

**THE CONTENT OF THIS DOCUMENT HAS NOT BEEN APPROVED BY AN AUTHORISED PERSON WITHIN THE MEANING OF THE FSMA. RELIANCE ON THIS DOCUMENT FOR THE PURPOSE OF ENGAGING IN ANY INVESTMENT ACTIVITY MAY EXPOSE AN INDIVIDUAL TO A SIGNIFICANT RISK OF LOSING ALL AMOUNTS INVESTED.**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this Document or as to the action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the FSMA who specialises in advising in connection with shares and other securities if you are resident in the Isle of Man or the United Kingdom or, if not, another appropriately authorised independent financial adviser.

If you have sold or transferred all of your Existing Ordinary Shares in the Company, please send this Document and the accompanying Application Form 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. Such documents should not, however, be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. If you have sold or transferred only part of your holding of Existing Ordinary Shares, you should retain these documents and contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

**The Open Offer does not constitute an offer to the public requiring an approved prospectus under section 85 of FSMA and accordingly this Document is not a prospectus for the purposes of the Prospectus Regulation Rules. As such, this Document has not been, and will not be, reviewed or approved by the Financial Conduct Authority of the United Kingdom pursuant to sections 85 and 87 of FSMA, by the London Stock Exchange or by any other authority or regulatory body and its content has not been approved for the purposes of section 21 of FSMA.**

The distribution of this Document and/or the Application Form in jurisdictions other than the Isle of Man and/or the United Kingdom may be restricted by applicable laws or regulations and this Document does not form part of any offer or invitation to sell or issue or the solicitation of any offer to purchase or subscribe for Open Offer Units in any jurisdiction where such offer, invitation or solicitation is unlawful. Persons in jurisdictions other than the Isle of Man or the United Kingdom into whose possession this Document comes should inform themselves about and observe any such applicable legal or regulatory requirements in such jurisdiction. Any failure to do so may constitute a violation of the securities laws of any such jurisdiction. **The Open Offer Units have not been, and will not be, registered under the Securities Act, or under the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with state securities laws.**

The Existing Ordinary Shares are admitted to trading on AIM. 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. 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 an independent financial adviser. The November 2021 Warrants will not be listed on any stock exchange. **This Document does not comprise an admission document under the AIM Rules and neither the London Stock Exchange nor the Financial Conduct Authority have examined or approved the contents of this Document. The rules of AIM are less demanding than those of the Official List. It is emphasised that no application is being made for admission of the Open Offer Shares or Open Offer Warrants to the Official List. Neither the Open Offer Shares or Open Offer Warrants will be dealt on any other recognised investment exchange and no other such application will be made.**

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# AGRONOMICS LIMITED

*(Incorporated and registered in the Isle of Man under the Companies Act 2006 with registered number 006874V)*

## **Open Offer to Qualifying Shareholders of up to 28,558,897 Open Offer Units at an Issue Price of 23 pence per Open Offer Unit**

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Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that admission of the Placing Shares will become effective and that dealings will commence on 8 December 2021, and 22 December 2021 in the case of the Subscription Shares. It is expected that admission of the Open Offer Shares to trading on AIM will become effective and that dealings will commence on 22 December 2021. The New Shares will, on Admission, rank *pari passu* in all respects with, and will rank in full for all dividends and other distributions declared, made or paid in respect of, the Existing Ordinary Shares after the relevant date of Admission.

**You should read the whole of this Document.** Your attention is drawn, in particular, to the "Important Information" section of this Document, the letter from the Chairperson of the Company set out in Part I of this Document which explains the background to, and reasons for, the Fundraising and Open Offer, and the risk factors set out in Part II of this Document.

## IMPORTANT INFORMATION

The release, publication or distribution of this Document and/or the enclosed Application Form in or into jurisdictions other than the Isle of Man and the United Kingdom may be restricted by law and therefore persons into whose possession this Document comes who are not resident in the Isle of Man or the United Kingdom should inform themselves about, and observe, any applicable restrictions. Shareholders who are in any doubt regarding such matters should consult an appropriate independent adviser in the relevant jurisdiction without delay. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, this Document may not be distributed, directly or indirectly, in or into the United States, Canada, the Republic of South Africa, Australia or Japan. Overseas Shareholders and any person (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward this Document to a jurisdiction outside the Isle of Man or the United Kingdom should seek appropriate advice before taking any action.

The Company and the Directors accept responsibility for the information contained in this Document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and makes no omission likely to affect the import of such information.

The total consideration under the Open Offer shall be less than EUR 8 million (or an equivalent pounds sterling amount) in aggregate and so, in accordance with section 85 of FSMA, the Open Offer does not require the issue of a prospectus for the purposes of the Prospectus Regulation Rules. Therefore, the Open Offer does not constitute an offer to the public requiring an approved prospectus under section 85 of FSMA and accordingly this Document does not constitute a prospectus for the purposes of the Prospectus Regulation Rules and has not been pre-approved by the FCA 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. In addition, this Document does not constitute an admission Document drawn up in accordance with the AIM Rules. It is emphasised that (i) no application is being made for the admission of the Existing Ordinary Shares or the New Shares to the Official List of the FCA, and (ii) the November 2021 Warrants will not be listed on any stock exchange.

**This Document should be read in its entirety and, in particular, your attention is drawn to the section headed “Risk Factors” in Part II of this Document.**

This Document does not constitute or form part of any offer or invitation to buy, subscribe for, or sell Ordinary Shares or November 2021 Warrants in any jurisdiction in which such offer or solicitation is unlawful. In particular, the Open Offer Shares or the November 2021 Warrants comprising the Open Offer Units have not been, and will not be, registered under the Securities Act or qualified for sale under the laws of any state of the United States or under the applicable laws of any of Canada, Australia, the Republic of South Africa or Japan and, subject to certain exceptions, may not be offered or sold in the United States or to, 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 Canada, Australia, the Republic of South Africa or Japan.

Subject to certain exemptions, this Document and the Application Form do not constitute an offer of Open Offer Units to any person with a registered address, or who is resident in, the United States. There will be no public offer in the United States. Outside the United States, the Open Offer Units are being offered in reliance on Regulation S under the US Securities Act. The Open Offer Units will not qualify for distribution under the applicable securities laws of Canada, Japan, Australia or the Republic of South Africa. Accordingly, unless a relevant exemption from such requirements is available, the Open Offer Units may not, subject to certain exceptions, be offered, sold, taken up, re-sold or delivered, directly or indirectly, into or within the United States, Canada, Japan, Australia, the Republic of South Africa or in any other country, territory or possession where to do so may contravene local securities laws or regulations (each, a “**Restricted Jurisdiction**”). Shareholders who believe that they, or persons on whose behalf they hold Ordinary Shares, are eligible for an exemption from such requirements should refer to paragraph 6 of Part IV of this Document to determine whether and how they may participate.

**Overseas Shareholders and any person (including, without limitation, nominees, custodians and trustees) who has a contractual or other legal obligation to forward this Document or an**

**Application Form to a jurisdiction outside the Isle of Man or the United Kingdom should read paragraph 6 of Part IV of this Document.**

Qualifying non-CREST Shareholders will find an Application Form enclosed with this Document. Applications under 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 arising out of the sale or transfer of Ordinary Shares prior to the date on which the relevant Ordinary Shares are marked “ex” the entitlement by the London Stock Exchange. Holdings of Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purposes of calculating entitlements under the Open Offer. The latest time for application and payment in full under the Open Offer is 11.00 a.m. on 20 December 2021 and the procedure for application and payment is set out in Part IV of this Document.

No person has been authorised to give any information or to make any representation about the Company and about the matters the subject of this Document other than those contained in this Document. If any such information or representation is given or made then it must not be relied upon as having been so authorised. The delivery of this Document shall not imply that no change has occurred in the Company’s affairs since the date of issue of this Document or that the information in this Document is correct as at any time after the date of this Document, save as shall be required to be updated by law or regulation.

Beaumont Cornish Limited (“**BCL**”), which is authorised and regulated in the United Kingdom by the FCA and is a member of the London Stock Exchange, is the Company’s nominated adviser for the purposes of the AIM Rules. BCL is acting exclusively for the Company and will not regard any other person (whether or not a recipient of this Document) as a client and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the contents of this Document or any other matter referred to herein. BCL’s responsibilities as the Company’s nominated adviser under the AIM Rules for Nominated Advisers are owed to the London Stock Exchange and not to any other person and in particular, but without limitation, in respect of their decision to acquire Open Offer Units in reliance on any part of this Document. BCL has not authorised the contents of this Document for any purpose and no liability whatsoever is accepted by BCL nor does it make any representation or warranty, express or implied, as to the accuracy of any information or opinion contained in this Document or for the omission of any information. BCL 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.

Cenkos Securities plc (“**Cenkos**”), which is authorised and regulated in the United Kingdom by the FCA and is a member of the London Stock Exchange, is the Company’s broker for the purposes of the AIM Rules and the Company’s book runner and broker for the purposes of the Placing. Cenkos is acting exclusively for the Company and will not regard any other person (whether or not a recipient of this Document) as a client and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the contents of this Document or any other matter referred to herein. Cenkos has not authorised the contents of this Document for any purpose and no liability whatsoever is accepted by Cenkos nor does it make any representation or warranty, express or implied, as to the accuracy of any information or opinion contained in this Document or for the omission of any information. Cenkos 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.

This Document has been prepared for the purposes of complying with the AIM Rules and the information disclosed may not be the same as that which would have been disclosed if this Document had been prepared in accordance with the laws or regulatory requirements of jurisdictions outside the Isle of Man and/or the United Kingdom. The statements contained in this Document are not to be construed as legal, business, financial or tax advice.

This Document includes statements that are, or may be deemed to be, “forward-looking statements” which include all statements other than statements of historical facts, including, without limitation, those regarding the Company’s financial position, liquidity, the results of operations, business strategy, prospects, plans, growth, strategies, markets and objectives of management for future operations. These forward-looking statements can be identified by the use of forward-looking terminology, including, without limitation, the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology. 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 the Company 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 Company's present and future business strategies and the environment in which the Company 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.

In accordance with the AIM Rules, this Document will be available on the Company's website (<http://agronomics.im>) from the date of this Document, free of charge, subject to certain restrictions relating to persons in any jurisdiction where release, publication or distribution of this Document would constitute a violation of the securities law of such jurisdiction. Neither the content of the Company's website nor any website accessible by hyperlinks to or on the Company's website is incorporated in, or forms part of, this Document.

## PLACING AND SUBSCRIPTION STATISTICS

Number of Existing Ordinary Shares in issue as at the date of this Document <sup>(1)</sup>	799,649,130
Number of May 2021 Warrants outstanding as at the date of this Document <sup>(1)</sup>	297,684,527
Number of Placing Shares to be issued pursuant to the Placing	92,254,805
Minimum number of Subscription Shares to be issued pursuant to the Subscription <sup>(2)</sup>	18,397,369
Share Capital immediately following admission of the Placing Shares and Subscription Shares <sup>(2)</sup>	910,301,304
Minimum number of November 2021 Warrants to be granted pursuant to the Fundraising <sup>(2)</sup>	110,652,174
Minimum Directors' Intended Subscription	10,000,000

## OPEN OFFER STATISTICS

Composition of an Open Offer Unit	1 New Share and 1 Open Offer Warrant
Basis of Open Offer <sup>(3)</sup>	1 Open Offer Unit for every 28 Existing Ordinary Shares
Issue Price per Open Offer Unit <sup>(4)</sup>	23 pence per Unit
Maximum number of Open Offer Units to be offered pursuant to the Open Offer <sup>(5)</sup>	28,558,897
Maximum Enlarged Share Capital <sup>(2)</sup> following Admission of the Open Offer Shares <sup>(5)</sup>	938,860,201
Maximum percentage of the Enlarged Share Capital <sup>(2)</sup> represented by the Open Offer Shares <sup>(5)</sup>	3.04 per cent.
Maximum number of November 2021 Warrants outstanding following Admission of the Placing Shares, Subscription Shares <sup>(2)</sup> and Open Offer Shares <sup>(5)</sup>	139,211,071
Estimated aggregate gross proceeds of the Open Offer <sup>(4) (5)</sup>	£6,568,546
ISIN for Open Offer Entitlements	IM00BP2V1249
ISIN for Excess CREST Open Offer Entitlements	IM00BP2V1686
ISIN for November 2021 Warrants	IM00BP68CG25
Company Legal Entity Identification number	21380029M8MPIEQ3TL31

(1) As at 2 December 2021, being the last practicable Business Day prior to the publication of this Document.

(2) Assuming that no more than the 18,397,369 minimum Subscription Shares are issued i.e. excluding those Subscriptions entered into following the date of this document and before the Subscription Closing Date and also excluding the shares and warrants intended to be subscribed by certain Directors pursuant to the Directors' Intended Subscription.

(3) The actual number of Open Offer Units to be issued under the Open Offer will be subject to rounding down to eliminate fractions.

(4) Excluding amounts payable by the exercising party on exercise of November 2021 Warrants.

(5) Assuming that the maximum number of Open Offer Units are subscribed for by Qualifying Shareholders.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date and time for entitlements under the Open Offer	6.00 p.m. on 1 December 2021
Announcement of the Fundraising	11.30 a.m. on 1 December 2021
Announcement of the results of the Fundraising and launch of the Open Offer	1.30 p.m. on 2 December 2021
Existing Ordinary Shares marked 'ex' by London Stock Exchange	8.00 a.m. on 3 December 2021
Posting of this Document and, to Qualifying Non-CREST Shareholders, the Application Form	3 December 2021
Basic Entitlements and Excess Open Offer Entitlements credited to stock accounts in CREST of Qualifying CREST Shareholders	As soon as possible after 8.00 a.m. on 6 December 2021
Admission and commencement of dealings in the Placing Shares on AIM	8.00 a.m. on 8 December 2021
CREST accounts expected to be credited for the Placing Shares and Placing Warrants to be held in uncertificated form	8 December 2021
Latest date for posting of share and warrant certificates for the Placing Shares and Placing Warrants in certificated form (if applicable)	Within 10 business days from Placing Admission
Admission and commencement of dealings in the Subscription Shares on AIM	8.00 a.m. on 22 December 2021
CREST accounts expected to be credited for the Subscription Shares and Subscription Warrants to be held in uncertificated form	22 December 2021
Latest date for posting of share and warrant certificates for the Subscription Shares and Subscription Warrants in certificated form (if applicable)	Within 10 business days from Subscription Admission
Recommended latest time for requesting withdrawal of Basic Entitlements and Excess Open Offer Entitlements from CREST	4.30 p.m. on 14 December 2021
Latest time and date for depositing Basic Entitlements and Excess CREST Open Offer Entitlements in CREST	3.00 p.m. on 15 December 2021
Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 16 December 2021
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on 20 December 2021
Announcement of result of Open Offer	21 December 2021
Admission and commencement of dealings in the Open Offer Shares on AIM	8.00 a.m. on 22 December 2021
CREST accounts expected to be credited for the Open Offer Units to be held in uncertificated form	22 December 2021
Latest date for posting of share and warrant certificates for the Open Offer Units in certificated form (if applicable)	Within 10 business days of Admission of Open Offer Shares

**Notes:** Each of the times and dates referred to above and where used elsewhere in this Document refer to GMT (unless otherwise stated) and are subject to change by the Company (with the agreement of the Broker), in which case details of the new times and dates will be notified to the London Stock Exchange and the Company will make an appropriate announcement through a Regulatory Information Service.

