Group. Similarly, many of the Group's suppliers, collaborators and customers

are subject to similar laws and regulations. Contravention of these laws and regulations by such parties could have an adverse impact on the Group.

Healthcare pricing environment

In common with other healthcare products companies, the ability of the Group and any of its licensees or collaborators to market its products successfully depends in part on the extent to which reimbursement for the cost of such products and related treatment will be available from government health administration authorities, private health coverage insurers and other organisations. There is uncertainty as to the reimbursement status of newly approved healthcare products, and there is no assurance that adequate health administration or third party coverage will be available for the Group or its licensees or collaborators to obtain satisfactory price levels to realise an appropriate return on the Group's investment.

Adverse public opinion

Government bodies and regulatory agencies require that potential healthcare products are subject to preclinical studies, including animal testing, prior to conducting human trials. Such work can be subject to adverse public opinion and has attracted the attention of special interest groups, including those of animal rights activists. There can be no assurance that such groups will not, in the future, focus on the Group's activities or those of its licensees or collaborators, or that any such public opinion would not adversely affect the Group's operations.

The life sciences industry is frequently subject to adverse publicity on many topics, including corporate governance or accounting issues, product recalls and research and discovery methods, as well as to political controversy over the impact of novel techniques and therapies on humans, animals and the environment. Adverse publicity about the Group, its collaborators, its products, or any other part of the industry may adversely affect the Group's public image, which could harm its operations, impair its ability to gain market acceptance for its products or cause the Company's share price to decrease.

Competition

Technological competition from medical device companies, life science companies and universities is intense and can be expected to increase. Many competitors and potential competitors of the Group have substantially greater product development capabilities and financial, scientific, marketing and human resources than the Group. The future success of the Company depends, in part, on its ability to maintain a competitive position, including an ability to further progress through the necessary preclinical and clinical trials towards regulatory approval for sale and commercialisation. Other companies may succeed in commercialising products earlier than the Group or in developing products that are more effective than those which may be produced by the Group. While the Group will seek to develop its capabilities in order to remain competitive, there can be no assurance that research and development by others will not render the Group's compounds and products obsolete or uncompetitive.

RISKS RELATING TO AN INVESTMENT IN THE ORDINARY SHARES

Investment in AIM Securities

There can be no assurance that an active trading market for the Ordinary Shares on AIM will be maintained. An investment in shares traded on AIM may be less liquid and is perceived to involve a higher degree of risk than an investment in a company whose shares are listed on the Official List. Prospective investors should be aware that the value of the Ordinary Shares may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Group. Investors may therefore realise less than, or lose all of, their investment.

AIM Rules and volatility of share price

The AIM Rules are less onerous than those of the Official List and an investment in a company whose shares are traded on AIM is likely to carry a higher risk than an investment in a company whose shares are quoted on the Official List. Neither the FCA nor the London Stock Exchange has examined or approved the contents of this document.

The share price of publicly traded, early stage companies can be highly volatile and it may be more difficult for investors to realise their investment in a company whose shares are traded on AIM than to realise an investment in a company whose shares are quoted on the Official List. The price at which the Ordinary Shares trade and the price at which investors may realise these investments will be influenced by a large number of factors, such as variations in operating results, announcements of innovations or new services by the Company or its competitors, changes in financial estimates and recommendations by securities analysts, the share price performance of other companies that investors may deem comparable to the Company, news reports relating to trends in the Company's markets, large purchases or sales of Ordinary Shares, liquidity (or absence of liquidity) in the Ordinary Shares, currency fluctuations, legislative or regulatory changes and general economic conditions. These fluctuations may adversely affect the trading price of the Ordinary Shares, regardless of the Company's performance.

In addition, if the stock market in general experiences a loss of investor confidence, the trading price of the Ordinary Shares could decline for reasons unrelated to the Group's business, financial condition or operating results. The trading price of the Ordinary Shares might also decline in reaction to events that affect other companies in the industry, even if such events do not directly affect the Group. Each of these factors, among others, could harm the value of the Ordinary Shares.

The value of Ordinary Shares will be dependent upon the success of the operational activities undertaken by the Company and prospective investors should be aware that the value of the Ordinary Shares can go down as well as up. Furthermore, there is no guarantee that the market price of an Ordinary Share will accurately reflect its underlying value. Shareholders and prospective investors (as appropriate) should be aware of the risks of investing in AIM quoted shares and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

EIS and VCT status

The Company has received professional advice that a portion of the Fundraise Shares, specifically the EIS/VCT Placing Shares, to be issued pursuant to the Fundraise will rank as "eligible shares" for the purposes of EIS and are capable of being a "qualifying holding" for the purposes of VCT Relief. However, the advice does not cover all aspects of EIS or VCT and does not take into account any changes to the structure of the Group since the advice was provided (15 March 2021) or the precise structure of this Fundraise. In addition, although it is intended that the Company will be managed so that this status continues, there is no guarantee that such status will be maintained. Changes in the Company's circumstances may result in such status being withdrawn, in which case investors who had participated in the Fundraise as an EIS or VCT investment may lose the tax benefits associated with such an investment and/or any tax relief that has been claimed may be reduced or withdrawn. Further, it should be noted that the conditions for EIS Relief and VCT Relief are complex and depend not only on the qualifying status of the Company but also on the circumstances of individual EIS investors or the characteristics of the VCT concerned (as applicable).

Accordingly, EIS and VCT investors should be aware that, whilst the Company is confident that the EIS/VCT Placing Shares will be able to be treated as qualifying for relief under EIS or as a "qualifying holding" for the purposes of VCT Relief (as applicable), that opinion is based on certain assumptions and the Directors cannot guarantee that the EIS /VCT Placing Shares will receive such treatment.

Dilution of Shareholder's interests

Shareholders' (who are not Placees or Subscribers) proportionate ownership and voting interests in the Company will be diluted by 1.2 per cent. pursuant to the Firm Placing, by a further 16.6 per cent. pursuant to the Conditional Placing and by a further 2.2 per cent. pursuant to the Subscription. In addition, to the extent that Shareholders do not take up the offer of Open Offer Shares under the Open Offer, their proportionate ownership and voting interests in the Company will be further diluted and the percentage that their shareholdings represent of the Enlarged Share Capital will, following Third Admission, be reduced accordingly. Subject to certain exceptions, Shareholders with registered addresses in, or who are resident or located in Restricted Jurisdictions will not be able to participate in the Open Offer.

Dilution of Shareholders' interests as a result of additional equity fundraising

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

Future payment of dividends

There can be no assurance as to the level of future dividends (if any). The declaration, payment and amount of any future dividends of the Company are subject to the discretion of the Shareholders or, in the case of interim dividends to the discretion of the Directors, and will depend upon, amongst other things, the Group's earnings, financial position, cash requirements, availability of profits, as well as provisions for relevant laws or generally accepted accounting principles from time to time.

Although the Board intends to pay dividends to Shareholders in the future, there can be no assurance that the Company will declare and pay, or have the ability to declare and pay, any dividends in the future.

Valuation of shares

The Fundraise Price has been determined by the Company and may not relate to the Group's net asset value, net worth or any established criteria or value. There can be no guarantee that the Ordinary Shares will be able to achieve higher valuations or, if they do so, that such higher valuations can be maintained.

Market perception

Market perception of the Company and/or the Group may change, potentially affecting the value of investors' holdings and the ability of the Company to raise further funds by the issue of further Ordinary Shares or otherwise.

Suitability

A prospective investor should consider carefully whether an investment in the Company is suitable in the light of his or her personal circumstances and the financial resources available to him or her. An investment in the Company involves a high degree of risk and may not be suitable for all recipients of this document. Prospective investors are advised to consult a person authorised by the FCA (or, if outside the UK, another appropriate regulatory body) before making their investment decision.

Forward looking statements

This document contains forward-looking statements that involve risks and uncertainties. The Group's results could differ materially from those anticipated in the forward-looking statements as a result of many factors, including the risks faced by the Company and the Group, which are described above and elsewhere in the document. Additional risks and uncertainties not currently known to the Board may also have an adverse effect on the Company's business.

PART III

TERMS AND CONDITIONS OF THE OPEN OFFER

Introduction

As explained in the letter from the Chairman set out in Part I of this document, the Company has conditionally raised £23,509,337 (before expenses) through the Conditional Placing and Subscription, and is proposing to raise up to £1,959,293 (before expenses) through the issue of Open Offer Shares to Qualifying Shareholders at the Fundraise Price. The monies to be raised in the Open Offer are in addition to the funds raised pursuant to the Placing and Subscription.

The Fundraise Price represents a discount of approximately 7.7 per cent. to the Closing Price of £0.65 per Existing Ordinary Share on 12 March 2021, being the last Business Day prior to the announcement of the Fundraise.

The purpose of this Part III is to set out the terms and conditions of the Open Offer. Up to 3,265,489 Open Offer Shares will be issued through the Open Offer. Qualifying Shareholders are being offered the right to subscribe for Open Offer Shares in accordance with the terms of the Open Offer. The Open Offer has not been underwritten.

The Record Date for entitlements under the Open Offer for Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders is 6.00 p.m. on 12 March 2021. Qualifying Non-CREST Shareholders will have received Application Forms with this document and Open Offer Entitlements are expected to be credited to stock accounts of Qualifying CREST Shareholders in CREST as soon as possible after 8.00 a.m. on 17 March 2021.

