

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised for the purposes of the Financial Services and Markets Act 2000 (as amended) ("FSMA") who specialises in advising on the acquisition of shares and other securities.**

If you have sold or otherwise transferred all of your Existing Ordinary Shares prior to the Ex-entitlement Date, please send this document, together with its accompanying documents, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you have sold or transferred part of your holding of Existing Ordinary Shares prior to the Ex-entitlement Date, you are advised to consult your stockbroker, bank or other agent through whom the sale or transfer was effected and refer to the instructions regarding split applications set out in the accompanying Application Form. However, the distribution of this document and/or any accompanying documents into a jurisdiction other than the United Kingdom may be restricted by law or regulation and therefore such documents should not be distributed, forwarded to or transmitted in or into the United States of America, Canada, Australia, New Zealand, Japan, the Republic of South Africa or the Republic of Ireland, nor in or into any other jurisdiction where the extension of the Open Offer would breach any applicable law or regulation.

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 Rules made by the Financial Conduct Authority ("FCA") pursuant to sections 73A(1) and (4) of FSMA and has not been pre-approved by the FCA, the London Stock Exchange or any other regulatory body pursuant to section 85 of FSMA.

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## **Cambria Africa PLC**

*(incorporated and registered in the Isle of Man under number 001773V)*

### **Open Offer of up to 388,678,024 New Ordinary Shares at 1.10 pence per share**

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WH Ireland Limited ("**WH Ireland**"), which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser to the Company in connection with the matters described in this document. Persons receiving this document should note that WH Ireland will not be responsible to anyone other than the Company for providing the protections afforded to clients of WH Ireland or for advising any other person on the arrangements described in this document. WH Ireland has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by WH Ireland for the accuracy of any information or opinion contained in this document or for the omission of any information.

The Company's Ordinary Shares are currently admitted to trading on AIM. Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective, and dealings for normal settlement in the New Ordinary Shares will commence, at 8.00 a.m. on 16 July 2018. The New Ordinary Shares will not be admitted to trading on any other investment exchange. The New Ordinary Shares will rank *pari passu* in all respects with the Existing Ordinary Shares and will rank in full for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of the Company.

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 United Kingdom Listing Authority. 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. Neither the London Stock Exchange nor the UK Listing Authority has examined or approved the contents of this document. The AIM Rules for Companies are less demanding than those of the Official List of the UK Listing Authority. It is emphasised that no application is being made for admission of the Existing Ordinary Shares or the New Ordinary Shares to the Official List of the UK Listing Authority.

**This document should be read as a whole. Your attention is drawn to the letter from the CEO of the Company which is set out in Part 1 of this document and to the Risk Factors in Part 2 of this document.**

**The latest time and date for acceptance and payment in full under the Open Offer is 11.00 a.m. on 6 July 2018. The procedure for application is set out in Part 3 of this document and the Application Form.**

Qualifying Non-CREST Shareholders will find an Application Form accompanying this document. Qualifying CREST Shareholders (none of whom will receive an Application Form) will receive a credit to their stock accounts in CREST in respect of the Open Offer Entitlements which will be enabled for settlement on 16 July 2018. Applications under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim arising out of a sale or transfer of Existing Ordinary Shares prior to the date on which the Existing Ordinary Shares were marked "ex-entitlement" by the London Stock Exchange. Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer. Applications for Excess Shares pursuant to the Excess Application Facility may be made by the Qualifying Shareholder provided that their Open Offer Entitlement has been taken up in full and subject to being scaled back in accordance with the provisions of this document.

This document does not constitute an offer to sell or an invitation to subscribe for, or solicitation of an offer to subscribe for or buy New Ordinary Shares and/or Open Offer Entitlements to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation. In particular, this document must not be taken, transmitted, distributed or sent, directly or indirectly, in, or into, the

United States of America, Canada, Australia, New Zealand, Japan, the Republic of South Africa or the Republic of Ireland or transmitted, distributed or sent to, or by, any national, resident or citizen of such countries. Accordingly, the New Ordinary Shares and/or Open Offer Entitlements may not, subject to certain exceptions, be offered or sold, directly or indirectly, in, or into, the United States of America, Canada, Australia, New Zealand, Japan, the Republic of South Africa or the Republic of Ireland or in any other country, territory or possession where to do so may contravene local securities laws or regulations. The New Ordinary Shares and the Open Offer Entitlements have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or under the securities legislation of any state of the United States of America, any province or territory of Canada, Australia, New Zealand, Japan or the Republic of Ireland and they may not be offered or sold, directly or indirectly, within the United States of America or Canada, Australia, New Zealand, Japan, the Republic of South Africa or the Republic of Ireland or to or for the account or benefit of any national, citizen or resident of the United States of America, Canada, Australia, New Zealand, Japan or the Republic of Ireland or to any US person (within the definition of Regulation S made under the US Securities Act 1933 (as amended)).

A copy of this document will also be available from the Company's website, <http://www.cambriafrica.com>.

This document contains certain forward-looking statements with respect to the Company and certain of its goals and expectations relating to its future financial condition and performance which involve a number of risks and uncertainties. No forward-looking statement is a guarantee of future performance and actual results could differ materially from those contained in any forward-looking statements. Such forward-looking statements may use words such as "aim", "anticipate", "target", "expect", "estimate", "plan", "goal", "believe", "will", "may", "should", and other words having a similar meaning. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, economic and business conditions, the effects of changes in interest rates and foreign exchange rates, changes in legislation, changes in consumer habits and other factors outside the control of the Company, that may cause actual results, performance or achievements to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. All forward-looking statements contained in this document are based upon information available to the Directors at the date of this document and the posting or receipt of the document shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date for entitlement under the Open Offer	1 June 2018
Announcement of the Open Offer, publication of this document and the Application Form	5 June 2018
Ex-entitlement Date of the Open Offer	8:00am on 5 June 2018
Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to stock accounts of Qualifying CREST Shareholders	asap after 8:00am on 6 June 2018
Recommended latest time and date for requesting withdrawal of Open Offer Entitlements from CREST	4:30pm on 2 July 2018
Latest time and date for depositing Open Offer Entitlements into CREST	3.00pm on 3 July 2018
Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims only)	3:00pm on 4 July 2018
<b>Latest time and date for acceptance of the Open Offer and receipt of completed Non-CREST Application Forms and payment in full under the Open Offer or settlement of relevant CREST instruction (if appropriate)</b>	11:00am on 6 July 2018
Announcement of result of Open Offer	9 July 2018
Admission and commencement of dealings in the Shares on AIM	16 July 2018
New Ordinary Shares credited to CREST members' accounts	16 July 2018
New Ordinary Shares in certificated form	19 July 2018

**If any of the details contained in the timetable above should change, the revised times and dates will be notified by means of an announcement through a Regulatory Information Service.**

**All references are to London time.**

## KEY STATISTICS

Existing Ordinary Shares	353,839,012
Existing Ordinary Shares Excluding those held by VAL	121,839,012
Maximum number of Offer Shares	388,678,024
Maximum number of VAL's Open Offer Participation	145,000,000
Maximum number of Offer Shares excluding VAL's Open Offer Participation	243,678,024
Issue Price	1.10 pence
Basis of the Open Offer	2 New Ordinary Shares for every 1 Existing Ordinary Share (not held by VAL)
Gross proceeds from the Open Offer*	£2,680,000 in cash and £1,600,000 through conversion of VAL Loans
Number of Ordinary Shares in issue immediately following the Open Offer *	742,517,036
New Ordinary Shares to be potentially issued in terms of the Open Offer as a percentage of the Enlarged Share Capital*	52.3%
Market capitalisation of the Company immediately following the Open Offer at the Issue Price*	£8.17 million
ISIN Code for Open Offer Entitlements	IM00BDCLCF06
ISIN Code for Excess Open Offer Entitlements	IM00BDCLCG13

\*Assuming the Open Offer is fully subscribed

## DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

“Act”	the Isle of Man Companies Act 2006 (as amended)
“Admission”	the admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules for Companies
“AIM”	AIM, the market of that name operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies and guidance notes as published by the London Stock Exchange from time to time
“Articles”	the Articles of Association of the Company
“Board” or “Directors”	the directors of the Company as at the date of this document, whose names are set out on page 10 of this document
“Business Day”	a day other than a Saturday, Sunday or public holiday on which banks are open in London for normal banking business
“City Code”	the City Code on Takeovers and Mergers
“Company” or “Cambria”	Cambria Africa Plc, a company registered in the Isle of Man with company number 001773V
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in the CREST Regulations)
“CREST member”	a person who has been admitted to CREST as a system-member (as defined in the CREST Manual issued by Euroclear)
“CREST member account ID”	the identification code or number attached to a member account in CREST
“CREST participant”	a person who is, in relation to CREST, a system-participant (as defined in the CREST regulations)
“CREST participant ID”	shall have the meaning given in the CREST Manual issued by Euroclear
“CREST payment”	shall have the meaning given in the CREST Manual issued by Euroclear
“CREST Regulations”	the Isle of Man Uncertificated Securities Regulations 2006
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member
“Enlarged Share Capital”	the entire issued share capital of the Company following completion of the Open Offer including VAL’s Open Offer