*In order to subscribe for Open Offer Units under the Open Offer, Qualifying Shareholders will need to follow the procedure set out in Part IV of this Document and, where relevant, complete the accompanying Application Form. If Qualifying Shareholders have any queries on the procedure for acceptance and payment, or wish to request another Application Form, they should contact Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. 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 Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.*



## DIRECTORS, SECRETARY AND ADVISERS

<b>Directors</b>	Richard Reed ( <i>Independent Non-Executive Chairman</i> ) Denham Eke ( <i>Finance Director</i> ) Jim Mellon ( <i>Executive Director</i> ) David Giampaolo ( <i>Independent Non-Executive Director</i> )
<b>Registered Office</b>	18 Athol Street Douglas, Isle of Man IM1 1JA
<b>Company website</b>	agronomics.im
<b>Advisory Consultant</b>	Shellbay Limited Palm Grove House PO Box 438, Road Town Tortola British Virgin Islands
<b>Nominated Adviser</b>	Beaumont Cornish Limited Building 3 566 Chiswick High Road London W4 5YA
<b>Joint Broker</b>	Cenkos Securities plc 6.7.8 Tokenhouse Yard London EC2R 7AS
<b>Joint Broker</b>	Peterhouse Corporate Finance Limited 3rd Floor 80 Cheapside London EC2V 6EE
<b>Legal advisers to the Company as to English law</b>	Hill Dickinson LLP The Broadgate Tower 20 Primrose Street London EC2A 2EW
<b>Advocates to the Company as to Isle of Man law</b>	Long & Humphrey Advocates Limited The Old Court House Athol Street Douglas Isle of Man IM1 1LD
<b>Legal advisers to Nominated Adviser and Broker</b>	Marriott Harrison LLP 11 Staple Inn London WC1V 7QH
<b>Registrar</b>	Link Market Services (IOM) Limited Clinch's House Lord Street Douglas Isle of Man IM1 1JD



**Receiving Agent**

Link Group, Corporate Actions  
Central Square  
29 Wellington Street  
Leeds  
LS1 4DL

## DEFINITIONS AND GLOSSARY

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

<b>“£”, “Pounds Sterling” or “pence”</b>	the lawful currency of the United Kingdom;
<b>“Act”</b>	the Isle of Man Companies Act 2006, as amended;
<b>“Admission”</b>	(a) in respect of the Placing Shares means admission of the Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules; and (b) in respect of the Subscription Shares means admission of the Subscription Shares to trading on AIM becoming effective in accordance with the AIM Rules; and (c) in respect of the Open Offer Shares means admission of the Open Offer Shares to trading on AIM becoming effective in accordance with the AIM Rules;
<b>“AIM”</b>	the market of that name operated by the London Stock Exchange;
<b>“AIM Rules”</b>	the AIM Rules for Companies governing the admission to and operation of AIM published by the London Stock Exchange as amended from time to time;
<b>“applicant”</b>	a Qualifying Shareholder or a person by virtue of a <i>bona fide</i> market claim who lodges an Application Form or relevant CREST instruction under the Open Offer;
<b>“Application Form”</b>	the application form relating to the Open Offer and enclosed with this Document for use by Qualifying non-CREST Shareholders
<b>“Articles”</b>	the articles of association of the Company in force at the date of this Document;
<b>“Basic Entitlement(s)”</b>	the <i>pro rata</i> entitlement for Qualifying Shareholders to subscribe for Open Offer Units, pursuant to the Open Offer as described in Part IV of this Document;
<b>“Board” or the “Directors”</b>	the directors of the Company, as at the date of this Document, whose names are set out on page 17 of this Document;
<b>“Broker”</b>	Cenkos Securities plc, 6.7.8 Tokenhouse Yard, London, EC2R 7AS;
<b>“CCSS”</b>	the CREST Courier and Sorting Service, established by Euroclear to facilitate, <i>inter alia</i> , the deposit and withdrawal of certificated securities;
<b>“Cell Culture”</b>	the removal of cells from an animal or plant and their subsequent growth in a favourable artificial environment;
<b>“Cellular Agriculture”</b>	the interdisciplinary field combining biotechnology, chemical biology and tissue engineering, to produce conventional agricultural products directly from Cell Culture and Fermentation;
<b>“certificated” or “in certificated form”</b>	an Ordinary Share recorded on the Company’s share register as being held in certificated form (namely, not in CREST);

<b>“Company” or “Agronomics”</b>	Agronomics Limited, a company incorporated and registered in the Isle of Man under the Act with company number 006874V whose registered office is at 18 Athol Street, Douglas, Isle of Man, IM1 1JA;
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations) for the paperless settlement of trades and the holding of uncertificated securities, operated by Euroclear, in accordance with the same regulations;
<b>“CREST Manual”</b>	the rules governing the operation of CREST, as published by Euroclear;
<b>“CREST member”</b>	a person who has been admitted by Euroclear as a “system-member” (as defined in the CREST Regulations);
<b>“CREST participant”</b>	a person who is, in relation to CREST, a “system participant” (as defined in the CREST Regulations);
<b>“CREST payment”</b>	shall have the meaning given in the CREST Manual issued by Euroclear;
<b>“CREST Regulations”</b>	Uncertificated Securities Regulations 2006 of the Isle of Man (SD No. 743/06), as amended;
<b>“CREST sponsor”</b>	a CREST participant admitted to CREST as a CREST sponsor;
<b>“CREST sponsored member”</b>	a CREST participant admitted to CREST as a sponsored member (which includes all CREST personal members);
<b>“Cultivated Meat”</b>	meat grown <i>in vitro</i> , without the need to raise animals for slaughter, by taking a biopsy from the species of choice and isolating the stem cells from the tissue;
<b>“Directors’ Intended Subscription”</b>	The intention of certain directors to subscribe for an additional minimum of £2.3 million when the company is out of a close period under MAR and before the Subscription Closing Date;
<b>“Disclosure Guidance and Transparency Rules”</b>	Disclosure Guidance and Transparency Rules published by the FCA (as amended from time to time);
<b>“Document”</b>	this open offer document dated 3 December 2021;
<b>“Enlarged Share Capital”</b>	the issued Ordinary Share capital of the Company immediately following the issue of the New Shares;
<b>“EUR”</b>	the Euro, the lawful currency of the 19 Member States of the European Union that have accepted monetary union;
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited, the operator of CREST;
<b>“Excess Application Facility”</b>	the arrangement pursuant to which Qualifying Shareholders may apply for additional Open Offer Units in excess of the Basic Entitlement in accordance with the terms and conditions of the Open Offer;
<b>“Excess CREST Open Offer Entitlement”</b>	in respect of each Qualifying CREST Shareholder, the entitlement to apply for Open Offer Units 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 his Basic Entitlement

	in full and which may be subject to scaleback in accordance with the provisions of this Document;
<b>“Excess Entitlement(s)”</b>	Open Offer Units in excess of the Basic Entitlement, but not in excess of the total number of Open Offer Units, allocated to a Qualifying Shareholder pursuant to the Open Offer as described in Part VI of this Document;
<b>“Excess Units”</b>	the Open Offer Units for which Qualifying Shareholders may apply under the Excess Application Facility in addition to their Basic Entitlement;
<b>“Ex-entitlement Date”</b>	the date on which the Existing Ordinary Shares are marked ‘ex’ for entitlement under the Open Offer being 8.00 a.m. on 3 December 2021;
<b>“Existing Ordinary Shares”</b>	the Ordinary Shares in issue as at the date of this Document being the entire issued share capital of the Company at the date of this Document;
<b>“FCA” or “Financial Conduct Authority”</b>	the Financial Conduct Authority of the United Kingdom, the statutory regulator under FSMA responsible for the regulation of the United Kingdom financial services industry and the competent authority for the purposes of Part VI of FSMA;
<b>“FDA”</b>	The United States Food and Drug Administration;
<b>“Fermentation”</b>	the use of genetically engineered microbes to produce valuable molecules, such as proteins, fats and oils by way of fermentation or precision fermentation;
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended);
<b>“Fundraising”</b>	together the Placing and the Subscription;
<b>“GBP” or “£” or “Sterling”</b>	British Pounds Sterling, the lawful currency of the Isle of Man, Great Britain and Northern Ireland;
<b>“GMT”</b>	Greenwich Mean Time;
<b>“Grant Date”</b>	means 8 December 2021 in relation to the November 2021 Warrant Instrument;
<b>“Investment Committee”</b>	the investment committee of the Board established from time-to-time;
<b>“Investee Companies”</b>	the companies in which the Company holds an interest (whether equity and/or debt) and/or makes an investment in from time-to-time and which together comprise the Portfolio, including the companies detailed at Part I, Section B of this Document;
<b>“ISIN”</b>	International Securities Identification Number;
<b>“Issue Price”</b>	23 pence per Open Offer Unit;
<b>“Isle of Man”</b>	the Isle of Man;
<b>“London Stock Exchange”</b>	London Stock Exchange plc;

<b>“MAR”</b>	means the United Kingdom laws and regulations substantially implementing the EU Market Abuse Regulations including the European Union (Withdrawal) Act 2018 and the Market Abuse Exit Regulations 2019;
<b>“May 2021 Warrants”</b>	warrants granted to investors participating in the fundraising by the Company in May 2021 entitling each holder to subscribe for one new Ordinary Share of the Company with an exercise price of 28.5p prior to 11 May 2023, in all cases in accordance with the terms of the May 2021 Warrant Instrument;
<b>“May 2021 Warrant Instrument”</b>	means the warrant instrument adopted by the Company on 11 May 2021 setting out the terms and conditions of the May 2021 Warrants;
<b>“member account ID”</b>	the identification code or number attached to any member account in CREST;
<b>“Money Laundering Regulations”</b>	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, 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;
<b>“New Shares”</b>	together the Placing Shares, Subscription Shares and the Open Offer Shares;
<b>“November 2021 Warrant Instrument”</b>	means the warrant instrument setting out the terms and conditions of the November 2021 Warrants attached at Appendix I of this Document (further details of which are set out at paragraph 6 of Part I of this Document);
<b>“November 2021 Warrant Period”</b>	the period of two years commencing on the Grant Date and ending on 8 December 2023;
<b>“November 2021 Warrants”</b>	warrants granted to Placees and Qualifying Shareholders participating in the Open Offer entitling each holder to subscribe for one new Ordinary Share of the Company during the November 2021 Warrant Period, in all cases in accordance with the terms of the November 2021 Warrant Instrument (further details of which are set out at paragraph 6 of Part I of this Document);
<b>“Official List”</b>	the Official List of the FCA;
<b>“Open Offer”</b>	the conditional invitation to Qualifying Shareholders to apply for the Open Offer Units at the Issue Price on the terms and conditions outlined in this Document and, where relevant, in the Application Form;
<b>“Open Offer Entitlements”</b>	entitlements for Qualifying Shareholders to subscribe for Open Offer Units pursuant to the Basic Entitlement and the Excess Entitlement;
<b>“Open Offer Shares”</b>	up to 28,558,897 new Ordinary Shares to be issued pursuant to the Open Offer;

<b>“Open Offer Units”</b>	up to 28,558,897 units comprising one Open Offer Share and one November 2021 Warrant, to be issued at the Issue Price pursuant to the Open Offer;
<b>“Open Offer Warrants”</b>	up to 28,558,897 November 2021 Warrants to be issued pursuant to the Open Offer;
<b>“Ordinary Shares”</b>	ordinary shares of £0.000001 each in the capital of the Company having the rights and being subject to the restrictions contained in the Articles;
<b>“Overseas Shareholders”</b>	Shareholders with registered addresses, or who are citizens or residents of, or incorporated in, countries outside of the Isle of Man or the United Kingdom;
<b>“participation ID”</b>	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant;
<b>“Placees”</b>	persons who have agreed to subscribe for Placing Units under the Placing at the Issue Price;
<b>“Placing”</b>	the placing by the Company and the Broker, as agent of and on behalf of the Company, of in aggregate 92,254,805 Placing Units at the Issue Price on the terms and subject to the conditions of the Placing Agreement;
<b>“Placing Agreement”</b>	the conditional agreement dated 1 December 2021 between the Company and the Nominated Adviser, the Broker relating to the placing by Cenkos of the Placing Units;
<b>“Placing Shares”</b>	the 92,254,805 new Ordinary Shares which are to be issued by the Company pursuant to the Placing Agreement;
<b>“Placing Unit”</b>	one new Ordinary Share and one November 2021 Warrant together comprising a single unit issued under the Placing;
<b>“Placing Warrants”</b>	the 92,254,805 November 2021 Warrants which are to be granted by the Company pursuant to the Placing Agreement;
<b>“Portfolio”</b>	together the interests of the Company in Investee Companies from time-to-time;
<b>“Prospectus Regulation”</b>	EU Regulation 2017/1129 (which forms part of United Kingdom domestic law pursuant to the European Union (Withdrawal) Act 2018) on the requirements for a prospectus to be published when securities are offered to the public or admitted to trading;
<b>“Prospectus Regulation Rules”</b>	the prospectus regulation rules published by the FCA pursuant to section 73A of FSMA (as amended from time to time);
<b>“Qualifying CREST Shareholders”</b>	Qualifying Shareholders holding Existing Ordinary Shares which, on the register of members of the Company on the Record Date, are in uncertificated form in CREST;
<b>“Qualifying non-CREST Shareholders”</b>	Qualifying Shareholders holding Existing Ordinary Shares which, on the register of members of the Company on the Record Date, are in certificated form;
<b>“Qualifying Shareholders”</b>	holders of Existing Ordinary Shares other than Overseas Shareholders, whose names appear on the register of members of

the Company on the Record Date as holders of Existing Ordinary Shares and who are eligible to be offered Open Offer Units under the Open Offer in accordance with the terms and conditions set out in this Document;

<b>“Receiving Agent”</b>	Link Group, Corporate Actions;
<b>“Record Date”</b>	6.00 p.m. on 1 December 2021;
<b>“Registrar”</b>	Link Market Services (IOM) Limited;
<b>“Regulatory Information Service”</b>	a service approved by the London Stock Exchange for the distribution to the public of AIM announcements and included within the list on the website of the London Stock Exchange;
<b>“Restricted Jurisdictions”</b>	the United States, Australia, Canada, Japan, the Republic of South Africa and any other jurisdiction where the extension or availability of the Open Offer would breach any applicable law;
<b>“Securities Act”</b>	the United States Securities Act of 1933, as amended;
<b>“Shareholders”</b>	registered holders of Ordinary Shares;
<b>“Subscribers”</b>	persons who have agreed to subscribe for Subscription Units under the Subscription Agreements;
<b>“Subscription Agreements”</b>	the subscription agreements between the Company and the Subscribers for Subscription Units at the Issue Price signed prior to the Subscription Closing Date;
<b>“Subscription Closing Date”</b>	Noon GMT on 20 December 2021
<b>“Subscription Shares”</b>	the new Ordinary Shares which are to be issued by the Company pursuant to the Subscription Agreements;
<b>“Subscription Unit”</b>	one new Ordinary Share and one November 2021 Warrant together comprising a single unit issued under the Subscription;
<b>“Subscription Warrants”</b>	the November 2021 Warrants which are to be granted by the Company pursuant to the Subscription Agreements;
<b>“United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“uncertificated” or “in uncertificated form”</b>	a share or other security recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
<b>“Unit”</b>	one new Ordinary Share and one November 2021 Warrant together comprising a single unit;
<b>“United States” or “US”</b>	the United States of America, its territories and possessions, any State of the United States and the District of Columbia;
<b>“US\$”</b>	United States Dollars, the lawful currency of the United States of America; and
<b>“USE”</b>	unmatched stock event.



## PART I: SECTION A

### LETTER FROM THE CHAIRMAN

# AGRONOMICS LIMITED

*(Incorporated and registered in the Isle of Man under the Companies Act 2006 with registered number 006874V)*

*Directors:*

Richard Reed, *Independent Non-Executive Chairman*  
James Mellon, *Executive Director*  
Denham Eke, *Finance Director*  
David Giampaolo, *Independent Non-Executive Director*

*Registered Office:*

18 Athol Street  
Douglas  
Isle of Man  
IM1 1JA

3 December 2021

*To: Holders of Ordinary Shares and, for information only, to holders of options and warrants over Ordinary Shares*

### **Open Offer of up to 28,558,897 Open Offer Units at an Issue Price of 23 pence per Open Offer Unit**

#### **1. INTRODUCTION**

On 2 December 2021, the Company announced that it had successfully raised approximately £25.5 million (before expenses) through a placing of 92,254,805 Units at a placing price of 23 pence per Unit to existing and new institutional investors by way of an accelerated bookbuild conducted by Cenkos on behalf of the Company; and (ii) a subscription of 18,397,369 Units at an issue price of 23 pence per Unit. Each Unit comprised one New Ordinary Share and one warrant to subscribe for a new Ordinary Share, exercisable at 30 pence and with an exercise period of two years from the Grant Date. Further details of the November 2021 Warrants are set out at paragraph 6 of this Part I of the Document below.

Investors wishing to participate in the Subscription have until the Subscription Closing Date to sign Subscription Agreements with the Company. Directors of the Company, including Jim Mellon through Galloway Limited, have confirmed their intention to subscribe for an additional minimum of £2.3 million. As the Company is currently in a close period under MAR until the publication of its results for the financial year ended 30 June 2021 ("**Results**"), the Directors are not permitted to enter into a subscription agreement until after publication of the Results (and subject to each not being in possession of any other unpublished price sensitive information at such time). It is expected that the Results will be published before the Subscription Closing Date, and the Directors expect to be able to participate in the Directors' Intended Subscription as indicated. In order to provide sufficient time for the settlement procedure and payment of funds under the Subscription Agreements (including the Directors' Intended Subscription set out above), application will be made for the Subscription Shares to be admitted to trading on AIM which is expected to occur at 8.00 a.m. on 22 December 2021.

Furthermore, in order to provide Shareholders with an opportunity to participate in the proposed issue of new Ordinary Shares and November 2021 Warrants, the Company is providing all Qualifying Shareholders with the opportunity to subscribe for an aggregate of up to 28,558,897 Open Offer Units, to raise up to approximately £6.6 million (before expenses), on the basis of One Open Offer Unit for every 28 Existing Ordinary Shares held on the Record Date, at the Issue Price. Each Open Offer Unit comprises one new Ordinary Share and One November 2021 Warrant. Shareholders subscribing for their full entitlement under the Open Offer may also request (but cannot be assured of being allocated) additional Open Offer Units through the Excess Application Facility.

The New Shares and any shares issued pursuant to the exercise of the November 2021 Warrants will be issued pursuant to the existing Shareholder authorities granted at the general meeting of the Company held in May 2021 and therefore no Shareholder approval is required in respect of the Fundraising and Open Offer. Application has been made for the Placing Shares to be admitted to trading on AIM which is expected to

occur at 8.00 a.m. on 8 December 2021. Application will be made for the Subscription Shares to be admitted to trading on AIM which is expected to occur at 8.00 a.m. on 22 December 2021. Application will be made for the Open Offer Shares to be admitted to trading on AIM, which is expected to occur at 8.00 a.m. on 22 December 2021 or such later time and/or date as the Broker and the Company may agree.