Subject to availability, the Excess Application Facility will enable Qualifying Shareholders to apply for Excess Shares.

The latest time and date of the relevant CREST voting instructions is 2.00 p.m. on 31 March 2021 and the latest time and date for receipt of a completed Application Form and payment in full under the Open Offer and settlement (as appropriate) is 11.00 a.m. on 1 April 2021, with Third Admission and commencement of dealings in Open Offer Shares expected to take place at 8.00 a.m. on 8 April 2021.

This document and, for Qualifying Non-CREST Shareholders only, the Application Form contains the formal terms and conditions of the Open Offer. Your attention is drawn to paragraph 3 of this Part III, which gives details of the procedure for application and payment for the Open Offer Shares and any Excess Shares applied for pursuant to the Excess Application Facility.

The Open Offer Shares will, when issued and fully paid, rank equally in all respects with the Existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared, if any, by reference to a record date after the date of their issue.

The Open Offer is an opportunity for Qualifying Shareholders to apply for up to in aggregate, 3,265,489 Open Offer Shares *pro rata* (excepting fractional entitlements) to their current holdings at the Fundraise Price in accordance with the terms of the Open Offer.

Qualifying Shareholders are also being offered the opportunity to apply for additional Open Offer Shares in excess of their Open Offer Entitlements to the extent that other Qualifying Shareholders do not take up their Open Offer Entitlements in full. The Excess Application Facility enables Qualifying Shareholders to apply for Excess Shares in excess of their Open Offer Entitlements as at the Record Date.

Any Qualifying Shareholder who has sold or transferred all or part of his/her registered holding(s) of Ordinary Shares prior to the Ex-entitlement Date is advised to consult his or her stockbroker, bank or other agent through or to whom the sale or transfer was effected as soon as possible since the invitation to apply for Open Offer Shares under the Open Offer may be a benefit which may be claimed from him/her by the purchasers under the rules of the London Stock Exchange.

1. **The Open Offer**

Subject to the terms and conditions set out below (and, in the case of Qualifying Non-CREST Shareholders, in the Application Form), Qualifying Shareholders are hereby invited to apply for Open Offer Shares at the Fundraise Price, payable in full in cash on application, free of all expenses, on the basis of:

- (a) 1 Open Offer Share for every 50 Existing Ordinary Shares held by Qualifying Shareholders at the Record Date and so in proportion for any other number of Ordinary Shares then held; and
- (b) further Open Offer Shares in excess of the Open Offer Entitlement through the Excess Application Facility (although such Open Offer Shares will only be allotted to the extent that not all Qualifying Shareholders apply for their Open Offer Entitlement in full).

Entitlements under the Open Offer will be rounded down to the nearest whole number of Open Offer Shares, with fractional entitlements being aggregated and made available under the Excess Application Facility.

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer, as will holdings under different designations and in different accounts.

If you are a Qualifying Non-CREST Shareholder, the Application Form shows the number of Existing Ordinary Shares registered in your name on the Record Date (in Box 1) and your Open Offer Entitlements (in Box 2).

If you are a Qualifying CREST Shareholder, application will be made for your Open Offer Entitlement and Excess CREST Open Offer Entitlement to be credited to your CREST account. Open Offer Entitlements and Excess CREST Open Offer Entitlements are expected to be credited to CREST accounts on 17 March 2021. The Existing Ordinary Shares are already admitted to CREST. Accordingly, no further application for admission to CREST is required for the Fundraise Shares. All such shares, when issued and fully paid, may be held and transferred by means of CREST.

Subject to availability, the Excess Application Facility will enable Qualifying Shareholders, provided they have taken up their Open Offer Entitlement in full, to apply for further Open Offer Shares in excess of their Open Offer Entitlement. Qualifying CREST Shareholders will have their Open Offer Entitlement and Excess CREST Open Offer Entitlement credited to their stock accounts in CREST should refer to paragraph 3.2 of this Part III for information on the relevant CREST procedures and further details on the Excess Application Facility. Qualifying CREST Shareholders can also refer to the CREST Manual for further information on the relevant CREST procedures.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, such applications will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.

Please refer to paragraph 3.2.11 of this Part III for further details of the Excess Application Facility.

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. Qualifying Non-CREST Shareholders should also note that their respective Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements and Excess CREST Open Offer Entitlements will be credited through CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Open Offer Shares not applied for under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer. Any Open Offer Shares which are not applied for by Qualifying Shareholders under the Open Offer will not be issued by the Company as the Open Offer is not underwritten.

The attention of Overseas Shareholders is drawn to paragraph 6 of this Part III.

The Open Offer Shares will, when issued and fully paid, rank in full for all dividends and other distributions declared, made or paid after the date of this document and otherwise *pari passu* in all respects with the Existing Ordinary Shares. The Open Offer Shares are not being made available in whole or in part to the public except under the terms of the Open Offer.

2. Conditions and further terms of the Open Offer

The Open Offer is conditional on, amongst other things, the Firm Placing, Conditional Placing and Subscription becoming unconditional in all respects and the Placing, Subscription and Open Offer Agreement not being terminated before Third Admission. The principal conditions to the Conditional Placing and Subscription are:

- (a) the passing of the Resolutions without amendment at the General Meeting;
- (b) the Placing, Subscription and Open Offer Agreement having become unconditional and not having been terminated in accordance with its terms prior to Third Admission;
- (c) First Admission and Second Admission having occurred; and
- (d) Third Admission becoming effective by no later than 8.00 a.m. on 8 April 2021 (or such later date as Stifel and the Company may agree, being not later than the Long Stop Date).

Accordingly, if these conditions are not satisfied or waived (where capable of waiver), the Open Offer will not proceed and any applications made by Qualifying Shareholders will be rejected. In such circumstances, application monies will be returned (at the applicant's sole risk), without payment of interest, as soon as practicable, but within 14 days, thereafter. Any Open Offer Entitlements admitted to CREST will thereafter be disabled.

No temporary documents of title will be issued in respect of Open Offer Shares held in uncertificated form. Definitive certificates in respect of Open Offer Shares taken up are expected to be posted to those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in certificated form within 14 days of Admission.

In respect of those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in uncertificated form, the Open Offer Shares are expected to be credited to their stock accounts maintained in CREST by 8 April 2021.

Application will be made for the Open Offer Shares to be admitted to trading on AIM. Third Admission is expected to occur at 8.00 a.m. on 8 April 2021, when dealings in the Open Offer Shares are expected to begin.

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

3. Procedure for application and payment

The action to be taken by you in respect of the Open Offer depends on whether, at the relevant time, you are sent an Application Form in respect of your Open Offer Entitlement under the Open Offer or your Open Offer Entitlement and Excess CREST Open Offer Entitlement is credited to your CREST stock account. Qualifying Shareholders who hold all or part of their Existing Ordinary Shares in certificated form should have received the Application Form, accompanying this document. The Application Form shows the number of Existing Ordinary Shares held at the Record Date. It will also show Qualifying Shareholders their Open Offer Entitlement that can be allotted in certificated form. Qualifying Shareholders who hold all their Existing Ordinary Shares in CREST will be allotted Open Offer Shares in CREST. Qualifying Shareholders who hold part of their Existing Ordinary Shares in uncertificated form will be allotted Open Offer Shares in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. However, it will be possible for Qualifying Shareholders to deposit Open Offer Entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 3.2.6 of this Part III.

CREST Sponsored Members should refer to their CREST Sponsor, as only their CREST Sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements and Excess CREST Open Offer Entitlements of such members held in CREST. CREST Members who wish to apply under the Open Offer in respect of their Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

Qualifying Shareholders who do not want to apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form, or send a USE Instruction through CREST.

3.1 *If you have received an Application Form in respect of your Open Offer Entitlement under the Open Offer:*

3.1.1 General

Subject to paragraph 6 of this Part III in relation to Overseas Shareholders, Qualifying Non-CREST Shareholders will receive an Application Form. The Application Form shows the number of Existing Ordinary Shares registered in their name on the Record Date in Box 1. It also shows the Open Offer Entitlement allocated to them set out in Box 2. Entitlements to Open Offer Shares are rounded down to the nearest whole number and any fractional entitlements to Open Offer Shares will be aggregated and made available under the Excess Application Facility. Box 3 shows how much they would need to pay if they wish to take up their Open Offer Entitlement in full. Qualifying Non-CREST Shareholders may apply for less than their entitlement should they wish to do so. Qualifying Non-CREST Shareholders may also hold such an Application Form by virtue of a *bona fide* market claim.

Under the Excess Application Facility, provided they have agreed to take up their Open Offer Entitlement in full, Qualifying Non-CREST Shareholders may apply for more than the amount of their Open Offer Entitlement should they wish to do so. The Excess Application Facility enables Qualifying Shareholders to apply for Excess Shares in excess of their Open Offer Entitlement at the Record Date. The Excess Shares will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.

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

3.1.2 Bona fide market claims

Applications to acquire Open Offer Shares by a Qualifying Non-CREST Shareholder may only be made on the Application Form and may only be made by the Qualifying Non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to participate in the Open Offer. Application Forms may not be sold, assigned, transferred or split, except to satisfy *bona fide* market claims up to 3.00 p.m. on 30 March 2021. The Application Form is not a negotiable document and cannot be separately traded. A Qualifying Non-CREST Shareholder who has sold or otherwise transferred all or part of his holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to participate in the Open Offer, should contact his broker or other professional adviser authorised under FSMA through whom the sale or purchase was effected as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed by the purchaser(s) or transferee(s).