	Participation (assuming the Open Offer is fully subscribed)
“EU”	the European Union
“Euroclear”	Euroclear UK & Ireland Limited
“Excess Application Facility”	the arrangement pursuant to which Qualifying Shareholders may apply for additional Offer Shares in excess of their Open Offer Entitlement in accordance with the terms and conditions of the Open Offer
“Excess CREST Open Offer Entitlements”	in respect of each Qualifying CREST Shareholder, the entitlement (in addition to his Open Offer Entitlement) to apply for Offer Shares pursuant to the Excess Application Facility, which is conditional on him taking up his Open Offer Entitlement in full
“Excess Shares”	Offer Shares applied for by Qualifying Shareholders under the Excess Application Facility
“Ex-entitlement Date”	the date on which the Existing Ordinary Shares are marked “ex” for entitlement under the Open Offer, being 8am on 5 June 2018
“Existing Ordinary Shares”	the 353,839,012 Ordinary Shares in issue on the date of this document
“FCA”	the Financial Conduct Authority of the United Kingdom
“FSMA	the Financial Services and Markets Act 2000 (as amended)
“Interim Results”	Cambria’s financial results for the 6 months ended 28 February 2018 as released on 20 April 2018
“Issue Price”	1.10 pence per New Ordinary Share
“London Stock Exchange”	London Stock Exchange Plc
“Millchem”	Gardoserv Private Limited, a company registered in Zimbabwe with company number 11988/1998, and a wholly owned subsidiary of Cambria
“Money Laundering Regulations”	Money Laundering Regulations 2007, the money laundering provisions of the Criminal Justice Act 1993, Part VIII of FSMA (together with the provisions of the Money Laundering Sourcebook of the FCA and the manual of guidance produced by the Joint Money Laundering Steering Group in relation to financial sector firms), the Terrorism Act 2000, the Anti Terrorism Crime and Security Act 2001, the Proceeds of Crime Act 2002, the Terrorism Act 2006, the Isle of Man Anti-Money Laundering and Terrorist Financing Code 2015, the Isle of Man Proceeds of Crime Act 2008, the Isle of Man Anti-Terrorism and Crime Act 2003 and the Isle of Man Terrorism and Other Crime Financial Restrictions Act 2014
“New Ordinary Shares”	the Offer Shares, or any part thereof
“Non-CREST Application Form” or	the personalised application form on which Qualifying Non-

“Application Form”	CREST Shareholders may apply for Offer Shares under the Open Offer
“Offer Shares”	the 388,678,024 Ordinary Shares being made available to Qualifying Shareholders pursuant to the Open Offer being 145,000,000 to VAL in terms of VAL’s Open Offer Participation and 243,678,024 to Qualifying Shareholders other than VAL
“Open Offer”	the invitation made to Qualifying Shareholders to apply to subscribe for the Offer Shares at the Issue Price on the terms and subject to the conditions set out in Part 3 of this document and in the Application Form
“Open Offer Entitlement”	the entitlement of Qualifying Shareholders to subscribe for Offer Shares allocated to Qualifying Shareholders on the Record Date pursuant to the Open Offer
“Ordinary Shares”	ordinary shares of 0.01 pence (£0.0001) each in the capital of the Company
“Overseas Shareholders”	a Shareholder with a registered address outside the United Kingdom
“Payserv”	Payserv Africa Limited, a company registered in Mauritius with company number 44526 C2/GBL, and a wholly owned subsidiary of Cambria
“Period”	the 6 month period ended 28 February 2018 for which Cambria published interim results on 20 April 2018
“Qualifying CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares in a CREST account
“Qualifying Non-CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares in certificated form
“Qualifying Shareholders”	holders of Existing Ordinary Shares on the register of members of the Company at the Record Date (but excluding any Overseas Shareholder who has a registered address in any Restricted Jurisdiction)
“Record Date”	6.00 p.m. on 1 June 2018 in respect of the entitlements of Qualifying Shareholders under the Open Offer
“Receiving Agent”	Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA
“Regulatory Information Service”	has the meaning given in the AIM Rules
“Remaining Shareholders”	Qualifying Shareholders other than VAL
“Restricted Jurisdiction”	United States of America, Canada, Australia, New Zealand, Japan the Republic of South Africa or the Republic of Ireland and any other jurisdiction where the extension or availability of the Open Offer would breach any applicable law
“Securities Act”	US Securities Act of 1933 (as amended)
“Shareholders”	the holders of Existing Ordinary Shares

“UK”	the United Kingdom of Great Britain and Northern Ireland
“United States”, “United States of America” or “US”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all areas subject to its jurisdiction
“VAL”	Ventures Africa Limited a company registered in the Isle of Man with Company Number 011652V, the majority shareholder of Cambria
“VAL Bridging Facility”	the Bridging Facility of \$1.450 million made available by VAL for the part settlement of Payserv’s \$2 million loan from Cerulean (Mauritius) PCC, the outstanding balance of which was \$973,000 at 28 February 2018
“VAL Loan”	the loans, other than the VAL Bridging Facility, made by VAL to Cambria totalling approximately \$1.46 million
“VAL Loans”	the VAL Bridging Facility and the VAL Loan with an aggregate balance of \$2.43 million or approximately £1.80 million
“VAL’s Open Offer Participation”	the participation by VAL in the Open Offer through the subscription of up to 145,000,000 Offer Shares through the conversion of up to £1.60 million of the VAL Loans into New Ordinary Shares at the Issue Price;
“WH Ireland”	WH Ireland Limited, nominated adviser and broker to the Company

## Part 1 – Letter From The CEO

# Cambria Africa PLC

*(incorporated and registered in the Isle of Man under number 001773V)*

*Directors:*

Paul Turner  
Samir Shasha  
Josephine Petra Watenphul  
Dipak Champaklal Pandya

*Non-Executive Chairman*  
*CEO*  
*Non-Executive Director*  
*Non-Executive Director*

*Registered Office:*

Burleigh Manor,  
Peel Road,  
Douglas,  
Isle of Man  
IM1 5EP

Dear Shareholder

### **Open Offer of up to 388,678,024 New Ordinary Shares at 1.10 pence per share**

#### **Introduction**

The Company announced on 15 May 2018 an Open Offer at 1.10p to raise up to £4.28 million which will include up to £1.60 million through the conversion of loans into equity by VAL.

- VAL agreed to limit its Open Offer Participation to converting a maximum of £1.60 million in VAL Loans into New Ordinary Shares.
- Remaining Shareholders' Open Offer Entitlement will therefore be more than three times that of VAL resulting in the potential dilution of VAL.
- If all Offer Shares are subscribed to (through normal Open Offer Entitlements and the Excess Application Facility) VAL's shareholding would be diluted to as low as 50.8%.

The Issue Price is 1.10p per Ordinary Share representing a discount of 8% to the volume weighted average price of 1.19p for the 30 days up to 4 May 2018.

#### *VAL's Open Offer Participation*

VAL's combined loan balance to Cambria as at 28 February 2018 was £1.80 million, or approximately \$2.43 million, being \$1.46 million in respect of the VAL Loan and \$973,000 in respect of the VAL Bridging Facility.

VAL as 65.6% shareholder of Cambria supports the Open Offer and will participate in the Open Offer via converting up to £1.60 million of the VAL Loans into equity: equivalent to up to 145,000,000 Offer Shares.

VAL has undertaken to limit its participation in the Open Offer to 145,000,000 Offer Shares in favour of Remaining Shareholders. Effectively, VAL will be capping its Open Offer Entitlement to 0.625 Offer Shares per Existing Ordinary Share held (compared to 2 per one for Remaining Shareholders – more than three times as many).

### *Related Party and VAL's support for Cambria's listing*

VAL is the controlling shareholder of Cambria. VAL's Open Offer Participation is accordingly a related party transaction under the AIM Rules. The independent directors, being all the directors with the exception of Mr Samir Shasha, having consulted with WH Ireland, consider the terms of VAL's Open Offer Participation to be fair and reasonable insofar as Shareholders of the Company are concerned. Since Mr Samir Shasha, the CEO of Cambria, is the ultimate beneficial owner of VAL, he was excluded from consideration of the fair and reasonableness of VAL's Open Offer Participation.

VAL has given WH Ireland an undertaking to continue its support for Cambria's listing on AIM and has agreed that it would exclude itself from any vote to delist the company. VAL will however, retain its right to vote all the Cambria shares it holds against any proposal to delist the Company.

### *Open Offer Entitlement – Remaining Shareholders*

Remaining Shareholders will be entitled to subscribe for up to 243,678,024 Offer Shares in proportion to their current shareholdings on the basis of 2 Offer Shares for every Existing Ordinary Share held. The higher effective Open Offer Entitlement ratio will accordingly allow Remaining Shareholders to proportionally increase their shareholdings through participation in the Open Offer. Should the Open Offer be fully subscribed, VAL's shareholding would decrease to 50.8%.

### *Applications for Excess Allocations*

Remaining Shareholders can apply for Excess Shares beyond their pro-rata entitlements. Applications, through an Excess Application Facility, will be accepted from Remaining Shareholders to the extent that other shareholders do not take up their full entitlements. VAL will not apply for any Excess Shares.