The Issue Price represents a discount of 6.1 per cent. to the closing price of Ordinary Shares on AIM on 30 November 2021 and 19.9 per cent. to the average daily volume weighted average price of Ordinary Shares on AIM for the 20 days to 30 November 2021. The Issue Price is also at a premium of 77.1 per cent. to the latest reported net asset value of 12.99 pence per share as at 30 September 2021.

Further details of the Fundraising and Open Offer are set out in this Document, which you are encouraged to read carefully. No part of the Fundraising or Open Offer has been underwritten.

The purpose of this Document is to provide you with details of and the background to and reasons for the Fundraising and Open Offer and to explain why the Directors believe that the Fundraising and Open Offer are in the best interests of the Company and its Shareholders as a whole.

## **2. BACKGROUND TO AND REASONS FOR THE FUNDRAISING AND OPEN OFFER**

Agronomics is a leading listed investor in Cellular Agriculture with a focus on Cultivated Meat and Fermentation technologies. The Company has established a portfolio of 18 companies at the Pre-Seed to Series B stage in this rapidly advancing sector (see Portfolio Summary at Part I, Section B).

Cellular Agriculture is the interdisciplinary field combining biotechnology, chemical biology and tissue engineering, to produce conventional agricultural products directly from Cell Culture and Fermentation processes, including precision fermentation. These technologies are driving a major disruption in agriculture, offering solutions to improve sustainability, as well as addressing human health, animal welfare and environmental damage. Companies in this emerging sector and their activities have the capacity to impact eight of the UN's 17 sustainable development goals.

Agronomics seeks to secure strategic stakes in companies owning technologies with defensible intellectual property that offer new ways of producing food and materials with a focus on products historically derived from animals. To achieve this, it invests principally in companies involved in Cellular Agriculture including Cultivated Meat and Fermentation as well as the enabling technologies that will be applicable to such companies. Cellular Agriculture companies are involved across most forms of cultivated meat and seafood, as well pet food and plant Cell Culture, such as cocoa and coffee. This area includes cultivated materials, including cotton and leather. The Fermentation segment includes precision fermentation which involves the use of genetically engineered microbes to produce valuable molecules, such as proteins, fats and oils which are separated from the host microorganism via purification. As with many new industries that utilise new technologies and equipment, upstream supplier companies and complementary businesses join the market. Agronomics will also look at investments in companies that provide the products used more broadly across the industry such as manufacturers of bioreactors and companies with low-cost growth factor methodologies or scaffolding approaches.

The Company's investments reflect a global mandate including companies based in United Kingdom, USA, China, Singapore, Israel, the Netherlands, Finland and Germany. The Portfolio consists of all major protein categories. A full list of Agronomics' Investee Companies is set out in Part I, Section B below.

### ***The Cellular Agriculture Industry***

The basic premise of Cultured Meat is that the meat is grown *in vitro*, without the need to raise animals for slaughter. This is done by taking a biopsy from the species of choice (cow, chicken, pig, fish, shrimp etc) and isolating the stem cells from the tissue. Then in the 'Proliferation Phase' (cell expansion), plant-based growth medium, oxygen and water are used to stimulate growth of cells into vast quantities of biomass. The 'Differentiation Phase' (cell specialisation) uses changes of conditions to initiate cells to differentiate and turn in to the desired cell type, for instance muscle cells, fat cells, and, or connective tissue. The tissues are combined in various ways, sometimes with the use of a 'scaffold', to form meat. It is likely that grounded meat products will be the first commercialised product initially and these are expected to be at a premium price point. However the Directors believe that cost reduction through scaling should ultimately lead to price parity with the benefit over conventional agriculture that the meat will be grown in a controlled environment

and production will accordingly be independent of environmental factors such as variable weather and disease.

As an industry Cultured Meat is less than 10 years old, with the world’s first lab-grown burger, developed from a research project led by Professor Mark Post, showcased only in 2013. It was funded by Sergey Brin, co-founder of Google, and cost EUR 250,000. This research was then spun out in 2016 to become MosaMeat ([www.mosameat.com](http://www.mosameat.com)). Other key milestones in the development of the industry include Perfect Day ([www.perfectday.com](http://www.perfectday.com)) achieving GRAS (generally recognised as safe) determination from the FDA for the use of  $\beta$ -lactoglobulin (dairy whey protein), produced via Fermentation and Eat Just, Inc. ([www.goodmeat.co](http://www.goodmeat.co)) receiving the world’s first cultivated chicken approval for sale in Singapore in 2020. The Directors estimate that the first regulatory approval in the US by the FDA will come in 2022 and full-scale commercialisation will occur in 2025. AT Kearney, the consultancy, predicted that “cultured meat will make up 35 per cent. of the market share” by 2040.

Because of this rapid growth, the sector has a narrow investable universe of only approximately 200 companies globally and substantial capital requirement in near term. The Directors therefore believe that there will be significant raises by the industry in 2022 both in number as more players come into the industry and size as the market matures. This capital requirement is reflective of the trend – in 2016 to 2019 approximately US\$150 million was raised for the sector, last year alone US\$270 million was raised, and this year-to-date companies in the sector have raised a total of approximately US\$590 million.

<i>Leading companies in the market</i>	<i>Upside Foods (Formerly Memphis Meats)</i>	<i>Perfect Day</i>	<i>EatJUST / Good Meat</i>
<b>Product focus</b>	Beef, chicken, duck	Dairy proteins	Chicken, wagyu beef, plant-based egg
<b>Pre-money valuation</b>	US\$450 million (estimate)	US\$1.3 billion (estimate)	US\$1.1 billion
<b>Fundraise stage</b>	Series B	Series D	Series D+
<b>Total funding received to date</b>	US\$180 million+ <sup>^</sup>	US\$710 million <sup>^</sup>	US\$650 million+

\* EatJUST is focused on plant-based products and cultivated meat  
<sup>^</sup> Upside Foods raised a US\$161 million Series B in January 2020, Perfect Day raised a US\$350 million Series D in 2021

The Fermentation sub-sector has also experienced huge growth of investment over the period. Including ‘biomass fermentation’, the industry raised US\$90 million from 2015 to 2018, US\$450 million and US\$540 million in 2019 and 2020 respectively and US\$1.12 billion to date in 2021. The prediction is that Fermentation companies will raise a further US\$2.0 billion in 2022.

**Regulation of Cellular Agriculture**

The regulation of Cellular Agriculture is relatively complex and is often covered by multiple agencies given its novelty and the fact that it has characteristics of both biotechnology and agriculture. In the US, the FDA and the United States Department of Agriculture (“**USDA**”) jointly regulates Cultivated Meat, while the FDA solely regulates cell-based seafood. Cultivated Meat in the EU is regulated by European Food Standards Agency (“**EFSA**”) and new products have to go through a ‘Novel Foods’ regulatory approval process. Directors believe that the period from application to grant will take 6 to 18 months.

At this point in time only Eat Just Inc. has regulatory approval for any Cultivated Meat product and this has a limited scope having been approved in December 2020 by the Singapore Food Agency for cultivated chicken products for sale in Singapore.

**Investment Process**

Agronomics seeks to identify novel commercial opportunities utilising Cell Culture or Fermentation processes. The investment process starts with an initial screen which to date covers over 172 companies specific to Cellular Agriculture which provides a comprehensive coverage of the investment universe while maintaining a view to portfolio diversification covering key protein categories. Investment opportunities are sourced via

an established network, desk-top research and screening. At this point a more focussed diligence process is undertaken which the Company has undertaken on over 60 companies to date. The diligence process will include engaging relevant scientific advisory board members for full evaluation of the technology and science, relevant intellectual property rights (including a freedom to operate patent review), assessment of the business strategy and team competencies, a preliminary Investment Committee review and site visits. Final investment process (18 companies to date) involves final technical due diligence by the Company's Scientific Advisory Board, written reports, external legal counsel engaged for legal documentation, comprehensive investment memorandum and data pack for final Investment Committee vote and final board approval. Details of the board and the advisory team and the scientific advisory board are set out in the Company's website <https://agronomics.im/>.

### ***Recent investments and reasons for the fundraising***

In May of this year, the Company raised £65.5 million gross to fund its on-going investment programme into both existing Investee Companies as well as new companies to broaden the Portfolio. Since that time the Company has invested approximately £20 million (US\$27 million) in the following 7 Investee Companies:

- Meatable B.V. – EUR 0.2 million
- Formo Bio GmbH – US\$3.15 million
- VitroLabs Inc. – US\$7.0 million
- California Cultured Inc. – US\$4.0 million
- Solar Foods Oy – EUR3.0 million
- The EVERY Company – US\$8.0 million
- Ohayo Valley Inc – US\$1.5 million

The Company currently has approximately £44 million of available investable cash but expects to deploy this on its near-term investment pipeline set out in Paragraph 3 (Use of Proceeds) below. Going forward, the Directors envisage that the Company will be presented with significantly greater opportunities to deploy larger amounts of capital into the sector with average investment size increasing in line with sector growth.

To date the Company has participated in a number of the early rounds of leading companies in the Cellular Agriculture industry, allowing the Company to have material holdings in 18 portfolio companies covering most of the key meat varieties for a total investment of approximately £43,467,920.

This is a rapidly advancing sector and the Directors expect a number of the investee companies to undertake follow-on financing rounds within the coming year and when they do so there will be opportunities for revaluating the carrying values within the Company's portfolio. The Directors therefore believe that there is significant underlying value in the portfolio which is not yet reflected.

The Company will continue to invest in applications of Cell Culture in pre-seed companies but it intends, where possible, to take larger positions in such early rounds in order to have greater influence on terms and greater visibility on the development of the relevant business and intellectual property. In addition, given the maturing market and later stage rounds being undertaken including by its current Investee Companies, the Company is expected to naturally transition to larger per round investments. The Directors therefore consider that increasing the capital base at this point would benefit the Company by allowing it to take advantage of more opportunities over the next year, whether it be continuing to invest in earlier stage companies, maintaining its holding in existing later stage Investee Companies or making targeted acquisitions of secondary shares in the leading Cellular Agriculture companies.

### **3. USE OF PROCEEDS OF THE FUNDRAISING AND OPEN OFFER**

As announced on 2 December 2021, the Company has raised £25.5 million (net) pursuant to the Fundraising (subject to Admission), £27.75 million (net) including the Directors' Intended Subscription. This together with the net amount of funds raised under the Open Offer will principally be used to finance further investment into current Investee Companies and projects and, investment in new opportunities within the Cellular Agriculture sector (and other related sectors).

The Company currently is in advanced discussions to make investments of up to US\$52 million in 6 new and existing Investee Companies covering category leaders in both Cell Culture and Fermentation technologies and spanning the range from 'Pre-Seed' to 'Series B' (details of which are set out below). In addition to these near-term opportunities, the Company has a significant pipeline of additional identified leads and expected funding rounds for existing Investee Companies.

### EXPECTED NEAR TERM INVESTMENTS

	<i>TECHNOLOGY FOCUS</i>	<i>ANTICIPATED COMMITMENT (GBP)</i>	<i>STAGE</i>	<i>ESTIMATED TIME TO COMMERCIAL LAUNCH</i>	<i>DESCRIPTION</i>
<b>Project A</b>	Cell Culture	5-9 million	Series A	1-2 years	Major protein category, company has an efficient bioprocess established, entering scale-up phase
<b>Project B</b>	Cell Culture	7-11 million	Series B	1-2 years	Leading US based cellular agriculture company
<b>Project C</b>	Fermentation	7-11 million	Series B	< 1 year	Company providing infrastructure capabilities to fermentation companies to facilitate scaling
<b>Project D</b>	Fermentation	6 million	Series B	< 1 year	Opportunity in a leading fermentation company with a platform technology
<b>Ohayo Valley Inc (announced 19 November 2021)</b>	Cell Culture	~1.11 million	Pre-Seed	4 years	Leading cultivated meat scientist has founded her own company, unique technology approach for efficient production at low-cost. First product is cultivated Wagyu ribeye steak
<b>Project F</b>	Cell Culture	0.25 million	Pre-Seed	3 years	Identified white space opportunity within cellular agriculture

#### 4. SHELLBAY AGREEMENT

Agronomics announced revised terms with its advisory consultant, Shellbay Limited ("**2021 Shellbay Agreement**") on 6 May 2021. Shellbay Limited is indirectly owned by Jim Mellon, a Director of the Company. Under the terms of the 2021 Shellbay Agreement:

- Shellbay charges no ongoing management fee (whether fixed or relating to the net asset value of the Company's assets).
- Direct expenses incurred in performing the services (including the direct costs of remunerating employees and/or consultants) reimbursed.
- Performance fee of 15 per cent. calculated on annual increase to net asset value ("**NAV**") at 30 June each year ("**Closing Date**") with the highest Closing Date NAV per share for the previous reporting periods establishing a rolling high-watermark.
- Any increase in NAV per share is applied to the issued share capital at the Closing Date for the purposes of determining the 15 per cent. fee.
- As well as NAV increases relating to performance of the Portfolio, any increase in NAV per share that arises from funds raised at a premium to the existing NAV per share will count towards the calculation of Shellbay's fee.
- At the election of the Company, the fee is payable in new shares at the mid-price on the Closing Date or grant of nil price warrants over shares; or in cash; or (with the agreement of Shellbay), in cash-equivalents (such as shares), and other assets held by the Company.



The period to 30 June 2021 was the first period during which the 2021 Shellbay Agreement was in place. During this period, NAV per share increased from 5.86 pence to 11.71 pence on an unaudited basis, principally as a result of the non-dilutive May 2021 fundraising which was undertaken at a 254 per cent. premium to the last reported per share net asset value. While still subject to audit, it is expected that Shellbay will receive shares to the value of approximately £7 million which would result in a 3.6 per cent. dilution to NAV per share.

Pursuant to the Placing Agreement, the Company has agreed that it will elect to pay Shellbay's fee in ordinary shares in relation to the fees for to the period to 30 June 2021. In addition, to the extent that a fee becomes payable for performance during the period to 30 June 2022, it will elect to pay at least 75 per cent. of such fee in ordinary shares.

## **5. DETAILS OF THE OPEN OFFER**

On 2 December 2021, the Company announced that it had successfully raised approximately £27.75 million (before expenses) through the Fundraising, including the Directors' Intended Subscription.

Alongside the Fundraising, the Company is making an Open Offer pursuant to which it may raise a further amount of up to approximately £6.6 million (before expenses). The Issue Price per Open Offer Unit is the same price as the price at which the Units are being issued pursuant to the Placing and Subscription.

Subject to the fulfilment of the conditions set out below and in Part IV of this Document, Qualifying Shareholders may subscribe for Open Offer Units in proportion to their holding of Existing Ordinary Shares held on the Record Date. Shareholders subscribing for their full entitlement under the Open Offer may also request additional Open Offer Units as an Excess Entitlement, up to the total number of Open Offer Units available to Qualifying Shareholders under the Open Offer. The Open Offer is not underwritten.

The Open Offer is conditional, amongst other things, on the following conditions being satisfied:

- completion of the Placing having taken place in accordance with its terms;
- Admission of the Placing Shares becoming effective by 8.00 a.m. on or around 8 December 2021 (or such later date and/or time as the Company, the Broker and the Nominated Adviser may agree);
- Admission of the Open Offer Shares becoming effective by 8.00 a.m. on or around 22 December 2021 (or such later date and/or time as the Company, the Broker and the Nominated Adviser may agree).

If these and the other conditions to the Open Offer are not satisfied or waived (where capable of waiver), the Open Offer will lapse and will not proceed and any applications made by Qualifying Shareholders will be rejected. In these circumstances, application monies received by the Receiving Agent in respect of Open Offer Units will be returned (at the applicant's sole risk), without payment of interest, as soon as reasonably practicable thereafter. Lapsing of the Open Offer cannot occur after dealings in the Open Offer Shares have begun.

The Open Offer Shares to be issued pursuant to the Open Offer will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive dividends and other distributions declared following Admission.

The allotment and issue of the Open Offer Shares is conditional on Admission of the Placing Shares but the Placing is not conditional on Admission of the Open Offer Shares; if Admission of the Placing Shares does not occur, then the Open Offer will also not complete. However, if the Open Offer does not complete, then this will not prevent the Placing from completing.

### **Basic Entitlement**

On, and subject to the terms and conditions of the Open Offer, the Company invites Qualifying Shareholders to apply for their Basic Entitlement of Open Offer Units at the Issue Price. Each Qualifying Shareholder's Basic Entitlement has been calculated on the following basis:

#### **1 Open Offer Units for every 28 Existing Ordinary Shares held at the Record Date**

Basic Entitlements will be rounded down to the nearest whole number of Ordinary Shares. Each Open Offer Unit comprises one new Ordinary Share and one November 2021 Warrant.

### ***Excess Entitlement***

Qualifying Shareholders are also invited to apply for additional Open Offer Units (up to the total number of Open Offer Units available to Qualifying Shareholders under the Open Offer) as an Excess Entitlement. Any Open Offer Units not issued to a Qualifying Shareholder pursuant to their Basic Entitlement will be apportioned between those Qualifying Shareholders who have applied for an Excess Entitlement **at the sole and absolute discretion of the Board**, provided that no Qualifying Shareholder shall be required to subscribe for more Open Offer Units than he or she has specified on the Application Form or through CREST.