Qualifying Non-CREST Shareholders who have sold all or part of their registered holding should, if the market claim is to be settled outside CREST, complete Box 8 on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Application Form should not, however, be forwarded to or transmitted in or into or from the United States or any other Restricted Jurisdiction, nor in or into or from any other jurisdiction where the extension of the Open Offer would breach any applicable law or regulation. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedure set out in paragraph 3.2 of this Part III below.

3.1.3 Application procedures

Qualifying Non-CREST Shareholders wishing to apply to acquire Open Offer Shares (whether in respect of all or part of their Open Offer Entitlement or in addition to their Open Offer Entitlement under the Excess Application Facility) should complete the Application Form in accordance with the instructions printed on it.

Qualifying Non-CREST Shareholders may only apply for Excess Shares if they have agreed to take up their Open Offer Entitlements in full.

The Excess Shares may be allocated in such manner as the Directors may determine in their absolute discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.

Completed Application Forms should be returned by post (in the accompanying pre-paid envelope) to Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR (who will also act as Receiving Agent in relation to the Open Offer) by no later than 11.00 a.m. on 1 April 2021. The Company reserves the right to treat any application not strictly complying with the terms and conditions of application as nevertheless valid. The Company further reserves the right (but shall not be obliged) to accept either Application Forms or remittances received after 11.00 a.m. on 1 April 2021.

Qualifying Non-CREST Shareholders should note that applications, once made, will be irrevocable and receipt thereof will not be acknowledged. Multiple applications will not be accepted. If an Application Form is being sent by first-class post in the UK, Qualifying Shareholders are recommended to allow at least four Business Days for delivery. The Company may in its sole discretion, but shall not be obliged to, treat an Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer. The Company further reserves the right (but shall not be obliged) to accept Application Forms received after 11.00 a.m. on 1 April 2021.

All documents and remittances sent by post by, to, from or on behalf of an applicant (or as the applicant may direct) will be sent entirely at the applicant's own risk.

3.1.4 Payments

All payments must be in pounds sterling and made by cheque or bankers' draft, made payable to "Share Registrars Limited Receiving Agent Account", and crossed "A/C Payee Only". Cheques must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted details of the name of the account holder and have either added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. The name of the account holder should be the same as the name of the shareholder shown on page 1 of the Open Offer Application Form. Post-dated cheques will not be accepted.

Cheques will be presented for payment upon receipt. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents and/or cheques sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted. If the Open Offer does not become unconditional, no Open Offer Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable, but within 14 days, following the lapse of the Open Offer. If Open Offer Shares have already been allotted to a Qualifying Non-Crest Shareholder and such Qualifying Non-Crest Shareholder's cheque is not honoured upon first presentation or such Qualifying Non-Crest Shareholder's application is subsequently

otherwise deemed to be invalid, the Receiving Agent shall be authorised (in its absolute discretion as to manner, timing and terms) to make arrangements, on behalf of the Company, for the sale of such Qualifying Non-Crest Shareholder's Open Offer Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. None of the Registrars, the Receiving Agent, Stifel or the Company nor any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying Non-Crest Shareholders.

3.1.5 Incorrect sums

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

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

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

3.1.6 The Excess Application Facility

Provided they choose to take up their Open Offer Entitlement in full, the Excess Application Facility enables a Qualifying Non-CREST Shareholder to apply for Excess Shares. Qualifying Non-CREST Shareholders wishing to apply for Excess Shares may do so by completing Box 5 of the Application Form.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, the Excess Shares will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.

Qualifying Non-CREST Shareholders who wish to apply for Excess Shares must complete the Application Form in accordance with the instructions set out on the Application Form.

Should the Open Offer become unconditional and applications for Excess Shares by Qualifying Shareholders under the Open Offer exceed the maximum number of Open Offer Shares available under the Excess Application Facility, resulting in a scale back of applications, each Qualifying Non-CREST Shareholder who has made a valid application for Excess Shares and from whom payment in full for the Excess Shares has been received will receive a pounds sterling amount equal to the number of Excess Shares applied and paid for but not allocated to the relevant Qualifying Non-CREST Shareholder multiplied by the Fundraise Price. Monies will be returned either as a cheque by first class post to the address set out on the Application Form or payment will be returned direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn, as soon as reasonably practicable, but within 14 days thereafter, without payment of interest and at the applicant's sole risk.

3.1.7 Effect of valid application

All documents and remittances sent by post by, to, from, or on behalf of or to an applicant (or as the applicant may direct) will be sent entirely at the applicant's own risk. By completing and delivering an Application Form, the applicant:

- (a) represents and warrants to the Company and Stifel that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (b) agrees with the Company and Stifel that all applications under the Open Offer and contracts resulting therefrom, and any non-contractual obligations related thereto, shall be governed by and construed in accordance with the laws of England;
- (c) confirms to the Company and Stifel that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all the information in relation to the Company contained in this document (including information incorporated by reference);
- (d) represents and warrants to the Company and Stifel that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlement;
- (e) represents and warrants to the Company and Stifel that if he has received some or all of his Open Offer Entitlement from a person other than the Company, he is entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a *bona fide* market claim;
- (f) requests that the Open Offer Shares to which he will become entitled, be issued to him on the terms set out in this document and the Application Form and subject to the Articles;
- (g) represents and warrants to the Company and Stifel that he is not, nor is he applying on behalf of any person who is, in the United States or is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application in the United States or to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- (h) represents and warrants to the Company and Stifel that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and
- (i) confirms that in making the application he is not relying and has not relied on the Company or Stifel or any person affiliated with the Company, or Stifel, in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

All enquiries in connection with the procedure for application and completion of the Application Form should be addressed to Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR or by telephone on 01252 821390 (or +44 1252 821390 if calling from overseas). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline

is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Share Registrars Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

3.1.8 Proxy

Qualifying Non-CREST Shareholders who do not want to take up or apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form. However, you are encouraged to vote at the General Meeting by completing and returning the accompanying Form of Proxy.

A Qualifying Non-CREST Shareholder who is also a CREST Member may elect to receive the Open Offer Shares to which he is entitled in uncertificated form in CREST. Please see paragraph 3.2.6 below for more information.

3.2 *If you have an Open Offer Entitlement and an Excess CREST Open Offer Entitlement credited to your stock account in CREST in respect of your entitlement under the Open Offer*

3.2.1 General

Subject to paragraph 6 of this Part III in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of his Open Offer Entitlement equal to the maximum number of Open Offer Shares for which he is entitled to apply under the Open Offer together with a credit of Excess CREST Open Offer Entitlements equal to ten times their total number of existing Ordinary Shares held in such Qualifying CREST Shareholder's name as at the Record Date. Entitlements to Open Offer Shares will be rounded down to the nearest whole number and any Open Offer Entitlements have therefore also been rounded down. Any fractional entitlements to Open Offer Shares arising will be aggregated and made available under the Excess Application Facility.

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

If for any reason Open Offer Entitlements and/or the Excess CREST Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by, 8.00 a.m. on 17 March 2021, or such later time and/or date as the Company may decide, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlement and Excess CREST Open Offer Entitlement which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying CREST Shareholders who receive an Application Form.

CREST Members who wish to apply to acquire some or all of their entitlements to Open Offer Shares and their Excess CREST Open Offer Entitlements should refer to the CREST Manual for further information on the CREST procedures referred to below. CREST Sponsored Members should consult their CREST Sponsor if they wish to apply for Open Offer Shares as only their CREST Sponsor will be able to take the necessary action to make this application in CREST.

3.2.2 Market claims

Each of the Open Offer Entitlements and Excess CREST Open Offer Entitlements will constitute a separate security for the purposes of CREST. Although Open Offer Entitlements and Excess CREST Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements and Excess CREST Open Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as "cum" the Open Offer Entitlement will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) will thereafter be transferred accordingly.

3.2.3 Unmatched Stock Event (USE Instructions)

Qualifying CREST Shareholders who are CREST Members and who want to apply for Open Offer Shares in respect of all or some of their Open Offer Entitlements and their Excess CREST Open Offer Entitlements in CREST must send (or, if they are CREST Sponsored Members, procure that their CREST Sponsor sends) an USE Instruction to Euroclear which, on its settlement, will have the following effect:

- (a) the crediting of a stock account of the Registrars under the participant ID and member account ID specified below, with a number of Open Offer Entitlements or Excess CREST Open Offer Entitlements corresponding to the number of Open Offer Shares applied for; and
- (b) the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE Instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in paragraph (a).

3.2.4 Content of USE Instruction in respect of Open Offer Entitlements

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

- (a) the number of Open Offer Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Registrars);
- (b) the ISIN of the Open Offer Entitlement. This is GB00BLH3GC21;
- (c) the CREST Participant ID of the accepting CREST Member;
- (d) the CREST member account ID of the accepting CREST Member from which the Open Offer Entitlements are to be debited;
- (e) the participant ID of the Registrars in its capacity as a CREST receiving agent. This is 7RA36;
- (f) the member account ID of the Registrars in its capacity as a CREST receiving agent. This is RECEIVE;
- (g) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (a) above;
- (h) the intended settlement date. This must be on or before 11.00 a.m. on 1 April 2021; and
- (i) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 1 April 2021.