### *Financial Effects*

Based on the unaudited interim results for the 6 months ended 28 February 2018, a fully subscribed Open Offer would increase Net Asset Value ('NAV') per share by 0.51 cents (US) per share to 1.03 cents (US) per share from 0.52 cents (US) per share, a 98% improvement. Debt will fall by 73% from \$2.96 million to \$804,000 as a result of VAL's Open Offer Participation. It is noted that the Company's consolidated financial statements are presented on the historical cost basis and in the Board's view, reported NAV does not account for what it considers is the current fair value of its investments and proprietary technologies.

In the opinion of the Board, the Issue Price at a Price to Earnings ratio of 2.8 times Cambria's annualised earnings as at 28 February 2018, presents Qualifying Shareholders with an attractive opportunity to increase their shareholding in Cambria through orderly access to Cambria shares at a fixed price.

Cambria is one of the few remaining AIM quoted companies offering investors exposure to the improving Zimbabwe economic conditions.

### *Use of Proceeds*

The Open Offer proceeds and the VAL Open Offer Participation will reduce the Company's debt levels and strengthen its balance sheet, provide working capital support to assist in funding the growth in its core subsidiaries in Zimbabwe and allow the Company to pursue acquisition opportunities.

Examples of key strategic focus areas, which are more fully set out on page 15, include:

- Potential acquisition opportunities arising from dislocations in the Zimbabwe financial services sector.
- The possible acquisition and development of supporting software architecture for Payserv's payroll-services division, Autopay Zimbabwe.

- Diversifying Paynet Zimbabwe’s revenue growth which has historically been almost exclusively from corporate clients. Targeted new initiatives include:
  - Leveraging our technology into the consumer market where our market share is minimal.
  - Exploring distributed ledger technologies.
  - Developing non-transactional EDI products for the Insurance and Securities Industries and establishing our foothold as a last-mile service provider to multiple international remittance operations.

The Open Offer, which is not underwritten, is conditional, inter alia, upon Admission, which is expected to occur no later than 8.00 a.m. on 16 July 2018 or such later time and/or date(s) as WH Ireland and the Company may agree.

### **Principal terms of the Open Offer**

A total of 388,678,024 New Ordinary Shares are being made available to Qualifying Shareholders pursuant to the Open Offer to raise up to £4.28 million before expenses, being £1.60 million through VAL’s Open Offer Participation and £2.68 million in cash from Qualifying Shareholders other than VAL. Any Offer Shares not subscribed for by Qualifying Shareholders will be available to Qualifying Shareholders under the Excess Application Facility. VAL has undertaken not to participate in the Open Offer beyond the 145,000,000 Offer Shares to be issued in terms VAL’s Open Offer Participation. It has further undertaken not to subscribe for any Offer Shares in terms of the Excess Application Facility.

Qualifying Shareholders may apply for Offer Shares under the Open Offer at the Issue Price in the following proportion:

#### **2 Offer Shares for every 1 Existing Ordinary Share**

held by Qualifying Shareholders on the Record Date. Entitlements of Qualifying Shareholders will be rounded down to the nearest whole number of Offer Shares. Fractional entitlements which would otherwise arise will not be issued to the Qualifying Shareholders but will be aggregated and made available under the Excess Application Facility.

The Excess Application Facility enables Qualifying Shareholders to apply for Offer Shares in excess of their Open Offer Entitlement. Not all Shareholders will be Qualifying Shareholders. In particular, Shareholders who are located in, or are citizens of, or have a registered office in Restricted Jurisdictions will not qualify to participate in the Open Offer. The attention of Qualifying Shareholders and in particular Overseas Shareholders is drawn to paragraph 7 of Part 3 of this document.

Valid applications by Qualifying Shareholders will be satisfied in full up to their Open Offer Entitlements. Applicants can apply for less or more than their entitlements under the Open Offer but the Company cannot guarantee that any application for Excess Shares under the Excess Application Facility will be satisfied as this will depend on the extent to which other Qualifying Shareholders apply for less than or more than their own Open Offer Entitlements. The Company may satisfy valid applications for Excess Shares of applicants in whole or in part but reserves the right to the extent that applications are received for in excess of the Offer Shares to satisfy such excess demand by means of a placing of new shares.

Applications under the Excess Application Facility will be rejected if and to the extent that acceptance would result in the Qualifying Shareholder (other than VAL), together with those acting in concert with him/her/it for the purpose of the City Code, holding 30 per cent or more of the issued share capital.

Application has been made for the Open Offer Entitlements to be admitted to CREST. It is expected that such Open Offer Entitlements will be credited to CREST on 6 June 2018. The Open Offer Entitlements will

be enabled for settlement in CREST until 11.00 a.m. on 6 July 2018. Applications through the CREST system may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of bona fide market claims. The Offer Shares must be paid in full on application. The latest time and date for receipt of completed Application Forms or CREST application and payment in respect of the Open Offer is 11.00 a.m. on 6 July 2018.

**Qualifying Shareholders should note that the Open Offer is not a rights issue and therefore Offer Shares which are not applied for by Qualifying Shareholders will not be sold in the market for the benefit of the Qualifying Shareholders who do not apply under the Open Offer. The Application Form is not a document of title and cannot be traded or otherwise transferred. Further the Application Form is not a negotiable document.**

Further details of the Open Offer and the terms and conditions on which it is being made, including the procedure for application and payment, are contained in Part 3 of this document and on the Application Form enclosed with this document.

The Open Offer is conditional on Admission becoming effective by no later than 8.00 a.m. on 16 July 2018 or such later time and/or date (being no later than 8.00 a.m. on 6 August 2018) as WH Ireland and the Company may agree.

Accordingly, if this condition is not satisfied or waived (where capable of waiver), the Open Offer will not proceed and the Offer Shares will not be issued and all monies received by the Receiving Agent will be returned to the applicants (at the applicants' risk and without interest) as soon as possible, but within 14 days, thereafter. Any Open Offer Entitlements admitted to CREST will thereafter be disabled.

The Offer Shares will be issued free of all liens, charges and encumbrances and will, when issued and fully paid, rank pari passu in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of their issue.

Application will be made to the London Stock Exchange for the admission of the Offer Shares which are subscribed for to trading on AIM. It is expected that Admission will occur and that dealings will commence at 8.00 a.m. on 16 July 2018 at which time it is also expected that the Offer Shares will be enabled for settlement in CREST.

### **Overseas Shareholders**

The attention of Qualifying Shareholders who have registered addresses outside the United Kingdom, or who are citizens or residents of countries other than the United Kingdom, or who are holding Existing Ordinary Shares for the benefit of such persons (including, without limitation, custodians, nominees, trustees and agents) or who have a contractual or other legal obligation to forward this document or the Application Form to such persons, is drawn to the information which appears in paragraph 7 of Part 3 of this document.

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

## Current Trading

Cambria owns two core subsidiaries, Payserv and Millchem, with operations in Zimbabwe. Payserv provides EDI switching services through Paynet Zimbabwe, payslip processing services through Autopay and payroll based micro-finance loan processing through Tradanet. Millchem is a value-added chemicals distributor in Zimbabwe.

Cambria released its Interim Results for the 6 months ended 28 February 2018 on 20 April 2018, demonstrating significant improvements in profitability and EBITDA as a result of improved performance, the end of litigation expenses, and costs related to discontinued operations which were expensed in FY 2017.

### *Interim Results Highlights:*

- Profit after Tax (PAT) of \$1.10 million was achieved for the Period – an increase of \$1.03 million in profitability compared to \$76,000 for the same period in 2017. This near fourteen fold increase in after-tax profitability was achieved despite a 14% (\$42,000) increase in taxes from \$292,000 to \$334,000.
- Profit before Tax (PBT) was up 290% to \$1.44 million from \$368,000 for the same period in 2017.
- EBITDA from continuing operations more than doubled (up 151%) to \$1.67 million from \$663,000 for the same period in 2017.
- Excluding legal costs, EBITDA increased \$601,000 to \$1.67 million, a 56% increase from \$1.07 million in 2017. All known legal costs associated with the Consilium Dispute have been accrued in FY 2017 leaving no carryover of associated legal costs to the Period or to FY 2018.
- Cambria's central expenses (excluding legal costs) were halved to \$56,000 from \$118,000, representing 1.23% of revenues for the Period.
- Borrowings, which include capitalised interest, fell by \$474,000 (13%) to \$3.05 million from \$3.53 million in 2017. Net finance costs were accordingly reduced by \$83,000 (38%) to \$134,000 from \$217,000 for the same period in 2017.
- Payserv achieved record profitability through a:
  - 16% increase in revenues to \$3.66 million,
  - 17% increase in consolidated EBITDA to \$1.55 million,
  - 16% increase in PBT to \$1.44 million,
  - 16% increase in PAT and after minority interests of \$949,000.
- Millchem achieved its first profit in more than 4 years resulting in:
  - Positive cash flows from operations,
  - 53% reduction in overheads,
  - \$248,000 turnaround in EBITDA to \$110,000 from a loss of \$152,000 for the same period in 2017.

## **Strategic Focus Areas**

### *Payserv Overheads:*

Overheads represent approximately 49% of Payserv's revenues (52% in 2017). The Company is actively identifying opportunities to improve profitability by reducing overheads and investing the savings in improving its proprietary technology.