**Qualifying Shareholders should note that the Open Offer is not a “rights issue”. Invitations to apply under the Open Offer are not transferable unless to satisfy *bona fide* market claims. Qualifying non-CREST Shareholders should be aware that the Application Form is not a negotiable Document and cannot be traded. Qualifying Shareholders should also be aware that in the Open Offer, unlike in a rights issue, any Open Offer Units not applied for will not be sold in the market nor will they be placed for the benefit of Qualifying Shareholders who do not apply for Open Offer Units under the Open Offer.**

### ***Settlement and dealings***

Application will be made to the London Stock Exchange for Admission of the Open Offer Shares. It is expected that Admission of the Open Offer Shares will become effective and that dealings in the Open Offer Shares will commence at 8.00 a.m. on 22 December 2021. Application will be made to the London Stock Exchange for admission of the new Ordinary Shares issued pursuant to the exercise of November 2021 Warrants by relevant holders during the November 2021 Warrant Period in accordance with the November 2021 Warrant Instrument (further details of which are set out at paragraph 6 of Part I of this Document).

### ***Overseas Shareholders***

The Open Offer Units have not been and are not intended to be registered or qualified for sale in any jurisdiction other than the Isle of Man or the United Kingdom. Accordingly, unless otherwise determined by the Company and effected by the Company in a lawful manner, the Application Form will not be sent to Shareholders with registered addresses in, or who are resident or located in the United States or any other Restricted Jurisdiction since to do so would require compliance with the relevant securities laws of that jurisdiction. The Company reserves the right to treat as invalid any application or purported application for Open Offer Units which appears to the Company or its agents or professional advisers to have been executed, effected or despatched in a manner which may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents or professional advisers believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of share certificates or warrant certificates for Open Offer Units outside the Isle of Man or the United Kingdom, or in the case of a credit of Open Offer Units in CREST, to a CREST member whose registered address would not be in the Isle of Man or the United Kingdom.

Notwithstanding the foregoing and any other provision of this Document or the Application Form, the Board reserves the right to permit any Qualifying Shareholder to apply for Open Offer Units if the Board, 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.

**PART VI OF THIS DOCUMENT TOGETHER WITH THE ACCOMPANYING APPLICATION FORM, IN THE CASE OF QUALIFYING NON-CREST SHAREHOLDERS, CONTAINS THE TERMS AND CONDITIONS OF THE OPEN OFFER. IF A QUALIFYING SHAREHOLDER DOES NOT WISH TO APPLY FOR OPEN OFFER UNITS, THEY SHOULD NOT COMPLETE OR RETURN THE APPLICATION FORM OR SEND A USE MESSAGE THROUGH CREST.**

### ***Qualifying non-CREST Shareholders***

If you are a Qualifying non-CREST Shareholder you will receive an Application Form, which accompanies this Document and which gives details of your Basic Entitlement (as shown by the number of the Open Offer Units allocated to you). If you wish to apply for Open Offer Units under the Open Offer you should



complete the accompanying Application Form in accordance with the procedure for application set out in paragraph 4 of Part IV of this Document and on the Application Form itself. The completed Application Form, accompanied by full payment, should be returned by post to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL so as to arrive as soon as possible and in any event no later than 11.00 a.m. on 20 December 2021.

### **Qualifying CREST Shareholders**

Application will be made for the Open Offer Entitlements of Qualifying CREST Shareholders to be credited to stock accounts in CREST. It is expected that the Open Offer Entitlements will be credited to stock accounts in CREST on 22 December 2021. Applications through the CREST system may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim. If you are a Qualifying CREST Shareholder, no Application Form is enclosed but you will receive credits to your appropriate stock account in CREST in respect of the Basic Entitlements to which you are entitled as well as Excess CREST Open Offer Entitlements. You should refer to the procedure for application set out in paragraph 4 of Part IV of this Document. The relevant CREST instruction must have settled by no later than 11.00 a.m. on 20 December 2021.

## **6. THE NOVEMBER 2021 WARRANTS**

Each Open Offer Unit comprises one new Ordinary Share and one November 2021 Warrant. Each November 2021 Warrant shall have an exercise price of 30 pence per share and have an expiry date of two years from the Grant Date.

Each November 2021 Warrant shall entitle the holder to subscribe for one Ordinary Share on any "Exercise Date" during the November 2021 Warrant Period. The Exercise Date is the last Business Day of each "Quarter", being the three month periods of (i) January to March; (ii) April to June; (iii) July to September and (iv) October to December. Any Notice of Exercise received by the Receiving Agent in a Quarter shall be deemed to be exercised only on the next following Exercise Date after the receipt by the Receiving Agent of the Notice of Exercise.

Each holder of November 2021 Warrants shall be entitled to either:

- (a) hold their November 2021 Warrants in CREST in uncertificated form; or
- (b) receive a certificate confirming the date on which the holder or holders thereof are entered on the register as the holder or holders of such November 2021 Warrants.

The November 2021 Warrants will have a unique ISIN number distinct from the Ordinary Shares. The ISIN number for the November 2021 Warrants is IM00BP68CG25.

The November 2021 Warrants may be exercised through CREST, in respect of those warrants held in CREST, or by lodging a physical notice of exercise with the Receiving Agent, in relation to those holding their November 2021 Warrants in certificated form. Ordinary Shares to be issued pursuant to any Notice of Exercise delivered during a Quarter shall be issued by the Company on the fifth business day following the relevant Exercise Date.

A November 2021 Warrant can be sold, transferred or otherwise assigned either (i) by written instrument signed by the transferor and the transferee and delivered to the Registrar with the relevant Certificate, or (ii) via CREST transfer in the ordinary course.

A copy of the November 2021 Warrant Instrument is available on the Company's website [www.agronomics.im](http://www.agronomics.im).

## **7. ACTION TO BE TAKEN**

Qualifying non-CREST Shareholders wishing to apply for Open Offer Units or the Excess Units must complete the enclosed Application Form in accordance with the instructions set out in paragraph 4 of Part IV of this Document and on the accompanying Application Form and return it with the appropriate payment to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to arrive no later than 11.00 a.m. on 20 December 2021.

If you do not wish to apply for any Open Offer Units under the Open Offer, you should not complete or return the Application Form. If you are a Qualifying CREST Shareholder, no Application Form will be sent to you. Qualifying CREST Shareholders will have Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to their stock accounts in CREST. You should refer to the procedure for application set out in paragraph 4 of Part IV of this Document. The relevant CREST instructions must have settled in accordance with the instructions in paragraph 4 of Part IV of this Document by no later than 11.00 a.m. on 20 December 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.

## **8. ADMISSION, SETTLEMENT AND CREST**

Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that Admission of the Placing Shares will become effective at 8.00 a.m. on 8 December 2021 (or such later date as the Company and the Broker may agree) and that dealings in the Placing Shares will commence at that time. It is expected that Admission of the Subscription Shares will become effective at 8.00 a.m. on 22 December 2021 (or such later date as the Company and the Broker may agree) and that dealings in the Subscription Shares will commence at that time.

It is expected that Admission of the Open Offer Shares will become effective at 8.00 a.m. on 22 December 2021 (or such later date as the Company and the Broker may agree) and that dealings in the Open Offer Shares will commence at that time.

Application will be made to the London Stock Exchange for admission of the new Ordinary Shares issued pursuant to the exercise of November 2021 Warrants by relevant holders during the November 2021 Warrant Period in accordance with the November 2021 Warrant Instrument (further details of which are set out at paragraph 6 of Part I of this Document).

The Articles permit the Company to issue shares in uncertificated form. CREST is a computerised paperless share transfer and settlement system which allows shares and other securities to be held in electronic computerized paper form. The Existing Ordinary Shares are already admitted to CREST and therefore the Open Offer Shares will also be eligible for settlement in CREST. The Open Offer Warrants will also be exercisable and transferable through CREST.

It is expected that the Placing Shares and Placing Warrants due to uncertificated holders will be delivered in CREST on or before 8 December 2021.

It is expected that the Subscription Shares and Subscription Warrants due to uncertificated holders will be delivered in CREST on or before 22 December 2021.

It is expected that the Open Offer Shares and Open Offer Warrants due to uncertificated holders will be delivered in CREST on or before 22 December 2021. The latest date for posting of share and warrant certificates for the Open Offer Units in certificated form will be 10 January 2022.

## **9. OVERSEAS SHAREHOLDERS**

The distribution of this Document and the Application Form to 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 Isle of Man or 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 Isle of Man and the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions.

Accordingly, any persons into whose possession this Document comes should inform themselves about and observe any applicable restrictions or requirements. No action has been taken by the Company that would permit possession or distribution of this Document in any jurisdiction where action for that purpose is required. Any failure to comply with such restrictions or requirements may constitute a violation of the securities laws of any such jurisdiction.

**10. FURTHER INFORMATION**

**Your attention is drawn to the risk factors set out in Part II of this Document. You are advised to read the whole of this Document.**

Yours faithfully

**Richard Reed**

*Independent Non-Executive Chairman*

## PART I: SECTION B

### PORTFOLIO

	<i>VitroLabs Inc</i>	<i>Formo</i>	<i>BlueNalu</i>	<i>Meatable</i>	<i>Every</i>	<i>Solarfoods</i>
<b>Current Value in Portfolio</b>	<b>US\$12.75m</b>	<b>EUR 10.7m</b>	<b>US\$8.55m</b>	<b>EUR 8.15m</b>	<b>US\$8.0m</b>	<b>EUR 6.0m</b>
<b>Agronomics investment</b>	<b>US\$10.5m</b>	<b>EUR 4.15m</b>	<b>US\$8.0m*</b>	<b>EUR 5.20m</b>	<b>US\$8.0m</b>	<b>EUR 6.0m</b>
<b>Current Stage</b>	Series A	Series A	Pre-Series B	Series A	Venture	Series A
<b>% Ownership</b>	11.69%	5.94%	5.85%*^	5.84%	1.39%	5.80%
<b>Category</b>	Lab-grown leather	Clean dairy protein	Cultivated seafood	Cultivated pork	Clean egg protein	Air protein
<b>Notable Co-investors</b>	First Minute Capital, Y Combinator, CPT Capital	M Ventures (Strategic VC arm of Merck KGaA), EQT Ventures, Lowercarbon Capital	CPT Capital, Stray Dog Capital, New Crop Capital	Section 32, Rick Klausner, DSM Venturing	Blue Horizon, SOSV (IndieBio), Ingredion	Fazer (leading Finnish FMCG company); Atomico
<b>Investment Rationale</b>	Scalable tissue engineering platform. Huge US\$52bn global leather goods market. Revenue generating expected in the near term.	Producing genuine dairy proteins, casein and whey, using recombinant engineering, focused on producing cheese. Technology alleviates the inefficiency and animal welfare concerns of raising dairy cows.	Highly experienced team with 30+ years of food industry experience led by Lou Cooperhouse. Leader in cellular aquaculture with a species agnostic platform to produce whole muscle fish fillets.	Unique OPTI-OX technology allows for rapid transformation of stem cells into muscle and fat. Long-term sector experience, including CSO Daan Luining, former scientist at New Harvest.	Established precision fermentation platform focused on egg proteins initially. Achieved industry-leading titers that make EVERY cost competitive with eggs at mass scale.	Technology that utilises carbon dioxide from the air and the electrolysis of water to produce a sustainable protein. Versatile application as an alternative to soy or pea protein.

\* Includes Seed investment of US\$ 0.25 million, and US\$ 2.75 million Series A investment, US\$ 5.0 million Pre-Series B investment

^ Investments in the form of SAFEs and or CLNs, per centage ownership approximate

	<i>Livekindly</i>	<i>New Age Meats</i>	<i>Mosa Meat</i>	<i>Tropic Biosciences</i>	<i>California Cultured</i>	<i>SuperMeat</i>
<b>Current Value in Portfolio</b>	<b>US\$5.55m</b>	<b>US\$3.6m</b>	<b>EUR 3.5m</b>	<b>US\$3.0m</b>	<b>US\$2.2m</b>	<b>US\$2.0m</b>
<b>Agronomics investment</b>	<b>US\$3.0m</b>	<b>US\$0.7m</b>	<b>EUR 3.5m</b>	<b>US\$3.0m</b>	<b>US\$2.2m</b>	<b>US\$2.0m</b>
<b>Current Stage</b>	Seed	Series A	Series B	Series B	Seed	Pre-Series A
<b>% Ownership</b>	1.0%	< 4%	1.62%”	2.95%	18.33%^	2.22%^
<b>Category</b>	Strategic plant-based chicken Production	Cultivated pork	Cultivated beef	CRISPR gene edited seedlings	Lab-grown cocoa	Cultivated chicken
<b>Notable Co-investors</b>	PHW Group, Blue Horizon Corporation	SOSV III (IndieBio), ff Graphite	Blue Horizon Ventures, Nutreco, Bell Food Group	Temasek, Pontifax Agtech, Five Season Ventures	SOSV (IndieBio)	PHW Group, Stray Dog Capital, New Crop Capital
<b>Investment Rationale</b>	Strong operational management team including former president of Unilever North America Raised US\$200m in the largest founder round in the history of food	First company to produce a meat-based tasting prototype sausage Good position for market entry through hybrid products	Leading cultivated meat player in Europe, with clear regulatory pathway through EFSA Advanced product development, whole beef product with muscle, fat and connective tissue	Developing high-performing commercial varieties of tropical crops, with a focus on coffee and bananas Coffee and banana are large global seed markets: coffee at US\$ 22bn and bananas at US\$ 29bn	Using cell culture technology to produce cocoa products such as chocolate, cocoa butter and cocoa powders. More sustainable way of producing cocoa products- which have concerns over deforestation.	Operational pilot plant capable of producing several hundred pounds of meat per week Developed ‘The Chicken’ restaurant concept in Israel, allowing people to apply to taste their products

	<i>Shiok Meats</i>	<i>Galy</i>	<i>Rebellyous Foods</i>	<i>CellX</i>	<i>Bond Pet Foods</i>
<b>Current Value in Portfolio</b>	<b>US\$0.64m</b>	<b>US\$0.5m</b>	<b>US\$0.35m</b>	<b>US\$0.3m</b>	<b>US\$0.15m</b>
<b>Agronomics investment</b>	<b>US\$0.5m</b>	<b>US\$0.5m</b>	<b>US\$0.35m</b>	<b>US\$0.050m</b>	<b>US\$0.15m</b>
<b>Current Stage</b>	Seed	Seed	Series A	Pre-Seed	Seed
<b>% Ownership</b>	1.6%	4.4%^	1.2%	Less than 2%	3.0%^
<b>Category</b>	Cultivated seafood	Lab-grown cotton	Plant-based food	Cultivated meat and cultivated seafood	Cultivated pet food
<b>Notable Co-investors</b>	Henry Soesanto (Monde Nissin), Aqua-Spark	Future Tech Lab, Petri (partner of Ginkgo Bioworks)	Blue Horizon Ventures, CPT Capital	Humboldt Fund, Brinc, Lever VC	Lever VC, KBW Ventures, Andante Asset Management
<b>Investment Rationale</b>	Combined scientific and entrepreneurial experience of co-founders First cultivated meat company based in Singapore and South-East Asia	Producing cotton grown directly from cells Minimal footprint compared to intensive cotton crops with high water, herbicide requirements	Revenue generating with corporate cafeterias trialling product via Compass Group Founder holds strong IP in large scale manufacturing processes	First investment for Agronomics in China – geographic diversification Strong technical founding team Huge animal protein market in China ripe for disruption	Utilisation of cellular fermentation to produce animal proteins Targeting the US\$25bn pet food market, growth in high quality premium food market

## PART II

### RISK FACTORS

**Any investment in the Company is subject to a number of risks. Accordingly, prospective investors should carefully consider the risks set out below as well as the other information contained in this Document and any other publicly available information about the Company before making a decision whether to invest in the Company. The risks described below are not the only risks that the Company faces. Additional risks and uncertainties that the Directors are not aware of or that the Directors currently believe are immaterial may also impair the Company's operations. Any of these risks may have a material adverse effect on the Company's business, financial condition, results of operations and prospects. In that case, the price of the Ordinary Shares could decline and investors may lose all or part of their investment. Prospective investors should consider carefully whether an investment in the Company is suitable for them in light of the information in this Document and their personal circumstances.**

**Before making an investment, prospective investors are strongly advised to consult an investment adviser authorised under FSMA who specialises in investments of this kind. A prospective investor should consider carefully whether an investment in the Company is suitable in the light of his or her personal circumstances, the financial resources available to him or her and his or her ability to bear any loss which might result from such investment.**

**The following factors, which are not presented in any order of priority, do not purport to be a complete list or explanation of all the risks involved in investing in the Company. In particular, the Company's performance may be affected by changes in the market and/or economic conditions and in legal, regulatory, tax and operational requirements.**

#### **1. RISKS RELATING TO THE COMPANY AND ITS OPERATIONS**

***The businesses in which the Company invests or may invest in the future are typically at an early stage and carry inherent risk***

The Company's existing and potential future portfolio companies are pre-revenue and focused on new technology and products that have not yet been brought to market. The Company intends to use the net proceeds of the Fundraising principally to invest in a pipeline of direct investments and to take advantage of any future opportunities. Typically, these direct investments will be in early-stage companies. Early-stage and pre-revenue companies may be subject to one or more of the following risks (or a combination of these risks):

- the products, intellectual property and/or offering developed by these businesses may fail and/or these businesses may not be able to develop their offering or technology into commercially viable products or technologies;
- early-stage businesses may not be able to secure subsequent rounds of funding, which may restrict their ability to fund on-going research and the development and commercialisation of their offering and technology. Any such lack of funding could result in a company being forced to sell its assets on short timescales and at below market or otherwise acceptable valuations;
- these businesses may have significant future capital requirements and/or expenditure which may delay, limit or reduce profitability for a period of time;
- these businesses may not be able to source and/or retain appropriately skilled personnel (such as scientists, engineers and biotechnologists). In particular, they may not have the financial resources to compete with the salary and other incentivisation packages offered by their competitors;
- expected regulatory change may not occur, or may take longer to occur than expected, meaning commercialisation of products and technologies is delayed or is impossible; and
- competing offerings and technologies may enter the market which may adversely affect the businesses' ability to commercialise their intellectual property or the underlying companies may not have been able to adequately protect their intellectual property (whether due to lack of financial resource or otherwise).