In order to assist prompt settlement of the USE Instruction, CREST Members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE Instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST Members and, in the case of CREST Sponsored Members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 1 April 2021 in order to be valid is 11.00 a.m. on that day. In the event that the Conditional EIS/VCT Placing does not become unconditional by 8.00 a.m. on 7 April 2021 (or such later time and date as the Company and Stifel determine being no later than the Long Stop Date) or, the Subscription and the Open Offer do not become unconditional by 8.00 a.m. on 8 April 2021, (or such later time and date as the Company and Stifel determine being no later than the Long Stop Date), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving

Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

3.2.5 Content of USE Instruction in respect of Excess CREST Open Offer Entitlements

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

- (a) the number of Excess Shares for which application is being made (and hence being delivered to the Registrars);
- (b) the ISIN of the Excess CREST Open Offer Entitlement. This is GB00BLH3GD38;
- (c) the CREST Participant ID of the accepting CREST Member;
- (d) the CREST member account ID of the accepting CREST Member from which the Excess CREST Open Offer Entitlements are to be debited;
- (e) the participant ID of the Registrars in its capacity as a CREST receiving agent. This is 7RA36;
- (f) the member account ID of the Registrars in its capacity as a CREST receiving agent. This is RECEIVE;
- (g) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of Excess Shares referred to in (i) above;
- (h) the intended settlement date. This must be on or before 11.00 a.m. on 1 April 2021; and
- (i) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application in respect of an Excess CREST Open Offer Entitlement under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 1 April 2021.

In order to assist prompt settlement of the USE Instruction, CREST Members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE Instruction:

- (i) contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST Members and, in the case of CREST Sponsored Members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 1 April 2021 in order to be valid is 11.00 a.m. on that day.

In the event that the Conditional EIS/VCT Placing, does not become unconditional by 8.00 a.m. on 7 April 2021 (or such later time and date as the Company and Stifel determine being no later than the Long Stop Date) or the Subscription and the Open Offer do not become unconditional by 8.00 a.m. on 8 April 2021 (or such later time and date as the Company and Stifel determine being the Long Stop Date), the Open Offer will lapse, the Open Offer Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

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

A Qualifying Non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim), provided that such Qualifying Non-CREST Shareholder is also a CREST Member. Similarly, Open Offer Entitlements and

Excess CREST Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer and entitlement to apply under the Excess Application Facility is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Application Form.

A holder of an Application Form who is proposing to deposit the entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 1 April 2021. After depositing their Open Offer Entitlement into their CREST account, CREST holders will shortly thereafter receive a credit for their Excess CREST Open Offer Entitlement, which will be managed by the Receiving Agent.

In particular, having regard to normal processing times in CREST and on the part of the Receiving Agent, the recommended latest time for depositing an Application Form with the CCSS (the CREST Courier and Sorting Service), established by Euroclear to facilitate, *inter alia*, the deposit and withdrawal of certificated securities, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST, is 3.00 p.m. on 29 March 2021 and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST is 4.30 p.m. on 26 March 2021, in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility, as the case may be, prior to 11.00 a.m. on 1 April 2021.

Delivery of an Application Form with the CREST deposit form duly completed, whether in respect of a deposit into the account of the Qualifying Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and the Receiving Agent by the relevant CREST Member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed "*Instructions for depositing entitlements under the Open Offer into CREST*" on page 3 of the Application Form, and a declaration to the Company and the Receiving Agent from the relevant CREST Member(s) that it/they is/are not in the United States or citizen(s) or resident(s) of any Restricted Jurisdiction or any other jurisdiction in which the application for Fundraise Shares is prevented by law and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST Member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

3.2.7 Validity of application

A USE Instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 1 April 2021 will constitute a valid application under the Open Offer.

3.2.8 CREST procedures and timings

CREST Members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE Instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST Member concerned to take (or, if the CREST Member is a CREST Sponsored Member, to procure that his CREST Sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 1 April 2021. In this connection CREST Members and (where applicable) their CREST Sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

3.2.9 Form of Proxy

If a Qualifying CREST Shareholder does not wish to apply for the Open Offer Shares under the Open Offer, they should take no action. They are however, encouraged to vote at the General Meeting by completing and returning the accompanying Form of Proxy or by submitting their votes via CREST.

3.2.10 Incorrect or incomplete applications

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

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

3.2.11 The Excess Application Facility

The Excess Application Facility enables Qualifying CREST Shareholders, who have taken up their Open Offer Entitlement in full, to apply for Excess Shares in excess of their Open Offer Entitlement as at the Record Date. If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, the Excess Shares will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all. Excess CREST Open Offer Entitlements may not be sold or otherwise transferred. Subject as provided in paragraph 6 of this Part III in relation to Overseas Shareholders, the CREST accounts of Qualifying CREST Shareholders will be credited with Excess CREST Open Offer Entitlements to enable applications for Excess Shares to be settled through CREST. Qualifying CREST Shareholders should note that, although the Open Offer Entitlement and the Excess CREST Open Offer Entitlements will be admitted to CREST, they will have limited settlement capabilities. Neither the Open Offer Entitlement nor the Excess CREST Open Offer Entitlements will be tradable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

To apply for Excess Shares pursuant to the Open Offer, Qualifying CREST Shareholders should follow the instructions above and must not return a paper form and cheque.

Should a transaction be identified by the CREST Claims Processing Unit as “cum” the Open Offer Entitlement and the relevant Open Offer Entitlement(s) be transferred, the Excess CREST Open Offer Entitlements will not transfer with the Open Offer Entitlement(s) claim. Should a Qualifying CREST Shareholder cease to hold all of his Existing Ordinary Shares as a result of one or more *bona fide* market claims, the Excess CREST Open Offer Entitlement credited to CREST and allocated to the relevant Qualifying Shareholder will be transferred to the purchaser. Please note that an additional USE Instruction must be sent in respect of any application under the Excess CREST Open Offer Entitlement.

Should the Open Offer become unconditional and applications for Excess Shares by Qualifying Shareholders under the Open Offer exceed the maximum number of Open Offer Shares available under the Excess Application Facility, resulting in a scale back of applications under the Excess Application Facility, each Qualifying CREST Shareholder who has made a valid application pursuant to his Excess CREST Open Offer Entitlement, and from whom payment in full for the excess Open Offer Shares has been received, will receive a pounds sterling amount equal to the number of Open Offer Shares validly applied and paid for but which are not allocated to the relevant Qualifying CREST Shareholder multiplied by the Fundraise Price. Monies will be returned

as soon as reasonably practicable, without payment of interest and at the applicant's sole risk. Qualifying CREST Shareholders will receive the refund not later than four Business Days following the date that the results of the Open Offer are announced.

All enquiries in connection with the procedure for applications under the Excess Application Facility and Excess CREST Open Offer Entitlements should be addressed to Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR, or by telephone on 01252 821390 (or +44 1252 821390 if calling from overseas). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Different charges may apply to calls made from mobile telephones. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Share Registrars Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

3.2.12 Effect of valid application

A CREST Member who makes or is treated as making a valid application for some or all of his *pro rata* entitlement to Open Offer Shares in accordance with the above procedures hereby:

- (a) represents and warrants to the Company and Stifel that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (b) agrees to pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Registrars' payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST Member to pay to the Company the amount payable on application);
- (c) agrees with the Company and Stifel that all applications under the Open Offer and contracts resulting therefrom, and any non-contractual obligations related thereto, shall be governed by, and construed in accordance with, the laws of England;
- (d) confirms to the Company and Stifel that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all the information in relation to the Company contained in this document (including information incorporated by reference);
- (e) represents and warrants to the Company and Stifel that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements;
- (f) represents and warrants to the Company and Stifel that if he has received some or all of his Open Offer Entitlements from a person other than the Company, he is entitled to apply under the Open Offer in relation to such Open Offer Entitlement by virtue of a *bona fide* market claim;
- (g) requests that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this document and subject to the Articles;
- (h) represents and warrants to the Company and Stifel that he is not, nor is he applying on behalf of any Shareholder who is, in the United States or is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application in the United States or to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in

or under any laws of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non- discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;

- (i) represents and warrants to the Company and Stifel that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and
- (j) confirms that in making the application he is not relying and has not relied on the Company or Stifel or any person affiliated with the Company, or Stifel, in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

3.2.13 Company's discretion as to the rejection and validity of applications

The Company may in its sole discretion, but shall not be obliged to:

- (a) treat as valid (and binding on the CREST Member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part III;
- (b) accept an alternative properly authenticated dematerialised instruction from a CREST Member or (where applicable) a CREST Sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
- (c) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "first instruction") as not constituting a valid application if, at the time at which the Registrars receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Registrars has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (d) accept an alternative instruction or notification from a CREST Member or CREST Sponsored Member or (where applicable) a CREST Sponsor, or extend the time for settlement of a USE Instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST Member or CREST Sponsored Member or (where applicable) CREST Sponsor, the CREST Member or CREST Sponsored Member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Registrars in connection with CREST.

3.2.14 Lapse of the Open Offer

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 22 April 2021, or such later time and date as the Company and Stifel determine (being no later the Long Stop Date), the Open Offer will lapse, the Open Offer Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

4. **Money Laundering Regulations**

4.1 *Holders of Application Forms*

To ensure compliance with the Money Laundering Regulations, Share Registrars Limited may require, at their absolute discretion, verification of the identity of the person by whom or on whose behalf the Application Form is lodged with payment (which requirements are referred to below as the “verification of identity requirements”). If the Application Form is submitted by a UK regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of the Registrars. In such case, the lodging agent’s stamp should be inserted on the Application Form.