Establishing stronger cost controls on overheads is a key strategic initiative which will allow Cambria to maximise the impact of increases in transaction volume and minimise the impact of possible reversals in transaction volume as a result of competition, economic downturns, or a cut in public sector employment.

### *Paynet Zimbabwe*

Payserv's Paynet division in Zimbabwe is actively present in, transacting with and contributing to, the profitability of all financial institutions in Zimbabwe.

Whilst 80% of Paynet Zimbabwe's revenue growth has historically been from corporate clients, where Paynet has an estimated market share of 90 - 95%, significant growth opportunities are being targeted from new initiatives. These include:

- Leveraging our technology and position of trust with financial institutions into the consumer market where Paynet's market share is minimal.
- Exploring distributed ledger technologies to enhance transaction security and reduce transaction costs.
- Developing non-transactional EDI products for the Insurance and Securities Industries.
- Establishing our foothold as a last-mile service provider to multiple international remittance operations by improving their distribution channels and value addition.
- Increasing revenues by rationalising transaction pricing which remains among the lowest in the industry, despite the commanding market position in our sector.

### *Autopay Zimbabwe*

Payserv's payroll-services division, Autopay Zimbabwe continues to be impacted by declining private sector employment and increasing numbers of contract workers paid through wallets. The segments of Autopay consist of 1) full service Payroll Bureau; 2) Software and licensing to major corporates and 3) Online SME payroll process.

Management is continuing the process of realigning Autopay's strategy to increase its penetration into the SME market where it has historically been poorly represented, leveraging its integral relations with Paynet Zimbabwe's payment services and Tradanet's loan services, and the possible acquisition and development of its supporting software architecture.

### *Tradanet*

Tradanet, in which Payserv holds a 51% interest, continues to show progress in recovery of loan volumes. This recovery is mainly as a result of the reinstatement of Credit Partners and the introduction of other new products, particularly Flexicredit, a card based loan product. Credit Partners' loans which were reinstated by CABS in 2017, have now grown to about 11% of total advances.

Tradanet also expects to increase its revenues through other new products it has received or is seeking approval from CABS. These include:

- Flexicredit Hybrid – a product directed at employees of larger publicly held corporates which can be evaluated by reliance on publicly disclosed information,
- Insurance Premium Financing,
- Automobile ownership financing.

### **Consilium Dispute**

The Consilium Dispute was settled in October 2017. Both parties agreed to settle all claims against each other. Cambria paid Consilium \$223,000 (“the Settlement Amount”). The security for costs previously lodged was released back to Cambria. All related legal costs, including the Settlement Amount have already been included in the financial results of FY 2017 with no roll-over to FY 2018 or beyond.

With the distraction of a major legal dispute and associated expenses behind us, we can direct our exclusive focus on investing in the “new Zimbabwe” by exploring organic and acquisitive opportunities.

### **Prospects**

We believe that the new political environment in Zimbabwe will provide a growing market for Cambria’s current investments and opportunities which we are uniquely positioned to identify and act on. President Mnangagwa has announced and taken action on new business-friendly policies which are intended to attract investment, protect investment, and bring with it international balance of payments support. These developments vindicate Cambria’s focus on Zimbabwe as providing the best investment opportunities and returns in the region.

Cambria is one of the few AIM listed shares which allows investors to participate in Zimbabwe’s potential. The strengthening of our balance sheet will allow us to capitalise on opportunities for expanding our current business units and the acquisition of new businesses.

The Open Offer gives Shareholders the opportunity to increase their level of participation in Cambria’s improved prospects. It provides an orderly access to Cambria shares at an attractive fixed price of 1.10p.

## Pro Forma statement of financial position

Set out below is the unaudited pro forma statement of financial position illustrating the impact of VAL's Open Offer Participation and the Open Offer assuming it would be fully subscribed, on the most recently published Statement of Financial Position of the Company as at 28 February 2018:

	BEFORE Consolidated & unaudited 28-Feb-18 US\$'000	Adjustment 1 VAL's Open Offer Participation US\$'000	Adjustment 2 Balance of Open Offer US\$'000	AFTER Pro forma consolidated & unaudited 28-Feb-18 US\$'000
Property, plant and equipment	2,802	-	-	2,802
Goodwill	717	-	-	717
Intangible assets	20	-	-	20
<b>Total non-current assets</b>	<b>3,539</b>	<b>-</b>	<b>-</b>	<b>3,539</b>
Inventories	225	-	-	225
Financial assets at fair value	99	-	-	99
Trade and other receivables	1,004	-	-	1,004
Cash and cash equivalents	1,518	-	3,629	5,147
Discontinued operation	2	-	-	2
<b>Total current assets</b>	<b>2,848</b>	<b>-</b>	<b>3,629</b>	<b>6,477</b>
<b>Total assets</b>	<b>6,387</b>	<b>-</b>	<b>3,629</b>	<b>10,016</b>
<b>Equity</b>				
Issued share capital	51	20	33	104
Share premium account	85,686	2,140	3,596	91,422
Revaluation reserve	438	-	-	438
Foreign exchange reserve	(10,625)	-	-	(10,625)
Non-distributable reserves	1,905	-	-	1,905
Retained losses	(75,613)	-	-	(75,613)
<b>Equity attributable to owners</b>	<b>1,842</b>	<b>2,160</b>	<b>3,629</b>	<b>7,631</b>
Non-controlling interests	60	-	-	60
<b>Total equity</b>	<b>1,902</b>	<b>2,160</b>	<b>3,629</b>	<b>7,691</b>
<b>Liabilities</b>				
Loans and borrowing	1,464	(1,464)	-	-
- VAL Loan	1,464	(1,464)	-	-
- CABS Loan	-	-	-	-
Trade and other payables	90	-	-	90
Provisions	195	-	-	195
Deferred tax liabilities	184	-	-	184
<b>Total non-current liabilities</b>	<b>1,933</b>	<b>(1,464)</b>	<b>-</b>	<b>469</b>
Current tax liabilities	313	-	-	313
Loans and borrowings	1,500	(696)	-	804
- VAL Loan	972	(696)	-	276
- CABS Loan	528	-	-	528
Trade and other payables	714	-	-	714
Discontinued operations	25	-	-	25
<b>Total current liabilities</b>	<b>2,552</b>	<b>(696)</b>	<b>-</b>	<b>1,856</b>
<b>Total liabilities</b>	<b>4,485</b>	<b>(2,160)</b>	<b>-</b>	<b>2,325</b>
<b>Total equity and liabilities</b>	<b>6,387</b>	<b>-</b>	<b>3,629</b>	<b>10,016</b>
<b>Number of shares in issue ('000s)</b>	<b>353,839</b>	<b>145,000</b>	<b>243,678</b>	<b>742,517</b>
<b>NAV (cps)</b>	<b>0.52</b>			<b>1.03</b>

Notes to adjustments:

1. VAL's Open Offer Participation of up to 145,000,000 Ordinary Shares and accordingly, converting £1.60 million (approximately \$2.16 million) of the VAL Loans into Ordinary Shares.
2. Open Offer participation by Qualifying Shareholders other than VAL, of up to 243,678,024 Ordinary Shares raising £2.68 million (approximately \$3.63 million), assuming the Open Offer would be fully subscribed.

### **Risk factors and additional information**

The attention of Shareholders is drawn to the risk factors set out in Part 2 and the information contained in Parts 3 and 4 of this document, which provide additional information on the Open Offer and the Company.

### **Action to be taken in respect of the Open Offer**

Qualifying Non-CREST Shareholders wishing to apply for Offer Shares or Excess Shares must complete the Non-CREST Application Form, which accompanies this document, in accordance with the instructions set out in paragraph 4.1 of Part 3 of this document and on the accompanying Non-CREST Application Form and return it with the appropriate payment in the envelope provided to the Receiving Agent, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA, or by hand during normal business hours only so as to arrive no later than 11.00 a.m. on 6 July 2018.

If you do not wish to apply for any Offer Shares 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 4.2 of Part 3 of this document. The relevant CREST instructions must have settled in accordance with the instructions in paragraph 4.2 of Part 3 of this document by no later than 3.00 p.m. on 3 July 2018.

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.

### **Further information**

Your attention is drawn to the risk factors set out in Part 2, the terms and conditions of the Open Offer in Part 3 and the additional information set out in Part 4 of this document.

Mr Samir Shasha  
*Chief Executive Officer*

## Part 2 – Risk Factors

An investment in the New Ordinary Shares involves a high degree of risk. Accordingly, prospective investors should carefully consider the specific risk factors set out below in addition to the other information contained in this document before investing in the New Ordinary Shares. The Directors consider the following risks and other factors to be the most significant for potential investors in Cambria, but the risks listed do not purport to comprise all those risks associated with an investment in Cambria and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Directors may also have an adverse effect on Cambria's business.

If any of the following risks actually occur, Cambria's business, financial condition, capital resources, results or future operations could be materially adversely affected. In this event, the price of the Ordinary Shares could decline and investors may lose all or part of their investment.

The investment offered in this document may not be suitable for all of its recipients. Before making an investment decision, prospective investors should consult a person authorised under FSMA who specialises in advising on the acquisition of shares and other securities. A prospective investor should consider carefully whether an investment in Cambria is suitable for him/her in the light of his/her personal circumstances and the financial resources available to him/her.