There is no certainty that any of the businesses the Company has invested in or in which it may invest in the future: will (i) reach the stage where economic benefits resulting from expenditure on research activities become likely; or (ii) generate any, or any significant, returns (e.g. dividends, proceeds from a share sale or a return on capital from an exit event) for their shareholders (including the Company) or that the Company will be able to secure a profitable exit from its investment in any or all of the Company's portfolio businesses.

### ***The Company's strategy***

The implementation of the Company's strategy will have a significant effect on the success of the Company. While the Directors believe from their collective experience, and with advice from relevant advisers and partners, that they will be in a position to identify and attract opportunities and investment in line with the Company's strategy, there is no guarantee that such opportunities will present themselves or present themselves within adequate timeframes. The Company's ability to implement its strategy within envisaged timeframes may be impacted by the following:

- the inability of management to source and/or execute on suitable investment opportunities;
- the Company is likely to need to raise further capital to make investments and/or fund the assets or businesses invested in;
- the Company may be required to conduct extensive negotiations in order to secure and facilitate an investment;
- the requirement for certain structures in order to facilitate an investment;
- the Company's intention to conduct rigorous due diligence prior to investment;
- market conditions, competition from other investors, or other factors may limit the Company in respect of identifying suitable investments or such investments may not be available at the rate the Company currently envisages.

Some or all of these factors may have a material effect on the business, financial condition, results of operations and prospects of the Company.

### ***The Company is vulnerable to risks related to non-controlling investments***

Where the Company holds non-material interests in portfolio companies, it may have a limited ability to protect its position in such investments. Whilst the Company will be mindful of having sufficient shareholder rights in any subscription agreement, given that it will generally be one of a number of minority investors, it may have a limited ability to ensure that it is provided with investee company updates on a timely basis. The Company as a non-controlling investor may therefore have relatively little, if any, ability to influence the operation of the Investee Companies in which it invests and this could therefore materially adversely affect the value of Company's investments.

### ***The Company will depend on the expertise of its Board and Investment Committee, and Shellbay, in providing investment management and advisory services***

The ability of the Company to achieve its investment objective is significantly dependent upon the expertise of the Board and Investment Committee, supported by Shellbay, as well as the ability of the Company to attract and retain other suitable employees, consultants and advisers. The impact of the departure for any reason of one or more key advisers or individuals from the Company on the ability of the Company to achieve its investment objectives cannot be determined and may depend on, amongst other things, the ability of the Company to recruit other advisers or individuals of similar experience and credibility.

### ***The due diligence process that the Company undertakes in connection with the Company's investments may not reveal all facts and circumstances that may be relevant in connection with an investment***

Before an investment is made the Company will conduct due diligence which it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence, the Company typically evaluates a number of important business, commercial, financial, tax, accounting, technology, environmental and legal issues (including review of intellectual property rights and regulatory matters) in determining whether or not to proceed with an investment. In addition to Shellbay and the Company's Scientific Advisory Board, outside consultants, legal advisers and accountants may be

involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence and making an assessment regarding an investment, the Company will be required to rely on resources available to it, including information provided by the target of the investment and, in some circumstances, third party investigations. The due diligence process may at times be subjective, especially with respect to companies for which only limited information is available. Accordingly, there can be no assurance that due diligence investigations with respect to any investment opportunity will reveal or highlight all relevant facts and circumstances that may be necessary or helpful in evaluating such investment opportunity.

Any failure by the Company to identify relevant facts and circumstances through the due diligence process may lead to unsuccessful investment decisions, which could have a material adverse effect on the Company's business, financial condition and/or results of operations, and/or the market price of the Ordinary Shares. Similarly, notwithstanding that the Company takes all reasonable steps to verify the accuracy of the information provided to it by the Investee Companies, there can be no assurance that such information reveals or highlights accurately all relevant facts and circumstances that may be necessary or helpful in evaluating such Investee Company.

***The amount which the Company invests in an investment may exceed the amount it realises upon exit from that investment***

There can be no guarantee that an investment will ultimately be realised for an amount exceeding the amount invested by the Company. Some, or all, of the Company's investments may be difficult to realise in a timely manner, or at an appropriate price, or at all. If the Company is unable to realise value from its investments, this could have a material adverse effect on the Company's business, financial condition and/or results of operations and/or the market price of the Ordinary Shares.

***The Company may hold investments for long time periods***

Whilst an investment may be sold by the Company at any time, it is not generally expected that this will occur for a number of years after such an investment is made.

***Fluctuations in foreign exchange rates may adversely affect the performance of the Company's portfolio***

The Company does not currently intend to enter into any hedging arrangements to mitigate its exposure to fluctuations in exchange rates. The Ordinary Shares will be quoted in Sterling, the accounts of the Company will be reported in Sterling, and all the net proceeds the Company receives from the Fundraising and Open Offer will be in Sterling. However, certain of the Company's investments may be made or operate in currencies other than Sterling and the Company may make certain of its future investments in other currencies and in companies that use other currencies as their functional currency, including EUR and US\$. Accordingly, changes in exchange rates may have an adverse effect on the valuations and/or revenues of the Company's investments, and on its investments' ability to make debt payments, pay dividends or make other distributions to investors such as the Company.

***Interest rates***

Until such time as all of the net proceeds of the Fundraising and Open Offer and existing cash balances of the Company are applied by the Company to fund investments, the cash will be held by the Company in anticipation of future investments (both initial and follow-on) and to meet the running costs of the Company. Such deposits are likely to yield very low or even negative interest rates and lower returns than the expected returns from an investment. The Company can give no assurance as to how long it will take it to source a suitable investment, if at all, and the longer the period the greater the likely impact on the Company's performance, financial condition and business prospects.

***Need for further investment***

The Company may require additional capital in the future for expansion activity and/or business development and/or potential follow-on investments in Investee Companies in some cases to preserve the value of its investment position, whether from equity or debt sources, especially if the Company's equity realisations from Investee Companies are not significant. If the Company is not able to obtain additional capital on acceptable terms, or at all, it may be forced to curtail or abandon such planned expansion activity and/or

business development. This may have a material adverse effect on both its investment portfolio and the Company's business, financial condition and/or results of operations, and/or the market price of the Ordinary Shares.

***A change in the Company's tax status or in taxation legislation in the Isle of Man could adversely affect the Company's profits and portfolio value and/or returns to Shareholders***

The levels of and reliefs from taxation may change, adversely affecting the financial prospects of the Company and/or the returns payable to Shareholders. Any change in the Company's tax status or in taxation legislation in the Isle of Man, or any jurisdiction in which the Company may in the future have a subsidiary, or an investment (including a change in interpretation of such legislation) could affect the Company's ability to achieve its investment objective or provide favourable returns to Shareholders. Any such change could also adversely affect the net amount of any dividends payable to Shareholders and/or the price of Ordinary Shares.

## **2. GENERAL INDUSTRY-RELATED RISKS**

***No assurance that successful Investee Companies will be available to the Company***

The success of the Company is based on its ability successfully to identify and to take appropriate investment positions in Investee Companies that will develop and take to market viable products and technologies in the Cellular Agriculture (Cultivated Meat and Fermentation) sector, in a compliant, profitable and timely manner. The Company cannot be certain that such a successful outcome is possible. The Cellular Agriculture sector is in its infancy and can experience rapid technological changes, frequent new product introductions and enhancements, and evolving industry standards. The Investee Companies may encounter unforeseen challenges, including, *inter alia*, the following:

***The Cellular Agriculture Market***

The Company invests primarily in businesses which conduct research and development into the emerging Cellular Agriculture markets (Cultivated Meat and Fermentation). These markets are developing and there are no guarantees that they will continue to exist or grow as currently estimated or anticipated. These markets may not function and evolve in a manner consistent with the Board's expectations and assumptions. This may have material adverse effects on the business, financial condition, results and/or future operations of the Company.

Most of the consumer products and/or processes envisaged by the Investee Companies are still in the development stage and/or are yet to commercialise, and so the Investee Companies' business models are yet to be fully tested in the market. An Investee Company may fail to validate its business model, may be unable to make the consumer products and/or processes commercially viable or may fail to prove its value proposition to the market. If the Company is unable to realise value from its investments, this could have a material adverse effect on the Company's business, financial condition and/or results of operations and/or the market price of the Ordinary Shares.

***Consumer Perception***

The Board believes that the success of the Cellular Agriculture industry, in particular Cultivated Meat, is highly dependent upon consumer perception regarding the benefits, safety, efficacy, variety and quality of the products available to such consumers as an alternative to natural, plant based, products including those produced by organic methods. Consumer perception may be significantly influenced by scientific research and findings, regulatory investigations, religious preferences, litigation, political statements, media attention and other publicity. There can be no guarantees that further scientific research and findings, regulatory investigations, litigation, political or religious statements, media attention and other publicity will be favourable to the Cultivated Meat and other Cellular Agriculture products. Further scientific research and findings, regulatory investigations, litigation, political or religious statements, media attention and other publicity that are less favourable than or question the validity of earlier scientific research and findings, regulatory investigations, litigation, political or religious statements, media attention and other publicity may have material adverse effects on the demand for the products of the Investee Companies, which may in turn have material adverse effects on the business, financial condition, results and/or future operations and/or the market price of the Ordinary Shares of the Company (if it is unable to realise value from its investments).

Consumer preferences for the products offered by the Investee Companies are difficult to predict ahead of products going to market. The businesses in which the Company invests are focused on the development, manufacture, marketing and distribution of lab grown meat and other animal-derived products (such as dairy, seafood and leather), as an alternative to meat and animal-derived products produced via conventional agricultural methods. Consumer demand could change based on a variety of factors, including dietary habits and nutritional values, concerns regarding the health effects of ingredients or production processes and shifts in preference for various product attributes. There is also a risk that consumer preference could shift away from all animal-based products all together and towards plant-based or other meat-alternative products.

#### ***Reliance on specialist third-party suppliers and distributors***

The Investee Companies may currently rely on (and may increase reliance on in the future, at the commercialisation stage) third parties to supply specialist raw materials and equipment for the research and development of technologies. The performance of the Investee Company may be dependent on its ability to source these materials regularly, in sufficient quantities and at competitive prices. The Investee Company could have difficulty obtaining and/or maintaining sufficient supply of necessary raw materials, and the third-party suppliers could discontinue or seek to alter their relationship with the Investee Company. Events that adversely affect a supplier are outside of the Investee Company's control and could impair the ability of the Investee Company to obtain raw material inventory in the quantities needed. This could disrupt the advancement of the research and development of technology and products.

All of these factors could mean that the Company is unable to realise value from its investments, this could have a material adverse effect on the Company's business, financial condition and/or results of operations and/or the market price of the Ordinary Shares.

#### ***Significant and continued technological change***

The markets in which the Investee Companies operate or will operate are characterised by new and rapidly changing technology (including cell line development and bioprocessing methods). The introduction of new products, processes or enhancements embodying new technology may render an Investee Company's existing products or technologies obsolete or competitively impaired. It is critical to the success of an Investee Company to be able to anticipate changes in technology or in industry standards and to successfully develop and introduce new, enhanced and competitive technologies or products on a timely basis and keep pace with technological change. Any new technology which makes an Investee Company's products / processes obsolete or uncompetitive could have a material adverse impact on the Investee Company's prospects. Any new advances in biotechnology may require an Investee Company to incur additional expenditure that is not currently foreseen which could have an adverse effect on its financial position. If, as a result, the Company is unable to realise value from its investments, this could have a material adverse effect on the Company's business, financial condition and/or results of operations and/or the market price of the Ordinary Shares.

#### ***Laws, regulations, and guidelines relating to the Cultivated Meat and other Cellular Agriculture products and technology and subsequent risk of suspension***

An Investee Company may be subject to laws, regulations and guidelines relating to the manufacture, packaging and labelling, advertising, sale, transportation, storage and disposal of its products/technologies, as well as those relating to health and safety and the protection of the environment.

The Investee Companies operate in a highly regulated environment with constantly evolving legal and regulatory frameworks. Consequently, these companies are subject to heightened risk of legal claims, government investigations or other regulatory enforcement actions. Legal claims, government investigations or regulatory enforcement actions arising out of an Investee Company's failure or alleged failure to comply with applicable laws and regulations could subject an Investee Company to civil and criminal penalties that could materially and adversely affect its product sales, reputation, financial condition and operating results. In addition, the costs and availability of insurance and the costs and other effects of defending potential and pending litigation and administrative actions may be difficult to determine and could adversely affect an Investee Company's financial condition.

The Company cannot guarantee that the activities of any Investee Company or any investment taken up by the Company in the future are or will continue to be in compliance with the laws, regulations and guidelines

of the jurisdictions in which they operate in. If any such laws, regulations or guidelines change, the Investee Company may incur significant costs in complying with such changes or they may be unable to comply with such changes. If, as a result, the Company is unable to realise value from its investments, this could have a material adverse effect on the Company's business, financial condition and/or results of operations and/or the market price of the Ordinary Shares.

If the Company's business activities or those of any companies invested in by it become unlawful, the Company's Ordinary Shares would be suspended and probably cancelled from trading on AIM unless such situation was remedied.

### **Market competition**

Investee Companies may compete with organisations in the Cultivated Meat and Cellular Agriculture sectors that retain and have access to greater capital resources, and there can be no assurance that they will be able to compete successfully in such a marketplace. Such barriers to entry can limit market competition and result in smaller companies being unable to enter the market successfully.

As well as intense competition in the emerging Cultivated Meat and Cellular Agriculture markets, the Investee Companies may also face competition from manufacturers of animal-based meat products and businesses that produce plant-based protein products (both of which have been tried and tested in the markets and have established consumer bases).

Investee Companies that fail to compete successfully in the market may lead to the Company's share price being devalued. If, as a result, the Company is unable to realise value from its investments, this could have a material adverse effect on the Company's business, financial condition and/or results of operations and/or the market price of the Ordinary Shares.

### **Regulatory approvals, standards and scrutiny**

Investments involved in research and development, or the production phase may be dependent on the grant of certain regulatory approvals (subject to the jurisdiction in which the investments are undertaken) to enable them to operate.

Such approvals may be subject to on-going compliance and reporting obligations. In addition, such investments are dependent on the relevant regulatory bodies as there is no guarantee that they will renew or extend approvals or renew or extend approvals on the same terms as the previous one. Failure to comply, renew or maintain any relevant regulatory approval may have a material adverse effect on the Investee Company's business, financial condition and operating results which in turn will materially adversely affect the Company's return on its investment.

Companies in the Cultivated Meat/Cellular Agriculture sectors may also not be able to take products to market without meeting regulatory standards, which may become more stringent as commercialisation begins to get underway. Companies in these sectors may be scrutinised, and tighter regulatory controls may increase compliance costs.

Regulatory requirements, in relation to compliance and governance, can be burdensome and may be subject to change over time so requiring regular monitoring and consideration of compliance.

### **Intellectual property rights**

The Cultivated Meat and Cellular Agriculture sectors are highly dependent on Intellectual Property ("IP") rights (for example, patents and know-how). IP rights are crucial for the long-term success for a company bringing a new product, process or technology to market, particularly in these sectors. Gaining IP rights for a product can be a costly and time-consuming process, which may not be successful. Granted IP rights can be subject to legal disputes over, *inter alia*, validity and ownership, which can result in significant legal costs being incurred to defend the IP rights, even if a claim is spurious in nature. Any IP, whether registered, owned and/or used by companies, or not, may be prejudiced and/or open to challenge by third parties (including where such third parties have or claim to have pre-existing rights in such IP). Furthermore, there can be no guarantee that a company will not lose its IP rights entirely, in which case the company may suffer material devaluation. IP rights are often ineffective in different jurisdictions and, as such, companies may incur large costs in order to expand internationally or be unable to entirely. If Investee Companies suffer



from, *inter alia*, the abovementioned IP issues, the Company's shares may lose value. If the Company is unable to realise value from its investments, this could have a material adverse effect on the Company's business, financial condition and/or results of operations and/or the market price of the Ordinary Shares.

#### ***Real or perceived quality or health issues with products***

As many of the Investee Companies' main objective will be to produce food products for human consumption, real or perceived quality or food safety concerns or failures to comply with applicable food regulations and requirements, whether or not ultimately based on fact and whether or not involving the Investee Company (such as incidents involving competitors), could cause negative publicity and reduced confidence in the investee company's brand or products. This could materially adversely affect the business, financial condition and operating results of the Investee Company.