The person lodging the Application Form with payment and in accordance with the other terms as described above (the “Acceptor”), including any person who appears to Share Registrars Limited to be acting on behalf of some other person, accepts the Open Offer in respect of such number of Open Offer Shares as is referred to therein (for the purposes of this paragraph 4.1 the “relevant Open Offer Shares”) and shall thereby be deemed to agree to provide Share Registrars Limited with such information and other evidence as they may require to satisfy the verification of identity requirements.

If Share Registrars Limited determine that the verification of identity requirements apply to any Acceptor or application, the relevant Open Offer Shares (notwithstanding any other term of the Open Offer) will not be issued to the relevant Acceptor unless and until the verification of identity requirements have been satisfied in respect of that Acceptor or application. Share Registrars Limited are entitled, in their absolute discretion, to determine whether the verification of identity requirements apply to any Acceptor or application and whether such requirements have been satisfied, and neither Share Registrars Limited nor the Company will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays in the despatch of share certificates or in crediting CREST accounts. If, within a reasonable time following a request for verification of identity, Share Registrars Limited have not received evidence satisfactory to them as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the monies payable on acceptance of the Open Offer will be returned (at the Acceptor’s risk) without interest to the account of the bank or building society on which the relevant cheque was drawn.

Submission of an Application Form with the appropriate remittance will constitute a warranty to each of the Company, Share Registrars Limited and Stifel from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

To confirm the acceptability of any written assurance, the Acceptor should contact Share Registrars Limited by telephone on 01252 821390 (or +44 1252 821390 if calling from overseas). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Different charges may apply to calls made from mobile telephones. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Share Registrars Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

If the Application Form(s) is/are in respect of Open Offer Shares and is/are lodged by hand by the Acceptor in person, or if the Application Form(s) in respect of Open Offer Shares is/are lodged by hand by the Acceptor and the accompanying payment is not the Acceptor’s own cheque, he or she should ensure that he or she has with him or her evidence of identity bearing his or her photograph (for example, his or her passport) and separate evidence of his or her address.

If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 11.00 a.m. on 1 April 2021, Share Registrars Limited have not received evidence satisfactory to them as aforesaid, Share Registrars Limited may, at their discretion, as agent of the Company, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest to the account at the payee bank from which such monies were originally debited (without prejudice to the rights of the Company to undertake proceedings to

recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid).

4.2 *Open Offer Entitlements in CREST*

If you hold your Open Offer Entitlement and Excess CREST Open Offer Entitlement in CREST and apply for Open Offer Shares in respect of some or all of your Open Offer Entitlement and Excess CREST Open Offer Entitlement as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, Share Registrars Limited is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact Share Registrars Limited before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE Instruction, which on its settlement constitutes a valid application as described above, constitutes a warranty and undertaking by the applicant to provide promptly to Share Registrars Limited such information as may be specified by them as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to Share Registrars Limited as to identity, Share Registrars Limited may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Open Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Open Offer Shares represented by the USE Instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

5. **Admission, settlement and dealings**

The result of the Open Offer is expected to be announced on 6 April 2021. Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. Subject to the Open Offer becoming unconditional in all respects (save only as to Third Admission), it is expected that Third Admission will become effective and that dealings in the Open Offer Shares, the General Placing Shares and the Subscription Shares, fully paid, will commence at 8.00 a.m. on 8 April 2021.

The Existing Ordinary Shares are already admitted to CREST. Other than the prior First Admission for the Firm Placing Shares and Second Admission for the Conditional Placing Shares, no further application for admission to CREST is accordingly required for the Fundraise Shares. All such shares, when issued and fully paid, may be held and transferred by means of CREST.

Open Offer Entitlements and Excess CREST Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 1 April 2021 (the latest date for applications under the Open Offer). If the condition(s) to the Open Offer described above are satisfied, Fundraise Shares will be issued in uncertificated form to those persons who submitted a valid application for Fundraise Shares by utilising the CREST application procedures and whose applications have been accepted by the Company.

On 8 April 2021, the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Open Offer Shares with effect from Admission. The stock accounts to be credited will be accounts under the same CREST Participant IDs and CREST Member account IDs in respect of which the USE Instruction was given. Notwithstanding any other provision of this document, the Company reserves the right to send Qualifying CREST Shareholders an Application Form instead of crediting the relevant stock account with Open Offer Entitlements and Excess CREST Open Offer Entitlements, and to allot and/or issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

For more information as to the procedure for application, Qualifying Non-CREST Shareholders are referred to paragraph 3.1 above and their respective Application Form.

6. **Overseas Shareholders**

The comments set out in this paragraph 6 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

6.1 *General*

The distribution of this document and the making or acceptance of the Open Offer to or by persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the United Kingdom, may be affected by the laws or regulatory requirements of the relevant jurisdictions. It is the responsibility of those persons to consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Open Offer Shares under the Open Offer.

No action has been or will be taken by the Company, Stifel, or any other person, to permit a public offering or distribution of this document (or any other offering or publicity materials or application form(s) relating to the Open Offer Shares) in any jurisdiction where action for that purpose may be required, other than in the United Kingdom. Receipt of this document and/or an Application Form and/or a credit of an Open Offer Entitlement or an Excess CREST Open Offer Entitlement to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

Application Forms will not be sent to, and Open Offer Entitlements and Excess CREST Open Offer Entitlements will not be credited to stock accounts in CREST of, persons with registered addresses in the United States or any other Restricted Jurisdiction or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such Application Form and/or credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such Application Form and/or credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees) outside the United Kingdom wishing to apply for Open Offer Shares under the Open Offer to satisfy themselves as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such territory.

Neither of the Company, Stifel nor any of their respective representatives is making any representation or warranty to any offeree or purchaser of the Open Offer Shares regarding the legality of an investment in the Open Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements or Excess CREST

Open Offer Entitlements to a stock account in CREST, in connection with the Open Offer or otherwise, should not distribute or send either of those documents nor transfer Open Offer Entitlements or Excess CREST Open Offer Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for Open Offer Shares in respect of the Open Offer unless the Company and Stifel determine that such action would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, agents, nominees and trustees) who does forward a copy of this document and/or an Application Form and/or transfers Open Offer Entitlements or Excess CREST Open Offer Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part III and specifically the contents of this paragraph 6.

The Company reserves the right to treat as invalid any application or purported application for Open Offer Shares that appears to the Company or its agents to have been executed, effected or dispatched from the United States or any other Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any other jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates of Open Offer Shares or in the case of a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST, to a CREST Member whose registered address would be, in the United States or any other Restricted Jurisdiction or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit.

Notwithstanding any other provision of this document or the relevant Application Form, the Company, and Stifel reserve the right to permit any person to apply for Open Offer Shares in respect of the Open Offer if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who wish, and are permitted, to apply for Open Offer Shares should note that payment must be made in sterling denominated cheques or where such Overseas Shareholder is a Qualifying CREST Shareholder, through CREST. Due to restrictions under the securities laws of the United States and the other Restricted Jurisdictions, and subject to certain exceptions, Qualifying Shareholders in the United States or who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Jurisdiction will not qualify to participate in the Open Offer and will not be sent an Application Form nor will their stock accounts in CREST be credited with Open Offer Entitlements. No public offer of Open Offer Shares is being made by virtue of this document or the Application Forms into the United States or any other Restricted Jurisdiction.

Receipt of this document and/or an Application Form and/or a credit of an Open Offer Entitlement to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

6.2 *United States*

The Fundraise Shares have not been and will not be registered under the US Securities Act 1933, as amended (the “**US Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States and, accordingly, may not be offered or sold, re-sold, taken up, transferred, delivered or distributed, directly or indirectly, within the United States except in reliance on an exemption from the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

Accordingly, the Company is not extending the Open Offer into the United States unless an exemption from the registration requirements of the US Securities Act is available and, subject to certain exceptions, neither this document nor the Application Form constitutes or will constitute an offer or an invitation to apply for or an offer or an invitation to acquire any Fundraise Shares in the United States. Subject to certain exceptions, neither this document nor an Application Form will be sent to, and no

Fundraise Shares will be credited to a stock account in CREST of, any Qualifying Shareholder with a registered address in the United States. Subject to certain exceptions, Application Forms sent from or postmarked in the United States will be deemed to be invalid and all persons acquiring Fundraise Shares and wishing to hold such Fundraise Shares in registered form must provide an address for registration of the Fundraise Shares issued upon exercise thereof outside the United States.

Subject to certain exceptions, any person who acquires Fundraise Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this document or the Application Form and delivery of the Fundraise Shares, that they are not, and that at the time of acquiring the Fundraise Shares they will not be, in the United States or acting on behalf of, or for the account or benefit of a person on a non-discretionary basis in the United States or any state of the United States.

The Company reserves the right to treat as invalid any Application Form that appears to the Company or its agents to have been executed in, or despatched from, the United States, or that provides an address in the United States for the receipt of Fundraise Shares, or which does not make the warranty set out in the Application Form to the effect that the person completing the Application Form does not have a registered address and is not otherwise located in the United States and is not acquiring the Fundraise Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Fundraise Shares in the United States or where the Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements.

The Company will not be bound to allot or issue any Fundraise Shares to any person with an address in, or who is otherwise located in, the United States in whose favour an Application Form or any Fundraise Shares may be transferred. In addition, the Company, and Stifel reserve the right to reject any USE Instruction sent by or on behalf of any CREST Member with a registered address in the United States in respect of the Fundraise Shares. In addition, until 45 days after the commencement of the Open Offer, an offer, sale or transfer of the Fundraise Shares within the United States by a dealer (whether or not participating in the and Open Offer) may violate the registration requirements of the Securities Act.