### 1. Risks Relating to Cambria's investments and markets

#### *Country Risk*

The Company's two subsidiaries Payserv and Millchem operate in and are focussed almost entirely on Zimbabwe. Zimbabwe continues to be characterised by political uncertainty and significant economic difficulties including currency shortages, liquidity constraints, minimum investment in infrastructure, high levels of underemployment and shortages of manufactured goods and fuel. The Company's investments therefore involve a higher degree of risk than alternative investment options.

The Company's investments are subject to Zimbabwean laws, and the financial position of the Company may be adversely affected by unforeseen changes to governmental regulations, policies and directives relating to currency exchange controls, investment approvals, land ownership, expropriation of property, repatriation of income, taxation, export controls, employee relations, environmental legislation and other matters.

Foreign exchange controls may negatively affect the Company's ability to remit full dividends declared from after tax profits, which are subject to approval by the Reserve Bank of Zimbabwe. Inflation caused by increased importation costs may also negatively impact earnings.

The Zimbabwean statutory restrictions on repatriating investments by foreign investors may negatively affect the Company's ability to exit investments and may adversely affect the Company's ability to have such capital investment returned.

The Indigenisation and Economic Empowerment Bill (the "Indigenisation Bill") states the Zimbabwean Government's intention that at least 51 per cent of the shares of every public company and other business be owned by indigenous Zimbabweans. The implementation of proposed indigenisation legislation in Zimbabwe may negatively affect the Company's financial condition, results of operations, and share price. Zimbabwe's new President, Mr. Emmerson Dambudzo Mnangagwa announced that the Indigenisation Bill will in future only apply to natural resources-based investments.

As a result of the above, an investment in the Ordinary Shares is high risk and only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such an investment, or other investors who have been professionally advised with regard to investment.

### ***Dependency on key personnel***

The Directors believe that the loss of any members of the core management team in the operating subsidiaries or the inability to attract appropriate personnel could impact Cambria's performance.

Although Cambria has entered into contractual arrangements to secure the services of its key personnel, the retention of these services and the future costs associated therewith cannot be guaranteed.

### ***Currency risk***

Cambria presents its financial information in US Dollars although part or all of its business may be conducted in other currencies. As a result, it will be subject to foreign currency exchange risk due to exchange rate movements which will affect the translation of Cambria's results.

### ***Taxation***

Any change in Cambria's tax status or the tax applicable to holding Ordinary Shares or in taxation legislation or its interpretation could affect the value of the investments or assets held by the Company, affect Cambria's ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders. Statements in this document concerning the taxation of Cambria and its investors are based upon current tax law and practice which may be subject to change.

## **2. Risks relating to the Ordinary Shares**

### ***Conditionality of the Open Offer***

The Open Offer is conditional upon Admission. In the event that any condition to which Admission is subject is not satisfied or, if capable of waiver, waived, Admission will not be implemented.

### ***Share price volatility and liquidity***

The share prices of publicly traded companies may be highly volatile and subject to wide fluctuations in price in response to a variety of factors.

Stock markets have also from time to time experienced extreme price and volume fluctuations, which have affected the market prices of securities and which have often been unrelated to the operating performance of the companies affected. These broad market fluctuations, as well as general economic and political conditions, could adversely affect the market price for the Ordinary Shares.

The market price of the Ordinary Shares may not reflect the underlying value of Cambria's net assets. The price at which investors may dispose of their shares in Cambria may be influenced by a number of factors, some of which may relate to Cambria, and others of which are not specific to Cambria. On any disposal investors may realise less than the original amount invested.

### ***AIM***

The New Ordinary Shares will be quoted on AIM rather than the Official List operated by the UK Listing Authority. The rules of AIM are less demanding than those of the Official List and an investment in shares quoted on AIM may carry a higher risk than an investment in shares quoted on the Official List. AIM has been in existence since June 1995 but its future success and the liquidity in the market for Cambria's securities cannot be guaranteed.

### ***Future issues of shares will result in immediate dilution***

Cambria may issue additional Ordinary Shares in subsequent public offerings or private placements. Pre-emption rights prevent the issue of shares of more than 50% of the Company's issued shares for cash consideration without such shares being offered to Shareholders first, subject to the disapplication of such pre-emption rights by a special resolution of the Shareholders. Therefore, existing Shareholders may not be offered the right or opportunity to participate in such future share issues (if such a special resolution is approved by Shareholders), which may dilute the existing Shareholders' interests in Cambria. Furthermore, the issue of additional Ordinary Shares may be on more favourable terms than the Open Offer. In addition, the issue of additional shares by Cambria, or the possibility of such issue or exercise, may cause the market price of the Ordinary Shares to decline and may make it more difficult for Shareholders to sell Ordinary Shares at a desirable time or price.

### ***Risks relating to Open Offer entitlements***

If a Shareholder does not take up his entitlement under the Open Offer, his interest in Cambria will be diluted. Shareholders' proportionate ownership and voting interest in Cambria will be reduced pursuant to the Open Offer. In addition, to the extent that Shareholders do not take up their entitlement of Offer Shares, their proportionate ownership and voting interest in Cambria will be further reduced.

### ***Other***

The New Ordinary Shares have not been, nor will they be, registered under the Securities Act and there are restrictions on transfer under the Securities Act. The New Ordinary Shares are being offered and sold outside the United States in transactions exempt from the registration requirements of the Securities Act in reliance on Regulation S under the Securities Act. The New Ordinary Shares may not be offered, sold or delivered in or into the United States unless the transfer is registered under the Securities Act, or an exemption from the registration requirements of Section 5 of the Securities Act provided by section 4(2) under the Securities Act or another applicable exemption is available.

Only Cambria is entitled to register the Ordinary Shares under the Securities Act and Cambria has no obligation to do so. Cambria can give no assurances that an exemption from registration under the Securities Act will be available to any subscribers for or purchasers of Ordinary Shares.

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

**This list should not be considered an exhaustive statement of all potential risks and uncertainties.**

## Part 3 – Terms and Conditions of the Open Offer

### 1. Introduction

As explained in the letter from the CEO set out in Part 1 of this document, the Company is proposing to raise up to £4.28 million before expenses, being £1.60 million (equivalent to 145,000,000 Open Offer Shares) through the VAL Open Offer Participation and £2.68 million (equivalent to 243,678,024 Open Offer Shares) in cash from Qualifying Shareholders other than VAL.

The Open Offer is an opportunity for Qualifying Shareholders other than VAL to apply for up to 243,678,024 Offer Shares *pro rata* (excepting fractional entitlements) to their current holdings at the Issue Price in accordance with the terms of the Open Offer. The Open Offer has not been underwritten.

Qualifying Shareholders are also being offered the opportunity to apply for additional Offer Shares in excess of their Open Offer Entitlement to the extent that other Qualifying Shareholders do not take up their Open Offer Entitlement in full. The Excess Application Facility enables Qualifying Shareholders to apply for Excess Shares in excess of their Open Offer Entitlement as at the Record Date. Further details in relation to the Excess Application Facility are set out in this Part 3 and, for Qualifying Non-CREST Shareholders, the Application Form. VAL has undertaken not to participate in the Excess Application Facility.

The purpose of this Part 3 is to set out the terms and conditions of the Open Offer.

The Record Date for entitlements under the Open Offer for Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders is 6.00 p.m. on 1 June 2018. Application Forms are expected to be posted to Qualifying Non-CREST Shareholders on or around 5 June 2018 and Open Offer Entitlements are expected to be credited to stock accounts of Qualifying CREST Shareholders in CREST by 6 June 2018.

The latest time and date for receipt of a completed Application Form and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate) is expected to be 11.00 a.m. on 6 July 2018 with Admission and commencement of dealings in Offer Shares expected to take place at 8.00 a.m. on 16 July 2018.

This document and, for Qualifying Non-CREST Shareholders only, the Application Form contains the formal terms and conditions of the Open Offer. Your attention is drawn to paragraph 4 of this Part 3 which gives details of the procedure for application and payment for the Offer Shares and any Excess Shares applied for pursuant to the Excess Application Facility.

The Offer Shares will, when issued and fully paid, rank *pari passu* 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 Admission.

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

The Open Offer Shares will represent approximately 52.3 per cent of the Enlarged Share Capital (assuming full take up of all Open Offer Shares).

## **2. The Open Offer**

Subject to the terms and conditions set out below (and, in the case of Qualifying Non-CREST Shareholders, in the Application Form), Qualifying Shareholders are being given the opportunity under the Open Offer to subscribe for Offer Shares at the Issue Price pro rata to their holdings, payable in full on application.

Qualifying Shareholders have basic entitlements of:

### **2 Offer Shares for every 1 Existing Ordinary Share**

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

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

If you are a Qualifying Non-CREST Shareholder, the Application Form shows the number of Existing Ordinary Shares registered in your name on the Record Date (in Box 3 of the Application Form) and your Open Offer Entitlements (in Box 4 of the Application Form).

If you are a Qualifying CREST Shareholder, application will be made for your Open Offer Entitlement and Excess CREST Open Offer Entitlement to be credited to your CREST account. Open Offer Entitlements and Excess CREST Open Offer Entitlements are expected to be credited to CREST accounts on 6 June 2018. The Existing Ordinary Shares are already admitted to CREST. Accordingly, no further application for admission to CREST is required for the New Ordinary Shares. All such shares, when issued and fully paid, may be held and transferred by means of CREST.