There is no guarantee that the Investee Company will be able to always comply, or ensure compliance of its products, with applicable food safety requirements at any given time. Food products are susceptible to pathogenic organisms and disease and the threat of contamination is an ongoing risk for an Investee Company. There is no guarantee that health risks will always be pre-empted by the quality control processes of the Investee Company, its distributors or retailers along the supply chain.

Any loss of confidence on the part of consumers in the quality or safety of an Investee Company's products may also be difficult and costly to overcome.

### **3. RISKS RELATING TO THE FUNDRAISING**

#### ***Conditional nature of the Fundraising and Fundraising not underwritten***

There is no guarantee that the conditions of any element of the Fundraising will be satisfied. No part of the Fundraising has been underwritten. If any element of the Fundraising does not proceed then the Company will not receive the proceeds in respect of that element of the Fundraising.

#### ***Valuation of shares***

The Issue Price has been determined by the Company and may not relate to the Company'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.

#### ***Investment in AIM securities***

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 admitted to the Official List and to trading on the Main Market. 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 Company. Investors may therefore realise less than, or lose all of, their investment.

#### ***Dilution of ownership of Ordinary Shares***

Subject to certain exceptions, shareholders' proportionate ownership and voting interest in the Company may be reduced pursuant to the Fundraising. There is no maximum on the amount of the Subscriptions that may be accepted by the Company prior to the Subscription Closing Date. In addition, to the extent that Qualifying Shareholders do not take up the offer of Open Offer Units under the Open Offer (and to the extent that their applications are not accepted), their proportionate ownership and voting interest in the Company will be further reduced and the percentage that their shareholdings represent of the ordinary share capital of the Company will, following Admission of the New Shares, and subsequent exercise of any November 2021 Warrants, be reduced accordingly. Subject to certain exceptions, Shareholders with registered addresses in, or who are resident or located in, the United States and other Restricted Jurisdictions will not be able to participate in the Open Offer.

#### ***Share price volatility***

The market price for the Company's Ordinary Shares is likely to fluctuate in response to a variety of factors, many of which are outside the Company's control.

Potential investors should be aware that the value of securities and the income from them can go down as well as up.

The price which investors may realise for their holding of Ordinary Shares, and when they are able to do so, may be influenced by a large number of factors, some of which are specific to the Company and others of which are extraneous.

***November 2021 Warrants may be of limited or no value***

The November 2021 Warrants have an exercise price of 30 pence which is above the share price as of 30 November 2021 of 24.5 pence per share. Any exercise of the November 2021 Warrants at or below the price that the resulting shares can be sold in the market will be likely to result in a loss for the exercising party. There can be no guarantee that the Ordinary Shares will trade above the exercise price during the November 2021 Warrant Period. If this is the case, then November 2021 Warrants could have little value. Exercise of the November 2021 Warrants can only be undertaken quarterly which reduces the opportunity to exercise the warrants to take advantage of short-term share price rises.

***Forward Looking Statements***

This Document contains forward-looking statements that involve risks and uncertainties. The Company'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, which are described above and elsewhere in the document. Additional risks and uncertainties not currently known to the Directors may also have an adverse effect on the Company's business.

**Investors should therefore consider carefully whether investment in the Company is suitable for them, in light of the risk factors outlined above, their personal circumstances and the financial resources available to them.**



## PART III

### SOME QUESTIONS AND ANSWERS ON THE OPEN OFFER

*The questions and answers set out in this Part III are intended to be in general terms only and, as such, you should read Part IV of this Document for full details of what action you should take. If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank, fund manager, solicitor, accountant or other appropriate independent financial adviser, who is authorised under FSMA if you are resident in the Isle of Man or the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.*

*This Part III deals with general questions relating to the Open Offer and more specific questions relating principally to Existing Ordinary Shares held by persons resident in the Isle of Man and/or the United Kingdom who hold their Existing Ordinary Shares in certificated form only. If you are an Overseas Shareholder, you should read paragraph 6 of Part IV 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 Entitlements. If you hold your Existing Ordinary Shares in uncertificated form (that is, through CREST) you should read Part IV 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.*

**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 AN OPEN OFFER?

The Open Offer is an invitation by the Company to Qualifying Shareholders to apply to acquire, in aggregate, up to 28,558,897 Open Offer Units at a price of 23 pence per Open Offer Unit. Each Open Offer Unit comprises one new Ordinary Share and one November 2021 Warrant. Each November 2021 Warrant shall have an exercise price of 30 pence per share and have an expiry date of two years from the Grant Date. If you hold Existing Ordinary Shares on the Record Date or have a *bona fide* market claim, other than, subject to certain exceptions, where you are a Shareholder with a registered address in, or located in, the United States or another Restricted Jurisdiction, you will be entitled to apply for Open Offer Units under the Open Offer.

**The Open Offer is being made on the basis of 1 Open Offer Unit for every 28 Existing Ordinary Shares held by Qualifying Shareholders on the Record Date. If your entitlement to Open Offer Units is not a whole number, you will not be entitled to buy a fraction of an Open Offer Unit and your entitlement will be rounded down to the nearest whole number.**

Applications by Qualifying Shareholders will be satisfied in full up to the amount of their individual Basic Entitlements. Qualifying Shareholders are also being given the opportunity, provided that they take up their Open Offer Entitlements in full, to apply for additional Open Offer Units through the Excess Application Facility.

**Qualifying Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying non-CREST Shareholders should also note that the Application Form is not a negotiable Document 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), and 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.**

**2. I HOLD MY EXISTING ORDINARY SHARES IN CERTIFICATED FORM. HOW DO I KNOW IF I AM ABLE TO APPLY TO ACQUIRE OPEN OFFER UNITS UNDER THE OPEN OFFER?**

If you have received an Application Form and, subject to certain exceptions, are not a holder with a registered address and are not resident or located in the United States or another Restricted Jurisdiction, then you should be eligible to acquire Open Offer Units under the Open Offer, as long as you have not sold all of your Existing Ordinary Shares on or before 7.00 a.m. on 3 December 2021 (“**the Ex-entitlement Date for the Open Offer**”).

**3. I HOLD MY EXISTING ORDINARY SHARES IN CERTIFICATED FORM. HOW DO I KNOW HOW MANY OPEN OFFER UNITS 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 in and are not resident or located in the United States or another Restricted Jurisdiction, you should have been sent an Application Form with this Document.

That Application Form shows:

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

If you have a registered address or are resident or located in the United States or, subject to certain exceptions, one of the Restricted Jurisdictions, you will not receive an Application Form.

If you would like to apply for any of, all of or more than the Open Offer Units comprised in your Open Offer Entitlement you should complete the Application Form in accordance with the instructions printed on it and the information provided in this Document. Please return the completed form in the reply-paid envelope provided with the Application Form along with a cheque or banker’s draft for the number of Open Offer Units you want to apply for and allow at least four business days for delivery if sent by first class post from within the Isle of Man or the United Kingdom. Please also see questions 4 and 10 for further help in completing the Application Form.

**4. I AM A QUALIFYING SHAREHOLDER WITH A REGISTERED ADDRESS IN THE ISLE OF MAN OR THE UNITED KINGDOM AND I HOLD MY EXISTING ORDINARY SHARES IN CERTIFICATED FORM. WHAT ARE MY CHOICES IN RELATION TO THE OPEN OFFER AND WHAT SHOULD I DO WITH THE APPLICATION FORM?**

**If you want to take up all of your Basic Entitlement**

If you want to take up all of the Open Offer Units to which you are entitled, all you need to do is send the completed Application Form, together with your cheque or banker’s draft for the amount (as indicated in Box 8 of your Application Form), payable to ‘Link Market Services Limited RE: Agronomics Limited – Open Offer 2021 A/C’ in the reply-paid envelope provided, by post to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL 2021, to arrive by no later than 11.00 a.m. on 20 December 2021. Within the Isle of Man and the United Kingdom only, you can use the reply-paid envelope which is enclosed with the Application Form. You should allow at least four business days for delivery if using first-class post or the reply-paid envelope within the Isle of Man and/or the United Kingdom. If posting from outside the Isle of Man or the United Kingdom, postage will be payable when using the reply-paid envelope.

Full instructions are set out in Part IV of this Document and in the Application Form. A definitive share certificate will then be sent to you for the Open Offer Units that you validly take up. Your definitive share certificate and warrant certificate for such Open Offer Units is expected to be despatched to you by no later than 10 January 2022.

### **If you want to take up some but not all of your Basic Entitlement?**

If you want to take up some but not all of your Basic Entitlement, you should write the number of Open Offer Units you want to take up in Box 2 of your Application Form; for example, if you are entitled to take up 1,000 shares but you only want to take up 500 shares, then you should write '500' in Box 2.

To work out how much you need to pay for the Open Offer Units, you need to multiply the number of Open Offer Units you want (in this example '500') by 23 pence, which is the price of each Open Offer Unit (giving you an amount of £115 in this example). You should write this amount in Box 5, and this should be the amount your cheque or banker's draft is made out for. You should then return your Application Form together with your cheque or banker's draft for that amount, payable to 'Link Market Services Limited RE: Agronomics Limited – Open Offer 2021 A/C' and crossed "A/C payee only", in the reply-paid envelope provided, by post, to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL to arrive by no later than 11.00 a.m. on 20 December 2021, after which time the Application Form will not be valid. Within the United Kingdom only, you can use the reply-paid envelope which is enclosed with the Application Form. You should allow at least four business days for delivery if using first-class post or the reply-paid envelope within the Isle of Man or the United Kingdom. If posting from outside the Isle of Man or the United Kingdom, postage will be payable when using the reply-paid envelope.

Full instructions are set out in Part IV of this Document and in the Application Form. A definitive share certificate and warrant certificate will then be sent to you for the Open Offer Units that you validly take up. Your definitive share certificate and warrant certificate for such Open Offer Units are expected to be despatched to you by no later than 10 January 2022.

### **If you want to apply for more than your Basic Entitlement?**

Provided that you have agreed to take up your Basic Entitlement in full, you can apply for Excess Units using the Excess Application Facility. You should write the number of Open Offer Units you wish to take up in Box 2 which must be the number of Open Offer Units shown in Box 7. You should then write the number of Excess Units you wish to apply for under the Excess Application Facility in Box 3 and then complete Box 4 by adding together the numbers you have entered in Boxes 2 and 3. There is no assurance that your application to participate in the Excess Application Facility will be accepted in full, in part or at all, such applications will be considered at the Directors' sole discretion.

To work out how much you need to pay for the Open Offer Units you are applying for, you need to multiply the number of Open Offer Units shown in Box 4 by the Issue Price, which is the price of each Open Offer Unit. You should write this amount in Box 5, rounding down to the nearest whole penny. You should then return your Application Form together with your cheque or banker's draft for that amount payable to 'Link Market Services Limited RE: Agronomics Limited – Open Offer 2021 A/C' and crossed "NC payee only", in the reply-paid envelope provided, by post, to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL to arrive by no later than 11.00 a.m. on 20 December 2021, after which time the Application Form will not be valid. Within the Isle of Man and the United Kingdom only, you can use the accompanying reply-paid envelope.

You should allow at least four business days for delivery if using first-class post or the reply-paid envelope within the Isle of Man or the United Kingdom. If posting from outside the Isle of Man or the United Kingdom, postage will be payable when using the reply-paid envelope. Full instructions are set out in Part IV of this Document and in the Application Form. If applications under the Excess Application Facility are received for more than the total number of Open Offer Units available following take-up of Open Offer Entitlements, such applications will be scaled back at the sole and absolute discretion of the Board, provided that no Qualifying Shareholder shall be required to subscribe for more Open Offer Units than he or she has specified on the Application Form. Therefore, applications under the Excess Application Facility may not be satisfied in full, in part or at all. In this event, Qualifying Shareholders will receive a GBP amount equal to the number of Open Offer Units applied and paid for by, but not allotted to, the relevant Qualifying Shareholder, multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the applicant's sole risk.

A definitive share certificate and warrant certificate will then be sent to you for the Open Offer Units that you validly take up. Your definitive share certificate and warrant certificate for such Open Offer Units are expected to be despatched to you by no later than 10 January 2022.

### **If you do not want to take up your Open Offer Entitlement?**

If you do not want to take up the Open Offer Units to which you are entitled, you do not need to do anything. In these circumstances, you will not receive any Open Offer Units. The Open Offer Units you could have taken up will not be issued by the Company to you or for your benefit. You cannot sell your Application Form or your Open Offer Entitlement to anyone else.

### **5. I HOLD MY EXISTING ORDINARY SHARES IN UNCERTIFICATED FORM IN CREST. WHAT DO I NEED TO DO IN RELATION TO THE OPEN OFFER?**

CREST members should follow the instructions set out in Part IV of this Document. Persons who hold Existing Ordinary Shares through a CREST member should be informed by such CREST member of the number of Open Offer Units they are entitled to apply for under their Open Offer Entitlement and should contact their CREST member should they not receive this information.

### **6. I ACQUIRED MY EXISTING ORDINARY SHARES PRIOR TO THE 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 Qualifying non-CREST Shareholders, however, will not receive an Application Form but may still be eligible to participate in the Open Offer, namely:

- Qualifying CREST Shareholders who held their Existing Ordinary Shares in uncertificated form not later than 4.30 p.m. on 14 December 2021 and who have converted them to certificated form;
- Qualifying non-CREST Shareholders who bought Existing Ordinary Shares before 8.00 a.m. on 3 December 2021 but were not registered as the holders of those shares at the close of business on 1 December 2021; and
- certain Overseas Shareholders.

If you do not receive an Application Form but think that you should have received one or you have lost your Application Form, please contact Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

### **7. IF I BUY EXISTING ORDINARY SHARES AFTER THE RECORD DATE, WILL I BE ELIGIBLE TO PARTICIPATE IN THE OPEN OFFER?**

If you buy or have bought Existing Ordinary Shares after the Record Date you are unlikely to be able to participate in the Open Offer in respect of those Existing Ordinary Shares.

If you are in any doubt, please consult your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement.

### **8. WHAT IF I CHANGE MY MIND?**

If you are a Qualifying non-CREST 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 Units you have applied for, except in the very limited circumstances which are set out in paragraph 4 of Part IV of this Document.

### **9. WHAT IF THE NUMBER OF OPEN OFFER UNITS TO WHICH I AM ENTITLED IS NOT A WHOLE NUMBER? AM I ENTITLED TO FRACTIONS OF OPEN OFFER UNITS?**

Your entitlement to Open Offer Units will be calculated at the Record Date. If the result is not a whole number, you will not receive an Open Offer Unit in respect of the fraction of each Existing Ordinary Share and your entitlement will be rounded down to the nearest whole number.

**10. 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 Existing Ordinary Shares directly and you sold some or all of your Existing Ordinary Shares before close of business on 1 December 2021, you should contact the buyer or the person/company through whom you sold your shares. The buyer may be entitled to apply for Open Offer Units under the Open Offer. If you sold any of your Existing Ordinary Shares on or after 8.00 a.m. on 3 December 2021, you may still take up and apply for the Open Offer Units as set out on your Application Form.

**11. I HOLD MY EXISTING ORDINARY SHARES IN CERTIFICATED FORM. HOW DO I PAY?**

You should return your Application Form with a cheque or banker's draft drawn in pounds sterling on a bank or building society account in the Isle of Man or United Kingdom in the reply-paid envelope enclosed (from within the Isle of Man or the United Kingdom). You should allow at least four business days for delivery if using first-class post or the reply-paid envelope within the Isle of Man or the United Kingdom. Cheques should be drawn on a sole or joint personal account of the Qualifying Shareholder who is applying for the Open Offer Units. The funds should be made payable to 'Link Market Services Limited RE: Agronomics Limited – Open Offer 2021 A/C'. In each case, the cheque should be crossed "A/C Payee only".

Payments via CHAPS, BACS or electronic transfer will not be accepted. Third party cheques may not be accepted with the exception of banker's drafts or building society cheques where the bank or building society has confirmed the name of the account holder (which must be the same name as appears on page 1 of the Application Form) on the back of the draft or cheque and have added their branch stamp.

**12. 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 Units to which you are entitled under the Open Offer, or only apply for some of your Open Offer Entitlement, your proportionate ownership and voting interest in the Company will be reduced (in addition to the reduction caused by the Fundraising and any subsequent issue of new Ordinary Shares following exercise of November 2021 Warrants).

**13. I HOLD MY EXISTING ORDINARY SHARES IN CERTIFICATED FORM. WHERE DO I SEND MY APPLICATION FORM?**

You should send your completed Application Form and monies by post in the enclosed reply-paid envelope (from within the Isle of Man or the United Kingdom) by post to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL. You should allow at least four business days for delivery if using first class post or the reply-paid envelope within the Isle of Man or the United Kingdom. If you do not want to take up or apply for Open Offer Units then you need take no further action.

**14. I HOLD MY EXISTING ORDINARY SHARES IN CERTIFICATED FORM. WHEN DO I HAVE TO DECIDE IF I WANT TO APPLY FOR OPEN OFFER UNITS?**

The Receiving Agent must receive your completed Application Form and cheque or banker's draft by 11.00 a.m. on 20 December 2021. You should allow at least four business days for delivery if using first-class post or the reply-paid envelope included with the Application Form, within the Isle of Man or the United Kingdom.