6.3 *Restricted Jurisdictions*

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

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

6.4 *Other overseas territories*

Save as provided in paragraphs 6.2 and 6.3 above, Application Forms will be sent to Qualifying Non-CREST Shareholders and Open Offer Entitlements and Excess CREST Open Offer Entitlements will be credited to the stock account in CREST of Qualifying CREST Shareholders. Qualifying Shareholders in jurisdictions other than the United States and the other Restricted Jurisdictions may, subject to the laws of their relevant jurisdiction, take up Open Offer Shares under the Open Offer in accordance with the instructions set out in this document and the Application Form. Qualifying Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, countries other than the United Kingdom should, however, consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any further formalities to enable them to apply for any Open Offer Shares in respect of the Open Offer.

6.5 *Representations and warranties relating to Overseas Shareholders*

6.5.1 Qualifying Non-CREST Shareholders

Any person completing and returning an Application Form or requesting registration of the Open Offer Shares comprised therein represents and warrants to the Company, Stifel and the Registrars that, except where proof has been provided to the Company's satisfaction that such person's use of the Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is not requesting registration of the relevant Open Offer Shares from within the United States or any other Restricted Jurisdiction; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares in respect of the Open Offer or to use the Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person located within any Restricted Jurisdiction (except as agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring Open Offer Shares with a view to offer, sale, resale, transfer, deliver or distribute, directly or indirectly, any such Open Offer Shares into any of the above territories. The Company and/or the Registrars may treat as invalid any acceptance or purported acceptance of the allotment of Open Offer Shares comprised in an Application Form if it: (i) appears to the Company or its agents to have been executed, effected or dispatched from the United States or another Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; or (ii) provides an address in the United States or another Restricted Jurisdiction for delivery of the share certificates of Open Offer Shares (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the warranty required by this sub-paragraph 6.5.1.

6.5.2 Qualifying CREST Shareholders

A CREST Member or CREST Sponsored Member who makes a valid acceptance in accordance with the procedures set out in this Part III represents and warrants to the Company, Stifel and the Registrars that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) such person is not within the United States or any other Restricted Jurisdiction; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares; (iii) such person is not accepting on a nondiscretionary basis for a person located within any Restricted Jurisdiction (except as otherwise agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring any Open Offer Shares with a view the offer, sale, resale, transfer, delivery or distribute, directly or indirectly, any such Open Offer Shares into any of the above territories.

6.5.3 Waiver

The provisions of this paragraph 6 and of any other terms of the Open Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company and Stifel in their absolute discretion. Subject to this, the provisions of this paragraph 6 supersede any terms of the Open Offer inconsistent herewith. References in this paragraph 6 to Shareholders shall include references to the person or persons executing an Application Form and, in the event of more than one person executing an Application Form, the provisions of this paragraph 6 shall apply to them jointly and to each of them.

7. ***Times and dates***

The Company shall, in agreement with Stifel and after consultation with its financial and legal advisers, be entitled to amend the dates that Application Forms are despatched or amend or extend the latest date for acceptance under the Open Offer and all related dates set out in this document and in such circumstances shall notify the London Stock Exchange, and make an announcement on a Regulatory Information Service, but Qualifying Shareholders may not receive any further written communication.

If a supplementary circular is issued by the Company two or fewer Dealing Days prior to the latest time and date for acceptance and payment in full under the Open Offer specified in this document, the latest date for acceptance under the Open Offer shall be extended to the date that is three Dealing Days after the date of issue of the supplementary circular (and the dates and times of principal events due to take place following such date shall be extended accordingly).

8. *Taxation*

Shareholders who are in any doubt as to their tax position in relation to taking up their entitlements under the Open Offer, or who are subject to tax in any jurisdiction other than the United Kingdom, should immediately consult a suitable professional adviser.

9. *Further information*

Your attention is drawn to the further information set out in this document and also, in the case of Qualifying Non-CREST Shareholders and other Qualifying Shareholders to whom the Company has sent Application Forms, to the terms, conditions and other information printed on the accompanying Application Form.

10. *Governing law and jurisdiction*

The terms and conditions of the Open Offer as set out in this document, the Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, English law.

The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this document or the Application Form. By taking up Open Offer Shares, by way of their Open Offer Entitlement and the Excess Application Facility (as applicable), in accordance with the instructions set out in this document and, where applicable, the Application Form, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

PART IV

QUESTIONS AND ANSWERS ABOUT THE FUNDRAISE

*The questions and answers set out in this Part IV: “Questions and Answers about the Fundraise” are intended to be in general terms only and, as such, you should read Part III: “Terms and Conditions of the Open Offer” of this document for full details of what action to take. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other appropriate independent financial adviser duly authorised under the FSMA if you are in the United Kingdom, or if not, from another appropriately authorised independent financial adviser. **For certainty, the Open Offer is not being extended into the United States or in any other Restricted Jurisdiction where such offer is not permitted pursuant to applicable securities laws.***

This Part IV deals with general questions relating to the Fundraise and more specific questions relating principally to persons resident in the United Kingdom who hold their Ordinary Shares in certificated form only. If you are an Overseas Shareholder, you should read paragraph 6 of Part III: “Terms and Conditions of the Open Offer” of this document and you should take professional advice as to whether you are eligible and/or you need to observe any formalities to enable you to take up your Open Offer Entitlement. If you hold your entitlement to Existing Ordinary Shares in uncertificated form (that is, through CREST) you should read Part III: “Terms and Conditions of the Open Offer” of this document for full details of what action you should take. If you are a CREST sponsored member, you should also consult your CREST sponsor. If you do not know whether your Existing Ordinary Shares are in certificated or uncertificated form, please call Share Registrars Limited on 01252 821390 (or +44 1252 821390 if calling from overseas). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Share Registrars Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

The contents of this document should not be construed as legal, business, accounting, tax, investment or other professional advice. Each prospective investor should consult his, her or its own appropriate professional advisers for advice. This document is for your information only and nothing in this document is intended to endorse or recommend a particular course of action.

1. What is a placing, subscription and open offer?

A placing, subscription and an open offer are ways for companies to raise money. Companies may do this by giving their existing shareholders a right to acquire further shares at a fixed price in proportion to their existing shareholdings (an open offer) and providing for specifically identified investors also to acquire a certain number of shares at the same price (a placing or a subscription). The fixed price is normally at a discount to the market price of the existing ordinary shares on the Business Day prior to the announcement.

In this instance, Qualifying Shareholders will also be offered the opportunity to apply for additional shares in excess of their entitlement to the extent that other Qualifying Shareholders do not take up their entitlement in full. The Fundraise Price is an approximate 7.7 per cent. discount to the price of £0.65 per share, being the Closing Price on 12 March 2021 (being the latest practicable date prior to the announcement of the Fundraise).

This Open Offer is an invitation by the Company to Qualifying Shareholders to apply to acquire up to, in aggregate, 3,265,489 Fundraise Shares at a price of £0.60 per Fundraise Share. If you hold Existing Ordinary Shares on the Open Offer Record Date or have a *bona fide* market claim, other than, subject to certain exceptions, where you are a Shareholder with a registered address or located in the United States (except where permitted by Regulation D) or any other Restricted Jurisdiction, you will be entitled to subscribe for Open Offer Shares under the Open Offer.

The Open Offer is being made on the basis of 1 Open Offer Share for every 50 Existing Ordinary Shares held by Qualifying Shareholders on the Open Offer Record Date. If your Open Offer Entitlement is not a whole number, you will not be entitled to buy a fraction of an Open Offer Share and your entitlement will be rounded down to the nearest whole number.

The Excess Application Facility allows Qualifying Shareholders to apply for Open Offer Shares in excess of their Open Offer Entitlements. Applications made under the Excess Application Facility will be scaled back *pro rata* to existing shareholdings if applications are received from Qualifying Shareholders for more than the available number of Excess Shares. Unlike in a rights issue, Application Forms are not negotiable documents and neither they nor the Open Offer Entitlements can themselves be traded.

2. Am I eligible to participate in the Placing or Subscription?

Unless you are a Placee or Subscriber, you will not be eligible to participate in the Placing or Subscription.

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

If you receive an Application Form and, subject to certain exceptions, are neither a holder with a registered address nor located in a Restricted Jurisdiction, then you should be eligible to participate in the Open Offer as long as you have not sold all of your Existing Ordinary Shares on or before 12 March 2021. The Existing Ordinary Shares are expected to be marked “ex-entitlement” by the London Stock Exchange at 7.00 a.m. on 16 March 2021.

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

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

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

Subject to certain exceptions, if you have a registered address or are resident or located in any of the Restricted Jurisdictions, you will not receive an Application Form.

If you would like to apply for any of or all of the Open Offer Shares comprised in your Open Offer Entitlement or any Excess Open Offer Entitlement you should complete the Application Form in accordance with the instructions printed on it and the information provided in this document. Completed Application Forms should be posted, along with a cheque or banker’s draft drawn in the appropriate form, in the accompanying pre-paid envelope or returned by post or by hand (during normal office hours only), to the Receiving Agent, Share Registrars Limited (who will act as receiving agent in relation to the Open Offer) so as to be received by the Receiving Agent by no later than 11.00 a.m. on 1 April 2021, after which time Application Forms will not be valid.