Subject to availability, the Excess Application Facility will enable Qualifying Shareholders, provided they have taken up their Open Offer Entitlement in full, to apply for further Offer Shares in excess of their Open Offer Entitlement. Further details in relation to the Excess Application Facility are set out in paragraph 4.1(f) and 4.2(k) of this Part 3 and, for Qualifying Non-CREST Shareholders, the Application Form. Qualifying CREST Shareholders should refer to paragraph 4.2 of this Part 3 for information on the relevant CREST procedures and further details on the Excess Application Facility. Qualifying CREST Shareholders can also refer to the CREST Manual for further information on the relevant CREST procedures.

The Company may satisfy valid applications for Excess Shares of applicants in whole or in part but reserves the right not to satisfy any excess above any Open Offer Entitlement. The Board may scale back applications made in excess of Open Offer Entitlements on such basis as it reasonably considers to be appropriate.

Applications under the Excess Application Facility will be rejected if and to the extent that acceptance would result in the Qualifying Shareholder, together with those acting in concert with him/her/it for the purpose of the Code, holding 30 per cent or more of the issued share capital.

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

The attention of Overseas Shareholders is drawn to paragraph 7 of this Part 3.

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

### **3. Conditions and further terms of the Open Offer**

The Open Offer is conditional on Admission occurring not later than 8.00 a.m. on 16 July 2018 (or such later time and/or date as the Company and WH Ireland may agree being no later than 8.00 a.m. on 6 August 2018).

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

No temporary documents of title will be issued in respect of Offer Shares held in uncertificated form. Definitive certificates in respect of Offer Shares taken up are expected to be posted to those Qualifying Shareholders who have validly elected to hold their Offer Shares in certificated form within 5 business days of Admission.

In respect of those Qualifying Shareholders who have validly elected to hold their Offer Shares in uncertificated form, the Offer Shares are expected to be credited to their stock accounts maintained in CREST by 6 June 2018.

Application will be made for the Offer Shares to be admitted to trading on AIM. Admission is expected to occur on 16 July 2018, when dealings in the Offer Shares are expected to begin.

If any of the details contained in the timetable above should change, the revised times and dates will be notified by means of an announcement through a Regulatory Information Service.

### **4. Procedure for application and payment**

The action to be taken by you in respect of the Open Offer depends on whether, at the relevant time, you are sent an Application Form in respect of your Open Offer Entitlement under the Open Offer or your Open Offer Entitlement and Excess CREST Open Offer Entitlement is credited to your CREST stock account.

Qualifying Shareholders who hold all or part of their Existing Ordinary Shares in certificated form will receive the Application Form, enclosed with this document. The Application Form shows the number of Existing Ordinary Shares held at the Record Date. It will also show such Qualifying Shareholders their Open Offer Entitlement that can be allotted in certificated form.

Qualifying Shareholders who hold part of their Existing Ordinary Shares in uncertificated form will be allotted Offer Shares in uncertificated form to the extent that their entitlement to Offer Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. However, it will be possible for Qualifying Shareholders to deposit Open Offer Entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 4.2(f) of this Part 3.

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

Qualifying Shareholders who do not want to apply for the Offer Shares under the Open Offer should take no action and should not complete or return the Application Form, nor send a USE message (see 4.2(c) below) through CREST.

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

(a) *General*

Subject to paragraph 7 of this Part 3 in relation to Overseas Shareholders, Qualifying Non- CREST Shareholders will receive an Application Form. The Application Form shows the number of Existing Ordinary Shares registered in their name on the Record Date in Box 3 of the Application Form. It also shows the Open Offer Entitlement allocated to them set out in Box 4 of the Application Form. Entitlements to Offer Shares are rounded down to the nearest whole number and any fractional entitlements to Offer Shares will be aggregated and made available under the Excess Application Facility. Box 5 of the Application Form shows how much they would need to pay if they wish to take up their Open Offer Entitlement in full. Qualifying Non-CREST Shareholders may apply for less than their entitlement should they wish to do so. Qualifying Non-CREST Shareholders may also hold such an Application Form by virtue of a bona fide market claim.

Under the Excess Application Facility, provided they have agreed to take up their Open Offer Entitlement in full, Qualifying Non-CREST Shareholders may apply for more than the amount of their Open Offer Entitlement should they wish to do so. The Excess Application Facility enables Qualifying Shareholders to apply for Excess Shares in excess of their Open Offer Entitlement as at the Record Date. The Excess Shares may, subject to the Articles, be allocated in such manner as the Directors may determine in their absolute discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.

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

(b) *Bona fide market claims*

Applications to acquire Offer Shares may only be made on the Application Form and may only be made by the Qualifying Non-CREST Shareholder named in it or by a person entitled by virtue of a bona fide market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to participate in the Open Offer. Application Forms may not be sold, assigned, transferred or split, except to satisfy bona fide market claims up to 3.00 p.m. on 4 July 2018. The Application Form is not a negotiable document and cannot be separately traded. A Qualifying Non-CRESTS shareholder who has sold or otherwise transferred all or part of his holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to participate in the Open Offer, should contact his broker or other professional adviser authorised under FSMA through whom the sale or purchase was effected as soon as possible, as the invitation to acquire Offer Shares under the Open Offer may be a benefit which may be claimed by the purchaser(s) or transferee(s).

Qualifying Non-CREST Shareholders who have sold all or part of their registered holding should, if the market claim is to be settled outside CREST, complete Box 10 on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Application Form should not, however, be forwarded to or transmitted in or into any Restricted Jurisdiction, nor in or into any other jurisdiction where the extension of the Open Offer would breach any applicable law or regulation. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be

settled in CREST, the beneficiary of the claim should follow the procedure set out in paragraph 4.2 below.

*(c) Application procedures*

Qualifying Non-CREST Shareholders wishing to apply to acquire Offer Shares (whether in respect of all or part of their Open Offer Entitlement or in addition to their Open Offer Entitlement under the Excess Application Facility) should complete the Application Form in accordance with the instructions printed on it. Qualifying Non-CREST Shareholders may only apply for Excess Shares if they have agreed to take up their Open Offer Entitlements in full. The Excess Shares may be allocated in such manner as the Directors may determine in their absolute discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.

Completed Application Forms, together with a cheque payable to “Neville Registrars Limited Re: Clients Account” and crossed “A/C Payee Only”, representing payment in full for the Offer Shares, should be posted to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA, or returned by hand (during normal business hours only) so as to be received by no later than 11.00 a.m. on 6 July 2018. The Company reserves the right to treat any application not strictly complying with the terms and conditions of application as nevertheless valid. The Company further reserves the right (but shall not be obliged) to accept either Application Forms or remittances received after 11.00 a.m. on 6 July 2018. Qualifying Non-CREST Shareholders should note that applications, once made, will be irrevocable and receipt thereof will not be acknowledged. Multiple applications will not be accepted. If an Application Form is being sent by first-class post in the UK, Qualifying Shareholders are recommended to allow at least four Business Days for delivery.

The Company may in its sole discretion, but shall not be obliged to, treat an Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer.

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

*(d) Payments*

All payments must be in pounds sterling and made by cheque made payable to the “Neville Registrars Limited Re: Clients Account” and crossed “A/C Payee Only”. Cheques must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Third party cheques may not be accepted with the exception of building society cheques where the building society or bank has confirmed the name of the account holder by stamping or endorsing the cheque or draft to confirm that the relevant Qualifying Shareholder has title to the underlying funds. The account name should be the same as that shown on the application. Post-dated cheques will not be accepted.

Cheques will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques to allow the Company to obtain value for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant member account, as applicable) pending clearance thereof). No interest will be paid on payments, application monies will be credited to a non-interest-bearing account by the Receiving Agent. It is a term of the Open Offer that cheques shall be honoured on first

presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted. If the Open Offer does not become unconditional, no Offer Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants within 14 days following the lapse of the Open Offer.

If Offer Shares have already been allotted to a Qualifying Non-CREST Shareholder and such Qualifying Non-CREST Shareholder's cheque is not honoured upon first presentation or such Qualifying Non-CREST Shareholder's application is subsequently otherwise deemed to be invalid, the Company shall be authorised (in its absolute discretion as to manner, timing and terms) to make arrangements for the sale of such Qualifying Non-CREST Shareholder's Offer Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. None Receiving Agent, WH Ireland or the Company nor any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying Non-CREST Shareholders.

*(e) Incorrect Sums*

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

- (i) to reject the application in full and return the cheque or refund the payment to the Qualifying Non-CREST Shareholder in question; or
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the Qualifying Non-CREST Shareholder in question, save that any sums of less than £1 will be retained for the benefit of the Company; or
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all of the Offer Shares referred to in the Application Form, refunding any unutilised sums to the Qualifying Non-CREST Shareholder in question, save that any sums of less than £1 will be retained for the benefit of the Company.

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

*(f) The Excess Application Facility*

Provided they choose to take up their Open Offer Entitlement in full, the Excess Application Facility enables Qualifying Non-CREST Shareholders to apply for Excess Shares. Qualifying Non-CREST Shareholders wishing to apply for Excess Shares may do so by completing Box 8 of the Application Form.