**15. I HOLD MY EXISTING ORDINARY SHARES IN CERTIFICATED FORM. IF I TAKE UP MY ENTITLEMENTS, WHEN WILL I RECEIVE THE CERTIFICATE REPRESENTING MY OPEN OFFER UNITS?**

It is expected that the Registrar will post all share certificates and warrant certificates by 10 January 2022.

**16. WHAT SHOULD I DO IF I THINK MY HOLDING OF EXISTING ORDINARY SHARES (AS SHOWN IN BOX 6 ON PAGE 1 OF THE APPLICATION FORM) IS INCORRECT?**

If you bought or sold Existing Ordinary Shares shortly before the Record Date, your transaction may not have been entered on the register of members before the Record Date for the Open Offer. If you bought

Existing Ordinary Shares before 8.00 a.m. on 2 December 2021 but were not registered as the holder of those shares on the Record Date for the Open Offer (close of business on 1 December 2021), you may still be eligible to participate in the Open Offer. If you are in any doubt, please contact your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement. You will not be entitled to Open Offer Entitlements in respect of any Existing Ordinary Shares acquired on or after 8.00 a.m. on 2 December 2021.

**17. WILL THE FUNDRAISING AFFECT DIVIDENDS (IF ANY) ON THE EXISTING ORDINARY SHARES?**

The New Shares will, when issued and fully paid, rank equally in all respects with 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.

**18. WILL I BE TAXED IF I TAKE UP MY OPEN OFFER ENTITLEMENTS?**

Shareholders who are in any doubt as to their tax position are strongly recommended to consult their own professional advisers.



## PART IV

### TERMS AND CONDITIONS OF THE OPEN OFFER

#### 1. INTRODUCTION

- 1.1 As explained in Part I of this Document, the Company is proposing to issue up to 28,558,897 Open Offer Units pursuant to the Open Offer.
- 1.2 Qualifying Shareholders are being offered the opportunity under the Open Offer to acquire Open Offer Units at the Issue Price, being the same price per Placing Unit as in the Placing and the same price per Subscription Unit as the Subscription. The Placing Units and the Subscription Units are not subject to clawback and do not form part of the Open Offer.
- 1.3 The Issue Price of 23 pence represents a discount of 6.1 per cent. to the closing price of Ordinary Shares on AIM on 29 November 2021 and 19.9 per cent. to the average daily volume weighted average price for Ordinary Shares on AIM for the 20 days to 30 November 2021. This Document and, where relevant, the Application Form contain the formal terms and conditions of the Open Offer.

#### 2. THE OPEN OFFER

- 2.1 Subject to the terms and conditions set out below and in the Application Form, the Company invites Qualifying Shareholders to apply for Open Offer Units at the Issue Price, payable in full in cash on application, free of all expenses, on the basis of:

##### **1 Open Offer Unit for every 28 Existing Ordinary Shares**

held by them and registered in their names at close of business on the Record Date, and so in proportion to any other number of Existing Ordinary Shares then held.

- 2.2 A Qualifying Shareholder who holds Existing Ordinary Shares in certificated and uncertificated form will be treated as having separate holdings for the purpose of calculating entitlements under the Open Offer.
- 2.3 Fractions of Open Offer Units will not be allotted to Qualifying Shareholders and entitlements to apply for Open Offer Units will be rounded down to the nearest whole number of Open Offer Units.
- 2.4 Qualifying Shareholders may apply for any whole number of Open Offer Units up to their Basic Entitlement, which, in the case of Qualifying non-CREST Shareholders, is equal to the number of Open Offer Entitlements as shown in Box 7 on their Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of Open Offer Entitlements credited to their stock account in CREST. The action to be taken in relation to the Open Offer depends on whether you have received an Application Form in respect of your Open Offer Entitlement under the Open Offer or have your Open Offer Entitlement credited to your stock account in CREST.
- 2.5 Qualifying Shareholders are also invited to apply for additional Open Offer Units as an Excess Entitlement, up to the total number of Open Offer Units available under the Open Offer. Any Open Offer Units not issued to a Qualifying Shareholder pursuant to their Basic Entitlement will be considered, and apportioned between those Qualifying Shareholders who have applied for Excess Entitlements at the sole and absolute discretion of the Board, provided that no Qualifying Shareholder shall be required to subscribe for more Open Offer Units than he or she has specified on the Application Form or through CREST. It is possible that an application under the Excess Application Facility will not be accepted in full, in part, or at all.
- 2.6 If you have received an Application Form with this Document, please refer to paragraph 4.5 of this Part IV.



- 2.7 If you hold your Existing Ordinary Shares in CREST and have received a credit of Open Offer Entitlements to your CREST stock account, please refer to paragraph 4.6 of this Part IV and also to the CREST Manual for further information on the CREST procedures referred to below.
- 2.8 The Open Offer is not a rights issue. Qualifying CREST Shareholders should note that although the Open Offer Entitlements (in respect of Qualifying CREST Shareholders) may be admitted to 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. Qualifying non-CREST Shareholders should note that the Application Form is not a negotiable Document and cannot be traded. Qualifying Shareholders should be aware that in the Open Offer, unlike in a rights issue, any Open Offer Units not applied for will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer.
- 2.9 The Existing Ordinary Shares are admitted to AIM. Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that Admission of the Open Offer Shares will become effective on 22 December 2021 and that dealings in the Open Offer Shares will commence at 8.00 a.m. on that date.
- 2.10 Application will be made to the London Stock Exchange for admission of the new Ordinary Shares issued pursuant to the exercise of November 2021 Warrants by relevant holders during the November 2021 Warrant Period in accordance with the November 2021 Warrant Instrument (further details of which are set out at paragraph 6 of Part I of this Document).
- 2.11 The Existing Ordinary Shares are already enabled for settlement in CREST. No further application for admission to CREST is required for the Open Offer Shares; all such shares, when issued and fully paid, may be held and transferred by means of CREST as Ordinary Shares.
- 2.12 Application will be made for the Open Offer Entitlements to be enabled for settlement in CREST. The conditions to such admission having already been met, the Open Offer Entitlements are expected to be admitted to CREST with effect from 22 December 2021. The Open Offer Shares will be issued fully paid and will be identical to, and rank *pari passu* in all respects with, the Existing Ordinary Shares and will rank for all dividends or other distributions declared, made or paid after the date of issue of the Open Offer Shares. No temporary Documents of title will be issued. Further details of the rights attaching to the Existing Ordinary Shares are set out in the Articles which are available on the Company's website (<http://agronomics.im>).
- 2.13 The November 2021 Warrants will have a unique ISIN number distinct from the Ordinary Shares. The ISIN number for the November 2021 Warrants is IM00BP68CG25.
- 2.14 The November 2021 Warrants may be exercised through CREST, in respect of those warrants held in CREST, or by lodging a physical notice of exercise with the Receiving Agent, in relation to those holding their November 2021 Warrants in certificated form. Ordinary Shares to be issued pursuant to any Notice of Exercise delivered during a Quarter shall be issued by the Company on the fifth business day following the relevant Exercise Date.

### **3. CONDITIONS OF THE OPEN OFFER**

- 3.1 The Open Offer is conditional, *inter alia*, on:
- 3.1.1 the Placing Agreement not being terminated prior to Admission of the Placing Shares and becoming unconditional in all respects;
- 3.1.2 Admission of the Placing Shares becoming effective on or before 8.00 a.m. on 8 December 2021 (or such later date and/or time as the Company, the Broker and the Nominated Adviser may agree); and
- 3.1.3 Admission of the Open Offer Shares becoming effective on or before 8.00 a.m. on 22 December 2021 (or such later date and/or time as the Company, the Broker and the Nominated Adviser may agree).

- 3.2 If these and the other conditions to the Open Offer are not satisfied or waived (where capable of waiver), the Open Offer will lapse and will not proceed and any applications made by Qualifying Shareholders will be rejected. In these circumstances, application monies received by the Receiving Agent in respect of Open Offer Units will be returned (at the applicant's sole risk), without payment of interest, as soon as reasonably practicable thereafter. Lapsing of the Open Offer cannot occur after dealings in the Open Offer Shares have begun.
- 3.3 The allotment and issue of the Open Offer Shares is conditional on Admission of the Placing Shares but the Placing is not conditional on Admission of the Open Offer Shares; if Admission of the Placing Shares does not occur, then the Open Offer will also not complete. However, if the Open Offer does not complete, then this will not prevent the Placing from completing.

#### **4. PROCEDURE FOR APPLICATION AND PAYMENT**

- 4.1 If you are in any doubt as to the action you should take, or the contents of this Document, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other independent adviser duly authorised under FSMA in the United Kingdom or who otherwise specialises in advising on the acquisition of shares and other securities.
- 4.2 The action to be taken by Qualifying Shareholders in respect of the Open Offer depends on whether at the relevant time they have an Application Form in respect of their entitlement under the Open Offer or they have Open Offer Entitlements credited to their CREST stock account in respect of such entitlement.
- 4.3 If a Qualifying CREST Shareholder is a CREST sponsored member they should refer to their CREST sponsor if they wish to apply for all or some of their entitlement under the Open Offer, 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 of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.
- 4.4 If for any reason it becomes necessary to adjust the expected timetable as set out in this Document the Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates.

#### **4.5 If you have an Application Form in respect of your Open Offer Entitlement**

##### **General**

- 4.5.1 Subject as provided in paragraph 6 of this Part IV 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 your name on the Record Date. It also shows the number of Open Offer Units for which you may apply pursuant to your Basic Entitlement (on an initial *pro rata* basis) as shown by the total number of Open Offer Units allocated to you. You may apply for less than your initial *pro rata* entitlement should you wish to do so. You may also apply for additional Open Offer Units by completing Box 3 on the Application Form relating to your Excess Entitlement.
- 4.5.2 Qualifying non-CREST Shareholders may also hold such an Application Form by virtue of a *bona fide* market claim.
- 4.5.3 If the total number of Open Offer Units applied for by all Qualifying Shareholders exceeds 28,558,897, applications for Open Offer Units will be scaled back at the sole and absolute discretion of the Directors. The instructions and other terms set out in the Application Form part of the terms of the Open Offer in relation to Qualifying non-CREST Shareholders.

##### **Market claims**

- 4.5.4 Applications for the Open Offer Units 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 the Open Offer by the London Stock Exchange, being 8.00 a.m. on 2 December 2021. Application Forms may be split up to 3.00 p.m. on 15 December 2021.

- 4.5.5 The Application Form is not a negotiable document and cannot be separately traded. A Qualifying non-CREST Shareholder who has sold or transferred all or part of his holding of Existing Ordinary Shares prior to 8.00 a.m. on 2 December 2021, being the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to the Open Offer by the London Stock Exchange, should consult his broker or other professional adviser as soon as possible, as the invitation to acquire Open Offer Units under the Open Offer may be a benefit which may be claimed from him by the transferee pursuant to the rules of the London Stock Exchange. Qualifying non-CREST Shareholders who have sold all of their registered holdings should, if the market claim is to be settled outside CREST, complete Boxes 10 and 11 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.
- 4.5.6 The Application Form should not, however, subject to certain exceptions, be forwarded to or transmitted in or into the United States, Australia, Canada, Japan, the Republic of South Africa or any other Restricted Jurisdiction. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedures set out in paragraph 4.6 below.

#### **Application procedures**

- 4.5.7 If you are a Qualifying non-CREST Shareholder and wish to apply for all or some of your entitlement to Open Offer Units under the Open Offer you should complete and sign the Application Form in accordance with the instructions on it and send it, together with the appropriate remittance, by post to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL so as to arrive no later than 11.00 a.m. on 20 December 2021. A reply-paid envelope is enclosed for use by Qualifying non-CREST Shareholders in connection with the Open Offer. Please note that the Receiving Agent cannot provide financial advice on the merits of the Open Offer or as to whether or not you should take up your entitlement to Open Offer Units under the Open Offer.
- 4.5.8 If any Application Form is sent by first class post or using the reply-paid envelope within the Isle of Man or the United Kingdom, Qualifying non-CREST Shareholders are recommended to allow at least four business days for delivery. The Receiving Agent, on the Company’s behalf, may elect to accept Application Forms and remittances after 11.00 a.m. on 20 December 2021 in respect of those bearing a post mark of before that date and time. The Receiving Agent may also (on behalf of the Company) elect to treat an Application Form as valid and binding on the person(s) by whom or on whose behalf it is lodged, even if it is not completed in accordance with the relevant instructions, or if it does not strictly comply with the terms and conditions of application. Applications will not be acknowledged.
- 4.5.9 The Receiving Agent, on behalf of the Company, also reserves the right (but shall not be obliged) to accept applications in respect of which remittances are received prior to 11.00 a.m. on 20 December 2021 from an authorised person (as defined in FSMA) specifying the number of Open Offer Units applied for, and undertaking to lodge the relevant Application Form in due course but, in any event, within two business days.

#### **Payments**

- 4.5.10 All payments must be in pounds sterling and cheques or banker’s drafts should be made payable to ‘Link Market Services Limited RE: Agronomics Limited – Open Offer 2021 A/C’ and crossed “NC payee only”. Cheques or banker’s drafts must be drawn on an account at a branch of a bank or building society in the British Isles 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 and must bear the appropriate sort code in the top right-hand corner. Eurocheques will not be accepted. Cheques should be drawn on the personal account to which you have sole or joint title to funds. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the bank or building society has confirmed the name of the account holder (which should match the name detailed on page 1 of the Application Form) and have added the branch stamp.

- 4.5.11 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. No interest will be allowed on payments made before they are due and any interest earned on such payments will accrue for the benefit of the Company. It is a term of the Open Offer that cheques shall be honoured on first presentation, and the Company and/or the Receiving Agent (on the Company's behalf) may elect in their sole and absolute discretion to treat as invalid acceptances in respect of which cheques are not so honoured. Application monies will be paid into a separate bank account pending the Open Offer becoming unconditional. In the event that the Open Offer does not become unconditional the Open Offer will lapse and application monies will be returned to relevant applicants (at the applicants' risk) without interest either by first class post as a cheque to the address set out on the Application Form or returned direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn as soon as practicable. The interest earned on monies held in the separate bank account will be retained for the benefit of the Company.

#### **Effect of application**

- 4.5.12 All Documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk. By completing and delivering an Application Form, you (as the applicant(s)):
- 4.5.12.1 agree that all applications, and contracts resulting therefrom, under the Open Offer shall be governed by, and construed in accordance with, the laws of England;
  - 4.5.12.2 confirm that in making the application you are not relying on any information or representation other than that contained in this Document, and you accordingly agree that no person responsible solely or jointly for this Document or any part of it shall have any liability for any such information or representation not so contained; and
  - 4.5.12.3 represent and warrant that if you have received some or all of your Open Offer Entitlements from a person other than the Company, you are entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a *bona fide* market claim.
- 4.5.13 If you do not wish to apply for any of the Open Offer Units to which you are entitled under the Open Offer, you should take no action and not complete or return the Application Form.
- 4.5.14 If you are in doubt whether or not you should apply for any of the Open Offer Units under the Open Offer, you should consult your independent financial adviser immediately. All enquiries in relation to completion of the Application Form by Qualifying non-CREST Shareholders under the Open Offer should be addressed to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL, telephone on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

#### 4.6 **If you have Open Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Open Offer**

##### **General**

- 4.6.1 Subject as provided in paragraph 6 of this Part IV in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive credits to his stock account in CREST of his Open Offer Entitlements equal to the number of Open Offer Units for which he is entitled to apply under the Open Offer. Entitlements to Open Offer Units will be rounded down to the nearest whole number and any fractional entitlements will therefore also be rounded down. Qualifying CREST Shareholders may also apply for Open Offer Units in excess of their Open Offer Entitlement under the Excess Application Facility.
- 4.6.2 The CREST stock account to be credited will be the account under the participant ID and member account ID which holds the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Open Offer Entitlement has been allocated.
- 4.6.3 If for any reason the Open Offer Entitlements cannot be enabled for settlement in CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by, 22 December 2021 or such later time as the Company (with the Broker's consent) may decide, an Application Form will be sent out to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements credited (or due to be 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 non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive an Application Form.
- 4.6.4 CREST members who wish to apply for some or all of their entitlements to Open Offer Units should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for Open Offer Units as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

##### **Market claims**

- 4.6.5 Each of the Open Offer Entitlements will constitute a separate security for the purposes of CREST. Although Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction.
- 4.6.6 For 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. Please note that automated CREST generated claims and buyer protection will not be offered on the Excess CREST Open Offer Entitlement security.

##### **USE instructions**

CREST members who wish to apply for Open Offer Units in respect of all or some of their Open Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) an Unmatched Stock Event (“**USE**”) instruction to Euroclear which, on its settlement, will have the following effect:



- 4.6.7 the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with a number of Open Offer Entitlements corresponding to the number of Open Offer Units applied for; and
- 4.6.8 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 Units referred to in paragraph 4.6.7 above.