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

(a) *If you do not want to take up your Open Offer Entitlement*

If you do not want to take up the Open Offer Shares to which you are entitled, you do not need to do anything. In these circumstances, you will not receive any Open Offer Shares. You will also not receive any money when the Open Offer Shares you could have taken up are sold, as would happen under a rights issue. You cannot sell your Application Form or your Open Offer Entitlement to anyone else.

If you do not return your Application Form subscribing for the Open Offer Shares to which you are entitled by 11.00 a.m. on 1 April 2021, the Company has made arrangements under which the Company has agreed to issue the Open Offer Shares to other Qualifying Shareholders under the Excess Application Facility.

If you do not take up your Open Offer Entitlement then following the issue of the Open Offer Shares pursuant to the Open Offer, your interest in the Company will be significantly diluted.

(b) ***If you want to take up some but not all of your Open Offer Entitlement***

If you want to take up some but not all of the Open Offer Shares to which you are entitled, you should write the number of Open Offer Shares you want to take up in Box 4 of your Application Form; for example, if you are entitled to take up 600 shares but you only want to take up 300 shares, then you should write '300' in Box 4. To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example, '300') by £0.60, which is the price in pounds sterling of each Open Offer Share (giving you an amount of £180.00 in this example). You should write this amount in Box 7, rounding down to the nearest whole pence and this should be the amount your cheque or banker's draft is made out for. You should then return the completed Application Form, together with a cheque or banker's draft for that amount, in the accompanying pre-paid envelope (for use only by Shareholders with registered addresses in the United Kingdom) and return by post to Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR or by hand (during normal office hours only), so as to be received no later than 11.00 a.m. on 1 April 2021, after which time Application Forms will not be valid. If you post your Application Form by first-class post, you should allow at least four working days for delivery.

All payments must be in pounds sterling and made by cheque or banker's draft made payable to "Share Registrars Limited Receiving Agent Account" and crossed A/C payee only. Cheques or banker's drafts must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Third party cheques will not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder and the number of an account held in the Applicant's name at the building society or bank by stamping or endorsing the cheque or draft to such effect. The account name should be the same as that shown on the application. Post-dated cheques will not be accepted. Third party cheques (other than building society cheques or banker's drafts where the building society or bank has confirmed that the relevant Qualifying Shareholder has title to the underlying funds) will not be accepted (see paragraph 6 of Part III of this document).

Cheques or banker's drafts will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

Subject to the issue of the Open Offer Shares and Admission, a definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you within 14 days of Admission.

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

If you want to take up all of the Open Offer Shares to which you are entitled, all you need to do is send the Application Form (ensuring that all joint holders sign (if applicable)), together with your cheque or banker's draft for the amount (as indicated in Box 7 of your Application Form), payable to "Share Registrars Limited Receiving Agent Account" in the accompanying pre-paid envelope or return by post or (during normal office hours only) by hand, so as to be received by the Receiving Agent by no later than 11.00 a.m. on 1 April 2021, after which time Application Forms will not be valid. If you post your Application Form by first-class post, you should allow at least four Dealing Days for delivery.

(d) **If you want to apply for more than your Open Offer Entitlement**

Provided you have agreed to take up your Open Offer Entitlement in full, you can apply for further Open Offer Shares under the Excess Application Facility. You should write the number of Open Offer Shares comprised in your Open Offer Entitlement (as indicated in Box 2 of the Application Form) in Box 4 and write the number of additional Open Offer Shares for which you would like to apply in Box 5. You should then add the totals in Boxes 4 and 5 and insert the total number of Open Offer Shares for which you would like to apply in Box 6.

For example, if you have an Open Offer Entitlement for 600 Open Offer Shares but you want to apply for 900 Open Offer Shares in total, then you should write '600' in Box 2, '300' in Box 4 and '900' in Box 5. To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example, '900') by £0.60, which is the price in pounds sterling of each Open Offer Share (giving you an amount of £540.00 in this example). You should write this amount in Box 7, rounding down to the nearest whole pence and this should be the amount your cheque or banker's draft is made out for. You should then return the completed Application Form, together with a cheque or banker's draft for that amount, in the accompanying prepaid envelope (for use by Shareholders with registered addresses in the United Kingdom only) or return by post to Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR or (during normal office hours only) by hand so as to be received by no later than 11.00 a.m. on 1 April 2021, after which time Application Forms will not be valid. If you post your Application Form by first-class post, you should allow at least four Business Days for delivery.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, such applications will be scaled back *pro rata* to existing shareholdings. It should be noted that applications under the Excess Application Facility may not be satisfied in full. A definitive share certificate will then be sent to you for the Open Offer Shares that you take up and otherwise successfully apply for using the Excess Application Facility. Your definitive share certificate for Open Offer Shares is expected to be despatched within 14 days of Admission.

6. I hold my interest in Existing Ordinary Shares in CREST. What do I need to do in relation to the Open Offer?

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

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

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

- Qualifying Shareholders who held their Existing Ordinary Shares in uncertificated form on 12 March 2021 and who have converted them to certificated form;
- Qualifying Shareholders who bought Existing Ordinary Shares before 12 March 2021 but were not registered as the holders of those shares at the close of business on 12 March 2021; and
- Certain Overseas Shareholders who are not resident in or subject to the laws of a Restricted Jurisdiction.

If you do not receive an Application Form but think that you should have received one or you have lost your Application Form, please call on the Shareholder helpline on 01252 821390 (or +44 1252 821390 if calling from overseas). Calls are charged at the standard geographic rate and will vary by provider. Calls outside

the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that the Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

8. I am a Qualifying Shareholder, do I have to apply for all the Open Offer Shares I am entitled to apply for?

You can take up any number of the Open Offer Shares allocated to you under the Open Offer Entitlement. Your maximum Open Offer Entitlement is shown on your Application Form. Any applications by a Qualifying Shareholder for a number of Open Offer Shares which is equal to or less than that person's Open Offer Entitlement will be satisfied, subject to the Open Offer becoming unconditional.

9. Can I trade my Open Offer Entitlement?

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying Shareholders should also note that their Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be admitted to CREST they will have limited settlement capabilities (for the purposes of market claims only), the Open Offer Entitlements will not be tradable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

Open Offer Shares for which application has not been made under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Qualifying Shareholders who do not apply to take up their Open Offer Entitlement will have no rights under the Open Offer or receive any proceeds from it.

10. What if I change my mind?

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

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

If you hold shares in the Company directly and you sell some or all of your Existing Ordinary Shares before 12 March 2021, you should contact the buyer or the person/company through whom you sell your shares. The buyer may be entitled to apply for Open Offer Shares under the Open Offer as set out in the Application Form.

If you sell any of your Existing Ordinary Shares on or after 12 March 2021, you may still take up and apply for the Open Offer Shares as set out on your Application Form.

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

Completed Application Forms should be returned with a cheque or banker's draft drawn in the appropriate form. All payments must be in pounds sterling and made by cheque or banker's draft made payable to "Share Registrars Limited Receiving Agent Account" and crossed "A/C payee only". Cheques or banker's drafts must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right-hand corner.

Third party cheques will not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder and the number of an account held in the Applicant's name at the building society or bank by stamping or endorsing the cheque or draft to such effect. The account name should be the same as that shown on the application. Post-dated

cheques will not be accepted. Third party cheques (other than building society cheques or banker's drafts where the building society or bank has confirmed that the relevant Qualifying Shareholder has title to the underlying funds) will not be accepted.

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

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

Following the issue of the Fundraise Shares pursuant to the Fundraise, assuming full take up of the Open Offer Entitlements, Qualifying Shareholders who do not take up any of their Open Offer Entitlements nor participate in the Fundraise will suffer a dilution of approximately 21.6 per cent. to their interests in the Company. If a Qualifying Shareholder takes up his Open Offer Entitlement in full, and does not participate in the Placing or Subscription, they will suffer a dilution of approximately 20.0 per cent. to their interest in the Company.

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

You should send your completed Application Form in the accompanying pre-paid envelope or return by post to Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR, or by hand (during normal office hours only), together with the monies in the appropriate form or by hand (during normal business hours) to the Receiving Agent. If you post your Application Form by first-class post, you should allow at least four Dealing Days for delivery. If you do not want to take up or apply for Open Offer Shares then you need take no further action.

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

The Receiving Agent must receive the Application Form by no later than 11.00 a.m. on 1 April 2021, after which time Application Forms will not be valid. If an Application Form is being sent by first class post in the UK, Qualifying Shareholders are recommended to allow at least four Dealing Days for delivery.

16. How do I transfer my entitlements into the CREST system?

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

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

Subject to the issue of the Open Offer Shares and Admission, it is expected that Share Registrars Limited will post all new share certificates within 14 days of Admission.

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

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

19. Will I be taxed if I take up my entitlements?

Shareholders who are in any doubt as to their tax position in relation to taking up their entitlements under the Open Offer, or who are subject to tax in any jurisdiction other than the United Kingdom, should immediately consult a suitable professional adviser.