If applications under the Excess Application Facility are received for more than the total number of Offer Shares available following take up of Open Offer Entitlements, the Company reserves the right to satisfy such excess demand by means of a placing of new shares. Qualifying Non-CREST Shareholders who wish to apply for Excess Shares must complete the Application Form in accordance with the instructions set out on the Application Form.

*(g) Effect of application*

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

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

referred in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and

- (ix) confirms that in making the application he is not relying and has not relied on the Company or WH Ireland or any person affiliated with the Company or WH Ireland in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

All enquiries in connection with the procedure for application and completion of the Application Form should be addressed to, the Receiving Agent Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA, or by contacting Neville Registrars Limited on +44 (0) 121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9 am – 5.00 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Qualifying Non-CREST Shareholders who do not want to take up or apply for the Offer Shares under the Open Offer should take no action and should not complete or return the Application Form.

A Qualifying Non-CREST Shareholder who is also a CREST member may elect to receive the Offer Shares to which he is entitled in uncertificated form in CREST. Please see paragraph 4.2(f) below for more information.

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

##### *(a) General*

Subject to paragraph 7 of this Part 3 in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of his Open Offer Entitlement equal to the maximum number of Offer Shares for which he is entitled to apply under the Open Offer plus an Excess CREST Open Offer Entitlement amount. Entitlements to Offer Shares will be rounded down to the nearest whole number and any Open Offer Entitlements have therefore also been rounded down. Any fractional entitlements to Offer Shares arising will be aggregated and made available under the Excess Application Facility.

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

If for any reason Open Offer Entitlements and/or the Excess CREST Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by, 3.00 p.m. on 3 July 2018, or such later time and/or date as the Company may decide, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlement and Excess CREST Open Offer Entitlement which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying Non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive an Application Form.

CREST members who wish to apply to acquire some or all of their entitlements to Offer Shares and their Excess CREST Open Offer Entitlements should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact the Receiving Agent on +44 (0) 121 585 1131. Calls are charged

at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9 am – 5.00 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

*(b) Market claims*

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

*(c) Unmatched Stock Event (“USE”) instructions*

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

- (i) 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 or Excess CREST Open Offer Entitlements corresponding to the number of Offer Shares applied for; and
- (ii) 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 Offer Shares referred to in paragraph 4.2(c)(i) above.

*(d) Content of USE instruction in respect of Open Offer Entitlements*

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

- (i) the number of Offer Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Open Offer Entitlement. This is IM00BDCLCF06;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (v) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is **7RA11**;
- (vi) the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is **CAMBRIA**;

- (vii) 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 New Ordinary Shares referred to in (i) above at the Issue Price;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 6 July 2018; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 6 July 2018. In order to assist prompt settlement of the USE Instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE Instruction:

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

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 6 July 2018 in order to be valid is 11.00 a.m. on that day. In the event that the Open Offer does not become unconditional by 8.00 a.m. on 16 July 2018 (or such later time and date as the Company and WH Ireland determine being no later than 8.00 a.m. on 6 August 2018), 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.

*(e) Content of USE Instruction in respect of Excess CREST Open Offer Entitlements*

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

- (i) the number of Excess Shares for which application is being made (and hence the number of Excess CREST Open Offer Entitlements being delivered to the Receiving Agent);
- (ii) the ISIN of the Excess CREST Open Offer Entitlement. This is IM00BDCLCG13;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;
- (v) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is **7RA11**;
- (vi) the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is **CAMBRIA**;
- (vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of Excess Shares referred to in (i) above at the Issue Price;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 6 July 2018; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application in respect of an Excess CREST Open Offer Entitlement under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 6 July 2018.

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

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

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 6 July 2018 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 16 July 2018 (or such later time and date as the Company and WH Ireland determine being no later than 8.00 a.m. on 6 August 2018), 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, within 14 days thereafter.

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

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

A holder of an Application Form who is proposing to deposit the entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 6 July 2018. After depositing their Open Offer Entitlement into their CREST account, CREST holders will shortly thereafter receive a credit for their Excess CREST Open Offer Entitlement, which will be managed by the Receiving Agent.

In particular, having regard to normal processing times in CREST and on the part of the Receiving Agent, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST, is 3.00 p.m. on 3 July 2018 and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST is 4.30 p.m. on 2 July 2018 in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility, as the case may be, prior to 11.00 a.m. on 6 July 2018.

Delivery of an Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Qualifying Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and the Receiving Agent by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed "Instructions for depositing entitlements under the Open Offer into CREST" on page 2 of the Application Form, and a declaration to the Company and the Receiving Agent from the relevant CREST member(s) that it/they is/are not in the United States or citizen(s) or resident(s) of any Restricted Jurisdiction or any other jurisdiction in which the application for New Ordinary Shares is prevented by law and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a bona fide market claim.

*(g) Validity of application*

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 6 July 2018 will constitute a valid application under the Open Offer.

*(h) CREST procedures and timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 6 July 2018. 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.

*(i) Incorrect or incomplete applications*

If a USE instruction includes a CREST payment for an incorrect sum, the Company, through the Receiving Agent, reserves the right: (i) to reject the application in full and refund the payment to the CREST member in question (without interest); (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Offer Shares 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 (without interest); and (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the Offer Shares referred to in the USE instruction, refunding any unutilised sum to the CREST member in question (without interest).

*(j) The Excess Application Facility*

The Excess Application Facility enables Qualifying CREST Shareholders, who have taken up their Open Offer Entitlement in full (on a beneficial level), to apply for Excess Shares in excess of their Open Offer Entitlement as at the Record Date. If applications under the Excess Application Facility are received for more than the total number of Offer Shares available following take up of Open Offer Entitlements, the Company reserves the right to satisfy such excess demand by means of a placing of new shares. Excess CREST Open Offer Entitlements may not be sold or otherwise transferred. Subject as provided in paragraph 7 of this Part 3 in relation to Overseas Shareholders, the CREST accounts of Qualifying CREST Shareholders will be credited with Excess CREST Open Offer Entitlements.

(k) *Entitlements to enable applications for Excess Shares to be settled through CREST*

Qualifying CREST Shareholders should note that, although the Open Offer Entitlement and the Excess CREST Open Offer Entitlements will be admitted to CREST, they will have limited settlement capabilities. Neither the Open Offer Entitlements nor the Excess CREST Open Offer Entitlements will be tradable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

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

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

Should the Open Offer become unconditional and applications for Offer Shares by Qualifying Shareholders under the Open Offer exceed 388,678,024 Offer Shares, resulting in a scale back of applications under the Excess Application Facility, each Qualifying CREST Shareholder who has made a valid application pursuant to his Excess CREST Open Offer Entitlement and from whom payment in full for the excess Offer Shares has been received, will receive a pounds sterling amount equal to the number of Offer Shares validly applied and paid for but which are not allocated to the relevant Qualifying CREST Shareholder multiplied by the Issue Price. Monies will be returned within 14 days following the completion of the scale back, without payment of interest and at the applicant’s sole risk by way of cheque or CREST payment, as appropriate. Fractions of Offer Shares will be aggregated and made available under the Excess Application Facility.

All enquiries in connection with the procedure for applications under the Excess Application Facility and your Excess CREST Open Offer Entitlement should be addressed to the Receiving Agent Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA, or by contacting Neville Registrars Limited on +44 (0) 121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9 am – 5.00 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

(l) *Effect of valid application*

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

- (i) represents and warrants to the Company and WH Ireland that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (ii) agrees to pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment

arrangements (it being acknowledged that the payment to the Receiving Agent's payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);

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

*(m) Company's discretion as to the rejection and validity of applications*

The Company may in its sole discretion:

- (i) 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 3;
- (ii) 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;
- (iii) 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 has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (iv) 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 Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

*(n) Lapse of the Open Offer*

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 16 July 2018 or such later time and date as the Company and WH Ireland may agree (being no later than 8.00 a.m. on 6 August 2018), 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, within 14 days thereafter.

**If you do not wish to apply for any of the Open Offer Shares to which you are entitled under the Open Offer, you should not complete and return the Application Form. If you are in doubt whether or not you should apply for any of the Open Offer Shares under the Open Offer, you should consult your independent financial adviser immediately.**

## 5. Money Laundering Regulations

### 5.1 *Holders of Application Forms*

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

The person lodging the Application Form with payment 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 Offer Shares as is referred to therein (for the purposes of this paragraph 6 the “relevant Offer Shares”) shall thereby be deemed to agree to provide the Receiving Agent with such information and other evidence as they may require to satisfy the verification of identity requirements.

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

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

Submission of an Application Form with the appropriate remittance will constitute a warranty to each of the Company, the Receiving Agent and WH Ireland from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

The verification of identity requirements will not usually apply:

- (i) if the applicant is an organisation required to comply with the Money Laundering Directive (the Council Directive on prevention of the use of the financial system for the purpose of money laundering (no.91/308/EEC));
- (ii) if the acceptor is a regulated United Kingdom broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations;
- (iii) 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 applicant’s name; or
- (iv) if the aggregate subscription price for the Offer Shares is less than €15,000 (approximately £11,000).