***Content of USE instructions in respect of the Basic Entitlement***

- 4.6.9 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:
  - 4.6.9.1 the number of Open Offer Units for which application is being made (and hence the number of the Basic Entitlement(s) being delivered to the Receiving Agent);
  - 4.6.9.2 the ISIN of the Basic Entitlement to Open Offer Unit. This is IM00BP2V1249;
  - 4.6.9.3 the participant ID of the accepting CREST member;
  - 4.6.9.4 the member account ID of the accepting CREST member from which the Basic Entitlements are to be debited;
  - 4.6.9.5 the participant ID of the Receiving Agent. This is 7RA33;
  - 4.6.9.6 the member account ID of the Receiving Agent. This is 21535AGR;
  - 4.6.9.7 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 Units referred to in paragraph 4.6.9.1 above;
  - 4.6.9.8 the intended settlement date. This must be on or before 11.00 a.m. on 20 December 2021; and
  - 4.6.9.9 the corporate action number for the Open Offer. This will be available on viewing the relevant corporate action details in CREST.
- 4.6.10 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 20 December 2021.
- 4.6.11 In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the contact name and telephone number (in the free format shared note field); and a priority of at least 80.
- 4.6.12 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 20 December 2021 in order to be valid is 11.00 a.m. on that day.

***Content of USE instruction in respect of Excess Entitlements***

- 4.6.13 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:
  - 4.6.13.1 the number of Excess Entitlements for which application is being made;
  - 4.6.13.2 the ISIN of the Excess Entitlements to Open Offer Units. This is IM00BP2V1686;
  - 4.6.13.3 the CREST participant ID of the accepting CREST member;
  - 4.6.13.4 the CREST member account ID of the accepting CREST member from which the Excess Entitlements are to be debited;
  - 4.6.13.5 the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 7RA33;

- 4.6.13.6 the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 21535AGR;
  - 4.6.13.7 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 Entitlements referred to in paragraph 4.6.13.1 above;
  - 4.6.13.8 the intended settlement date. This must be on or before 11.00 a.m. on 20 December 2021; and
  - 4.6.13.9 the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.
- 4.6.14 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 20 December 2021.
- 4.6.15 In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the contact name and telephone number (in the free format shared note field); and a priority of at least 80.
- 4.6.16 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 20 December 2021 in order to be valid is 11.00 a.m. on that day.

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

- 4.6.17 A Qualifying non-CREST Shareholder's entitlement under the Open Offer as set out in an 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 held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Application Form.
- 4.6.18 A holder of an Application Form who is proposing so to deposit the entitlement set out in such form is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 3.00 p.m. on 14 December 2021.
- 4.6.19 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, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements in CREST, is 3.00 p.m. on 14 December 2021, and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements from CREST is 4.30 p.m. on 13 December 2021, in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements 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 prior to 11.00 a.m. on 20 December 2021.

***Validity of application***

- 4.6.20 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 20 December 2021 will constitute a valid application under the Open Offer.



### ***CREST procedures and timings***

4.6.21 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 20 December 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.

### ***Incorrect or incomplete applications***

- 4.6.22 If a USE instruction includes a CREST payment for an incorrect sum, the Company through the Receiving Agent reserves the right:
- 4.6.22.1 to reject the application in full and refund the payment to the CREST member in question;
  - 4.6.22.2 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 Units as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question; and
  - 4.6.22.3 in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Units referred to in the USE instruction(s) refunding any unutilised sum to the CREST member in question.

### ***Effect of a valid application***

- 4.6.23 A CREST member who makes or is treated as making a valid application in accordance with the above procedures will thereby:
- 4.6.23.1 pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, satisfy the obligation of the CREST member to pay to the Company the amount payable on application);
  - 4.6.23.2 request that the Open Offer Units to which he will become entitled be issued to him on the terms set out in this Document and subject to the Articles;
  - 4.6.23.3 agree that all applications and contracts resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England and Wales;
  - 4.6.23.4 represent and warrant that he or she is not and nor is he or she applying as nominee or agent for a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 93 (Depository Receipts) or section 96 (Clearance Services) of the Finance Act 1986;
  - 4.6.23.5 confirm that in making such application he or she is not relying on any information in relation to the Company other than that contained in this Document and agrees that no person responsible solely or jointly for this Document or any part of it or involved in the preparation thereof shall have any liability for any such other information and further agree that having had the opportunity to read this Document, he will be deemed to have had notice of all the information concerning the Company contained therein; and

- 4.6.23.6 represent and warrant that he or she is the Qualifying Shareholder originally entitled to the Open Offer Entitlements or that he has received such Open Offer Entitlements by virtue of a *bona fide* market claim.
- 4.6.24 The Company's discretion as to rejection and validity of applications. The Company may in their sole and absolute discretion:
  - 4.6.24.1 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 IV;
  - 4.6.24.2 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;
  - 4.6.24.3 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 Receiving Agent receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent have 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
  - 4.6.24.4 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 Units 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 Receiving Agent in connection with CREST.

#### ***Lapse of the Open Offer***

- 4.6.25 In the event that the Open Offer does not become unconditional by 8.00 a.m. on 22 December 2021 or such later time and date as the Broker and the Company may agree, being not later than 31 December 2021, 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. The interest earned on such monies, if any, will be retained for the benefit of the Company.

## **5. MONEY LAUNDERING REGULATIONS**

### **5.1 Holders of Application Forms**

- 5.1.1 It is a term of the Open Offer that, to ensure compliance with the Money Laundering Regulations, the Receiving Agent may require, at its sole and absolute discretion, verification of the identity of the person by whom or on whose behalf an 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 an Isle of Man or United Kingdom regulated broker or intermediary acting as agent, and which is itself subject to the Money Laundering Regulations, any verification of identity requirements is the responsibility of such broker or intermediary and not of the Receiving Agent. In such case, the lodging agent's stamp should be inserted on the Application Form.

- 5.1.2 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 the Receiving Agent to be acting on behalf of some other person, accepts the Open Offer in respect of such number of the Open Offer Units as referred to in the Application Form (for the purposes of this paragraph 5.1 (the “**relevant shares**”)) shall thereby be deemed to agree to provide the Receiving Agent and/or the Company with such information and other evidence as they or either of them may require to satisfy the verification of identity requirements.
- 5.1.3 If the Receiving Agent determines that the verification of identity requirements apply to any applicant or application, and the verification of identity requirements have not been satisfied (which the Receiving Agent shall in its sole and absolute discretion determine), the Company may, in its sole and absolute discretion, and without prejudice to any other rights of the Company, treat the application as invalid or may confirm the allotment of the relevant shares to the applicant but (notwithstanding any other term of the Open Offer) the relevant shares will not be issued to the applicant unless and until the verification of identity requirements have been satisfied in respect of that application (which the Receiving Agent shall in its sole and absolute discretion determine).
- 5.1.4 If the application is treated as invalid and the verification of identity requirements are not satisfied within such period, being not less than 7 days after a request for evidence of identity is despatched to the applicant, the Company will be entitled to make arrangements (in its sole and absolute discretion as to manner, timing and terms) to sell the relevant shares (and for that purpose the Company will be expressly authorised to act as agent of the applicant). Any proceeds of sale (net of expenses) of the relevant shares which shall be issued to and registered in the name of the purchasers or an amount equivalent to the original payment, whichever is the lower, will be held by the Company on trust for the applicant, subject to the requirements of the Money Laundering Regulations being satisfied. The Receiving Agent is entitled, in its sole and absolute discretion, to determine whether the verification of identity requirements apply to any applicant or application and whether such requirements have been satisfied. Neither the Company nor the Receiving Agent 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 any such discretion or as a result of any sale of relevant shares. Submission of an Application Form with the appropriate remittance will constitute a warranty from the applicant that the Money Laundering Regulations will not be breached by application of such remittance. If the verification of identity requirements applies, failure to provide the necessary evidence of identity within a reasonable time may result in your application being treated as invalid or in delays in the despatch of share certificates or in crediting CREST stock accounts.
- 5.1.5 The verification of identity requirements will not usually apply:
- 5.1.5.1 if the applicant is an organisation required to comply with the Money Laundering Directive (the EU Council Directive on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing (no 2015/859/EU));
  - 5.1.5.2 if the applicant is a regulated United Kingdom broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations; or
  - 5.1.5.3 if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the name of such applicant.
- 5.1.6 Third party cheques may not be accepted with the exception of banker’s drafts or building society cheques where the bank or building society has inserted details of the name of the account holder (which must be the same name as appears on page 1 of the Application Form) on the draft or cheque and have added either their branch stamp or have provided a supporting letter confirming the source of funds. In other cases, the verification of identity requirements may apply. The following guidance is provided in order to assist in satisfying the verification of identity requirements and to reduce the likelihood of difficulties or delays

and potential rejection of an application (but does not limit the right of the Receiving Agent to require verification of identity as stated above). Satisfaction of the verification of identity requirements may be facilitated in the following ways:

- 5.1.6.1 if payment is made by building society cheque (not being a cheque drawn on an account of the applicant) or banker's draft, by the building society or bank inserting details of the name of the account holder (which must be the same name as appears on page 1 of the Application Form) on the cheque or draft and adding either their branch stamp or providing a supporting letter confirming the source of funds; or
- 5.1.6.2 if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in paragraph 5.1.5.1 above or which is subject to anti-money laundering regulation in a country which is a member of the financial action task force (the non-European Union members of which are Argentina, Australia, Brazil, Canada, Hong Kong, Iceland, Japan, Mexico, New Zealand, Norway, the Russian Federation, Singapore, South Africa, Switzerland, Turkey, the United States of America and, by virtue of their membership of the Gulf Co-operation Council, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), the agent should provide written confirmation that it has that status with the Application Form and written assurance that it has obtained and recorded evidence of the identity of the persons for whom it acts and that it will on demand make such evidence available to the Receiving Agent or the relevant authority. In order to confirm the acceptability of any written assurance referred to in this paragraph 5.1.6.2 or any other case, the applicant should contact the Receiving Agent.

## 5.2 **Open Offer Entitlements in CREST**

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 the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent may in its sole and absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Open Offer Units concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Open Offer Units 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.

## 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**

- 6.1.1 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 Isle of Man or 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 Isle of Man or 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 Units under the Open Offer.

- 6.1.2 No action has been or will be taken by the Company, the Broker, 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 Units) in any jurisdiction where action for that purpose may be required, other than in the Isle of Man or 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.
- 6.1.3 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.
- 6.1.4 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 Isle of Man or 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.
- 6.1.5 It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees) outside the Isle of Man or the United Kingdom wishing to apply for Open Offer Units 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.
- 6.1.6 None of the Company, the Broker nor any of their respective representatives is making any representation or warranty to any offeree or purchaser of the Open Offer Units regarding the legality of an investment in the Open Offer Units by such offeree or purchaser under the laws applicable to such offeree or purchaser.
- 6.1.7 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 Units in respect of the Open Offer unless the Company and the Broker 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 IV and specifically the contents of this paragraph 6.

- 6.1.8 The Company reserves the right to treat as invalid any application or purported application for Open Offer Units 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 Units 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 Isle of Man or the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit.
- 6.1.9 Notwithstanding any other provision of this Document or the relevant Application Form, the Company, and the Broker reserve the right to permit any person to apply for Open Offer Units 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.
- 6.1.10 Overseas Shareholders who wish, and are permitted, to apply for Open Offer Units 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 Units is being made by virtue of this Document or the Application Forms into the United States or any other Restricted Jurisdiction.
- 6.1.11 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**

- 6.2.1 The Open Offer Units have not been and will not be registered under the 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 Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.
- 6.2.2 Accordingly, the Company is not extending the Open Offer into the United States unless an exemption from the registration requirements of the 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 Open Offer Units in the United States. Subject to certain exceptions, neither this Document nor an Application Form will be sent to, and no Open Offer Units 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 Open Offer Units and wishing to hold such Open Offer Units in registered form must provide an address for registration of the Open Offer Units issued upon exercise thereof outside the United States.

- 6.2.3 Subject to certain exceptions, any person who acquires Open Offer Units will be deemed to have declared, warranted and agreed, by accepting delivery of this Document or the Application Form and delivery of the Open Offer Units, that they are not, and that at the time of acquiring the Open Offer Units 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.
- 6.2.4 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 Open Offer Units, 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 Open Offer Units with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Units in the United States or where the Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements.
- 6.2.5 The Company will not be bound to allot or issue any Open Offer Units to any person with an address in, or who is otherwise located in, the United States in whose favour an Application Form or any Open Offer Units may be transferred. In addition, the Company, and the Broker 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 Open Offer Units. In addition, until 45 days after the commencement of the Open Offer, an offer, sale or transfer of the Open Offer Units 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**

- 6.3.1 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 Units 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.
- 6.3.2 No offer or invitation to apply for Open Offer Units 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 Units 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 Isle of Man or 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 Units 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 Units comprised therein represents and warrants to the Company, the Broker and the Receiving Agent 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 Units 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 Units 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 (i) above at the time the instruction to accept was given; and (iv) such person is not acquiring Open Offer Units with a view to offer, sale, resale, transfer, deliver or distribute, directly or indirectly, any such Open Offer Units into any of the above territories. The Company and/or the Receiving Agent may treat as invalid any acceptance or purported acceptance of the allotment of Open Offer Units 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 Units (or any other jurisdiction outside the Isle of Man or 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 IV represents and warrants to the Company, the Broker and the Receiving Agent 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 Units; (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 Units with a view the offer, sale, resale, transfer, delivery or distribute, directly or indirectly, any such Open Offer Units 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 the Broker 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. TAXATION

If you are in any doubt about your tax position and in particular if you are subject to a tax in a jurisdiction other than the Isle of Man or the United Kingdom, you should consult your professional adviser without delay.

## **8. ADMISSION, SETTLEMENT, DEALINGS AND PUBLICATION**

- 8.1 Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to AIM, subject to the fulfilment of the conditions of the Open Offer. It is expected that Admission of the Open Offer Shares to trading on AIM will become effective and that dealings therein for normal settlement will commence at 8.00 am on 22 December 2021. In the case of Qualifying Shareholders wishing to hold Open Offer Shares in certificated form, definitive certificates in respect of the Open Offer Shares will be issued free of stamp duty and are expected to be despatched by post by 10 January 2022. No temporary Documents of title will be issued and, pending such despatch, transfers will be certified against the share register. Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 20 December 2021 (the latest time and date for applications under the Open Offer). If the conditions to the Open Offer described in this Document are satisfied, Open Offer Units will be issued in uncertificated form to those persons who submitted a valid application for Open Offer Units by utilising the CREST application procedures and whose applications have been accepted by the Company on the day on which such conditions are satisfied. On this day, the Receiving Agent will credit the appropriate stock accounts of such persons with such persons' entitlement to Open Offer Units with effect from Admission of the Open Offer Shares (expected to be 22 December 2021). The stock accounts to be credited will be accounts under the same participant IDs and member account IDs in respect of which the USE instruction was given. Notwithstanding any other provision of this Document, the Company (with the consent of the Broker) reserves the right to send an Application Form instead of crediting the relevant stock account with Open Offer Entitlements, and to allot and/or issue any Open Offer Units 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.
- 8.2 All Documents or remittances sent by or to applicants, or as they may direct, will be sent through the post at their own risk. For more information as to the procedure for application, Qualifying non-CREST Shareholders are referred to the Application Form. The completion and results of the Open Offer will be announced and made public through an announcement on a Regulatory Information Service as soon as possible after the results are known, expected to be on or about 21 December 2021.
- 8.3 The November 2021 Warrants will have a unique ISIN number distinct from the Ordinary Shares. The ISIN number for the November 2021 Warrants is IM00BP68CG25.
- 8.4 Application will be made to the London Stock Exchange for admission of the new Ordinary Shares issued pursuant to the exercise of November 2021 Warrants by relevant holders during the November 2021 Warrant Period in accordance with the November 2021 Warrant Instrument (further details of which are set out at paragraph 6 of Part I of this Document).
- 8.5 The November 2021 Warrants may be exercised through CREST, in respect of those warrants held in CREST, or by lodging a physical notice of exercise with the Receiving Agent, in relation to those holding their November 2021 Warrants in certificated form. Ordinary Shares to be issued pursuant to any Notice of Exercise delivered during a Quarter shall be issued by the Company on the fifth business day following the relevant Exercise Date.

## **9. GOVERNING LAW**

The terms and conditions of the Open Offer as set out in this Part IV and each Application Form shall be governed by, and construed in accordance with, the laws of England. The courts of England are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this Document and/or an Application Form. By taking up their entitlements under the Open Offer in accordance with the instructions set out in this Document and (where applicable) an Application Form, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England 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.

## **10. OTHER INFORMATION**

Your attention is drawn to the letter from your Chairman which is set out in Part I of this Document which contains, *inter alia*, information on the reasons for the Fundraising and the Open Offer and to the Risk Factors in Part II of this Document.

## **11. DILUTION**

The share capital of the Company in issue at the date of this Document will be increased by approximately 17.4 per cent. as a result of the Fundraising and Open Offer (assuming the Open Offer Units are subscribed in full and that, other than the Directors' Intended Subscription, no more than the 18,397,369 minimum Subscription Shares are issued and assuming no November 2021 Warrants or other options or warrants that are outstanding are exercised). Qualifying Shareholders who do not take up any of their Basic Entitlement will suffer a reduction of approximately 14.8 per cent. in their proportionate ownership and voting interest in the ordinary share capital of the Company as represented by their holding of Ordinary Shares immediately following Admission of the Open Offer Shares. Qualifying Shareholders who take up all or part of their Open Offer Entitlement will still suffer dilution upon Admission of the New Shares due to completion of the Fundraising.