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

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

21. Further assistance

Should you require further assistance please contact the Receiving Agent, Share Registrars Limited on 01252 821390 (or +44 1252 821390 if calling from overseas). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Different charges may apply to calls made from mobile telephones. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Share Registrars Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

NOTICE OF GENERAL MEETING

POLAREAN IMAGING PLC

(Incorporated in England and Wales under the Companies Act 2006 with registered no. 104442853)

NOTICE IS HEREBY GIVEN that a General Meeting of Polarean Imaging plc (the '**Company**') will be held at the Company's offices at 2500 Meridian Parkway (Suite 175), Durham, NC 27713, USA at 2.00 p.m. (9.00 a.m. (EDT)) on 6 April 2021 for the purpose of considering and, if thought fit, passing the following Resolutions, which will be proposed in the case of Resolutions 1 and 2 as ordinary resolutions and in the case of Resolutions 3 and 4 as special resolutions.

For the purposes of these Resolutions capitalised terms shall (unless the context requires otherwise) have the meaning ascribed to them in a circular from the Company to its Shareholders dated 16 March 2021 (the '**Circular**').

ORDINARY RESOLUTION

- 1 That the directors of the Company be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the '**2006 Act**') to exercise all the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares:
 - (a) up to an aggregate of 34,651,562 Ordinary Shares (being an aggregate nominal value of £12,821) in connection with the Conditional Placing;
 - (b) up to an aggregate of 4,530,666 Ordinary Shares (being an aggregate nominal value of £1,676) in connection with the Subscription; and
 - (c) up to an aggregate of 3,265,489 Ordinary Shares (being an aggregate nominal value of £1,208) in connection with the Open Offer.

- 2 That the directors of the Company be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the 2006 Act to exercise all the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares otherwise than in connection with the Fundraise, up to an aggregate of 31,230,996 Ordinary Shares (being an aggregate nominal value of £11,555 and 15 per cent. of the Enlarged Share Capital).

This authority shall be in substitution for and shall replace any existing authorities to the extent not utilised at the date this resolution is passed and shall expire at the conclusion of the next AGM save that the Company may before such expiry make offers or agreements which would or might require shares to be allotted or rights to be granted after such expiry and the directors may allot shares, or grant rights to subscribe for or convert any security into shares, in pursuance of any such offer or agreement as if the authorities conferred hereby had not expired.

SPECIAL RESOLUTION

- 3 That, subject to the passing of resolution 1, the directors of the Company be and they are hereby empowered pursuant to section 570 of the 2006 Act to allot equity securities (as defined in section 560 of the 2006 Act) of the Company for cash pursuant to the authorities conferred by resolution 1 as if section 561 of the 2006 Act did not apply to any such allotment, provided that this power shall be limited to:
 - (a) the allotment of equity securities for cash in the case of the authority granted under resolution 1(a) above in connection with the Conditional Placing of up to an aggregate of 34,651,562 Ordinary Shares (being an aggregate nominal value of £12,821);
 - (b) the allotment of equity securities for cash in the case of the authority granted under resolution 1(b) above in connection with the Subscription of up to an aggregate of 4,530,666 Ordinary Shares (being an aggregate nominal value of £1,676);
 - (c) the allotment of equity securities for cash in the case of the authority granted under resolution 1(c) above in connection with the Open Offer of up to an aggregate of 3,265,489 Ordinary Shares (being an aggregate nominal value of £1,208).

This power shall expire on 22 April 2021 save that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors may allot the relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

- 4 That, subject to the passing of resolution 2, the directors of the Company be and they are hereby empowered pursuant to section 570 of the 2006 Act to allot equity securities (as defined in section 560 of the 2006 Act) of the Company for cash pursuant to the authority conferred by resolution 2 as if section 561 of the 2006 Act did not apply to any such allotment, provided that this power shall be limited to:
- (a) the allotment of equity securities for cash in connection with or pursuant to an offer or invitation in favour of holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment (and holders of any other class of equity securities entitled to participate therein or, if the directors consider it necessary, as permitted by the rights of those securities) but subject to such exclusions or other arrangements as the directors may deem necessary or appropriate to deal with fractional entitlements, treasury shares, record dates, or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of, any regulatory body or stock exchange in any territory or any other matter whatsoever; and
 - (b) the allotment of equity securities for cash in the case of the authority granted under resolution 2 above, and otherwise than pursuant to paragraph (a) of this resolution, up to an aggregate of 31,230,996 Ordinary Shares (being an aggregate nominal value of £11,555 and 15 per cent. of the Enlarged Share Capital).

This power shall expire at the conclusion of the next AGM save that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors may allot the relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

By order of the Board
Stephen Austin
Company Secretary

Registered office:

27-28 Eastcastle Street
London
W1W 8DH

Date: 16 March 2021

Notes

In light of the current restrictions in place with respect to the COVID-19 pandemic and, in particular, the response by the UK Government and US Federal and State level authorities (including the guidance on working from home in place at the date of this notice), the Board has concluded the General Meeting will be held with the minimum number of members legally required to be present. For the safety of all Shareholders, no Shareholders will be permitted to attend the General Meeting in person without invitation. Shareholders are therefore strongly advised to appoint the chairman of the General Meeting as their proxy.

- (1) Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the General Meeting. A proxy need not be a member of the Company.
- (2) A Form of Proxy is enclosed for your use if desired. Please carefully read the instructions on how to complete the Form of Proxy. For a proxy to be effective, the instrument appointing a proxy together with the power of attorney or such other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or other authority must reach the Company's Registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR, United Kingdom or by scan and email to voting@shareregistrars.uk.com not less than 48 hours before the time of holding of the General Meeting (excluding any part of a day that is not a Business Day). The Forms of Proxy should therefore be completed and deposited with the Registrars by 2.00 p.m. on 31 March 2021. **You are strongly urged to register your votes in advance by appointing the Chairman of the General Meeting as your proxy (and not any other person). It is not recommended that you appoint any other person as your proxy as they will not be able to participate in the General Meeting and your vote(s) will not be counted.**
- (3) Pursuant to Regulation 41 of Uncertificated Securities Regulations 2001, the Company specifies that only those Shareholders on the register of members 48 hours before the time of the General Meeting or adjourned General Meeting (excluding any part of a day that is not a Business Day), shall be entitled to vote at the General Meeting in respect of the number of Existing Ordinary Shares registered in their name at the time. Changes to the register of members after that time will be disregarded in determining the rights of any person to attend or vote at the General Meeting.
- (4) Any member may insert the full name of a proxy or the full names of two alternative proxies of the member's choice in the space provided with or without deleting 'the Chairman of the meeting.' A proxy need not be a member of the Company, but must attend the General Meeting to represent the relevant member. The person whose name appears first on the Form of Proxy and has not been deleted will be entitled to act as proxy to the exclusion of those whose names follow. If this proxy form is signed and returned with no name inserted in the space provided for that purpose, the Chairman of the General Meeting will be deemed to be the appointed proxy. Where a member appoints as his/her proxy someone other than the Chairman, the relevant member is responsible for ensuring that the proxy attends the General Meeting and is aware of the member's voting intentions. Any alteration, deletion or correction made in the Form of Proxy must be initialled by the signatory/ies.
- (5) You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different Existing Ordinary Shares. You may not appoint more than one proxy to exercise rights attached to any one Existing Ordinary Share. If you wish to appoint more than one proxy, please contact the Company's Registrars, Share Registrars Limited on 01252 821390 or +44 1252 821390 from outside the UK. Lines are open from 9.00 a.m. to 5.30 p.m. Monday to Friday, excluding public holidays. Alternatively you may write to Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR, United Kingdom for additional proxy forms and for assistance.
- (6) Any corporation which is a member of the Company can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same Existing Ordinary Share.
- (7) As at the date of this document, the Company's issued share capital comprised 163,274,498 ordinary shares of £0.00037 each. Each Ordinary Share carries the right to 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 163,274,498.
- (8) A member's instructions to the proxy must be indicated in the appropriate space provided. To abstain from voting on a resolution, select the relevant 'Vote withheld' box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her decision. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.
- (9) This Form of Proxy must be signed by the appointor or his attorney duly authorised in writing. The power of attorney or other authority (if any) under which the Form of Proxy is signed, or a notarially certified copy of the power or authority, must be received by the Company's registrar with the Form of Proxy. If the appointor is a corporation, the Form of Proxy should be signed on its behalf by an attorney or duly authorised officer or executed as a deed or executed under common seal. In the case of joint holders, the signature of any one of them will suffice, but the names of all joint holders should be stated.
- (10) CREST members who wish to appoint a proxy or proxies through the CREST Electronic Proxy Appointment Service may do so for the General Meeting to be held on 6 April 2021 and any adjournment(s) thereof by following the procedures described in the CREST manual. All messages relating to the appointment of a proxy or an instruction to a previously-appointed proxy, which are to be transmitted through CREST, must be received by Share Registrars Limited (ID 7RA36) no later than 2.00 p.m. on 31 March 2021, or, if the General Meeting is adjourned, 48 hours before the time fixed for the adjourned General Meeting (excluding any part of a day that is not a Business Day).

- (11) In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Registrars, in the case of a member which is a company, the revocation notice must be executed in accordance with note 12 below. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice must be received by the Registrars not less than 48 hours (excluding any part of a day that is not a Business Day) before the time fixed for the holding of the General Meeting or any adjourned General Meeting (or in the case of a poll before the time appointed for taking the poll) at which the proxy is to attend, speak and to vote. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
- (12) A corporation's form of proxy must be executed pursuant to the terms of section 44 of the Companies Act 2006 or under the hand of a duly authorised officer or attorney.
- (13) Any power of attorney or any other authority under which the proxy form is signed (or duly certified copy of such power of authority) must be included with the proxy form.