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

- (a) if payment is made by cheque in sterling drawn on a branch in the United Kingdom of a bank or building society which bears a UK bank sort code number in the top right-hand corner the following applies. Cheques, should be made payable to “Neville Registrars Limited Re: Clients Account” and crossed A/C Payee Only in respect of an application by a Qualifying Shareholder. Third party cheques may not be accepted with the exception of building society cheques where the building society or bank has confirmed the name of the account holder by stamping or endorsing the cheque to such effect. The account name should be the same as that shown on the Application Form; or
- (b) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in (i) above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force, the agent should provide with the Application Form written confirmation that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Receiving Agent. If the agent is not such an organisation, it should contact Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA.

To confirm the acceptability of any written assurance referred to in (b) above, or in any other case, the acceptor should contact the Receiving Agent +44 (0) 121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9 am – 5.00 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

If the Application Form(s) is/are in respect of Offer Shares with an aggregate subscription price of €15,000 or more and is/are lodged by hand by the acceptor in person, or if the Application Form(s) in respect of Offer Shares is/are lodged by hand by the acceptor and the accompanying payment is not the acceptor’s own cheque, he or she should ensure that he or she has with him or her evidence of identity bearing his or her photograph (for example, his or her passport) and separate evidence of his or her address.

If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 11:00 a.m. on 6 July 2018, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Receiving Agent may, at its discretion, as agent of the Company, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest to the account at the payee bank from which such monies were originally debited (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid).

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

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

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the applicant to provide promptly to 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 absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Offer Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

## **6. Admission, settlement and dealings**

The result of the Open Offer is expected to be announced on 9 July 2018.

Applications will be made to the London Stock Exchange for the Offer Shares to be admitted to trading on AIM. Subject to the Open Offer becoming unconditional in all respects (save only as to Admission), it is expected that Admission will become effective and that dealings in the Offer Shares, fully paid, will commence at 8.00 a.m. on 16 July 2018.

The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is accordingly required for the New Ordinary Shares. All such shares, when issued and fully paid, may be held and transferred by means of CREST.

Open Offer Entitlements and Excess CREST Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 6 July 2018 (the latest date for applications under the Open Offer). If the condition(s) to the Open Offer described above are satisfied, New Ordinary Shares will be issued in uncertificated form to those persons who submitted a valid application for New Ordinary Shares by utilising the CREST application procedures and whose applications have been accepted by the Company.

On 6 July 2018, the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Offer Shares with effect from Admission. The stock accounts to be credited will be accounts under the same CREST participant IDs and CREST member account IDs in respect of which the USE Instruction was given. Notwithstanding any other provision of this document, the Company reserves the right to send Qualifying CREST Shareholders an Application Form instead of crediting the relevant stock account with Open Offer Entitlements and Excess CREST Open Offer Entitlements, and to allot and/or issue any Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

No temporary documents of title will be issued and transfers will be certified against the UK share register of the Company. All documents or remittances sent by, to, from or on behalf of applicants, or as they may direct, will (in the latter case) be sent through the post and will (in both cases) be at the risk of the applicant. For more information as to the procedure for application, Qualifying Non-CREST Shareholders are referred to paragraph 4.1 above and their respective Application Form.

## 7. Overseas Shareholders

The comments set out in this paragraph 7 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.

### 7.1 *General*

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

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

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

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

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

None of the Company, WH Ireland, nor any of their respective representatives, is making any representation to any offeree or purchaser of the Offer Shares regarding the legality of an investment in the Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST, in connection with the Open Offer or otherwise, should not distribute or send either of those documents nor transfer Open Offer Entitlements or Excess CREST Open Offer Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for Offer Shares in respect of the Open Offer unless the Company and WH Ireland 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 3 "Terms and Conditions of the Open Offer" and specifically the contents of this paragraph 7.

The Company reserves the right to treat as invalid any application or purported application for Offer Shares that appears to the Company or its agents to have been executed, effected or dispatched from the United States or a 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 Offer Shares or in the case of a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST, to a CREST member whose registered address would be, in the United States or a Restricted Jurisdiction or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit.

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

Overseas Shareholders who wish, and are permitted, to apply for Offer Shares should note that payment must be made in sterling denominated cheques or where such Overseas Shareholder is a Qualifying CREST Shareholder, through CREST. Due to restrictions under the securities laws of the United States and the 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 Offer Shares is being made by virtue of this document or the Application Forms into the United States or any Restricted Jurisdiction. Receipt of this document and/or an Application Form and/or a credit of an Open Offer Entitlement to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

## 7.2 ***United States***

The New Ordinary Shares 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.

Accordingly, the Company is not extending the Open Offer into the United States unless an exemption from the registration requirements of the US Securities Act is available and, subject to certain exceptions, neither this document nor the Application Form constitutes or will constitute an offer or an invitation to apply for or an offer or an invitation to acquire any New Ordinary Shares in the United States. Subject to certain exceptions, neither this document nor an Application Form will be sent to, and no New Ordinary Shares will be credited to a stock account in CREST of, any Qualifying Shareholder with a registered address in the United States. Subject to certain exceptions, Application Forms sent from or postmarked in the United States will be deemed to be invalid and all persons acquiring New Ordinary Shares and wishing to hold such New Ordinary Shares in registered form must provide an address for registration of the New Ordinary Shares issued upon exercise thereof outside the United States.

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

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

The Company will not be bound to allot or issue any New Ordinary Shares to any person with an address in, or who is otherwise located in, the United States in whose favour an Application Form or any New Ordinary Shares may be transferred. In addition, the Company and WH Ireland 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 New Ordinary Shares. In addition, until 45 days after the commencement of the Open Offer, an offer, sale or transfer of the New Ordinary Shares within the United States by a dealer (whether or not participating in the and Open Offer) may violate the registration requirements of the US Securities Act.

## 7.3 ***Restricted Jurisdictions***

Due to restrictions under the securities laws of the 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 Offer Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction or to, or for the account or benefit of, any person with a registered address in, or who is

resident or ordinarily resident in, or a citizen of, any Restricted Jurisdiction except pursuant to an applicable exemption.

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

#### **7.4 *Other overseas territories***

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 or the Restricted Jurisdictions may, subject to the laws of their relevant jurisdiction, take up Offer Shares under the Open Offer in accordance with the instructions set out in this document and the Application Form. Qualifying Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, countries other than the United Kingdom should, however, consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any further formalities to enable them to apply for any Offer Shares in respect of the Open Offer.

#### **7.5 *Representations and warranties relating to Overseas Shareholders***

##### **(a) *Qualifying Non-CREST Shareholders***

Any person completing and returning an Application Form or requesting registration of the Offer Shares comprised therein represents and warrants to the Company, WH Ireland 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 Offer Shares from within the United States or any Restricted Jurisdiction; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire Offer Shares in respect of the Open Offer or to use the Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person located within any Restricted Jurisdiction (except as agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring Offer Shares with a view to offer, sale, resale, transfer, deliver or distribute, directly or indirectly, any such Offer Shares 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 Offer Shares comprised in an Application Form if it: (i) appears to the Company or its agents to have been executed, effected or dispatched from the United States or a 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 a Restricted Jurisdiction for delivery of the share certificates of Offer Shares (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the warranty required by this sub-paragraph (a).

##### **(b) *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 3 represents and warrants to the Company and WH Ireland 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) he or she is not within the United States or any Restricted Jurisdiction; (ii) he or she is not in any territory in which it is unlawful to make or accept an offer to acquire Offer Shares; (iii) he or she is not accepting on a non-discretionary 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) he or she is not acquiring any Offer Shares with a view the offer, sale, resale, transfer, delivery or distribute, directly or indirectly, any such Offer Shares into any of the above territories.

#### **7.6 Waiver**

The provisions of this paragraph 7 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 WH Ireland in their absolute discretion. Subject to this, the provisions of this paragraph 7 supersede any terms of the Open Offer inconsistent herewith. References in this paragraph 7 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 7 shall apply to them jointly and to each of them.

### **8. Times and Dates**

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

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

### **9. Taxation**

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

### **10. Further information**

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

### **11. Governing law and jurisdiction**

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

## **12. Information to Distributors**

With respect to the product governance rules as set out in the Markets in Financial Instruments Directive 2014/65/EU ("MiFID II") and supplementing texts, as a manufacturer of financial instruments WH Ireland has taken steps to maintain, operate and review a process for the approval of the following proposed financial instruments: Open Offer Shares the "Financial Instruments"). This approval process has been used to determine an appropriate target market for the Financial Instruments (the "Target Market Assessment"). The purpose of the Target Market Assessment is to ensure that the distribution of the Financial Instruments is consistent and congruent with an appropriate end target market.

Following the Target Market Assessment, WH Ireland has concluded that the Financial Instruments are compatible with retail clients, professional clients and eligible counterparties, each as defined in MiFID II. WH Ireland has further concluded that the Financial Instruments are eligible for all distribution channels permitted under MiFID II.

Notwithstanding the Target Market Assessment, distributors of the Financial Instruments ("Distributors") should be aware that the Financial Instruments may also be compatible with clients: (i) with basic capital markets knowledge or experience about equity shares; (ii) who have the ability to bear up to 100% capital loss; (iii) who are willing to accept price fluctuations in exchange for the opportunity to receive higher returns and who have a medium to high risk tolerance; and (iv) who seek capital growth in liquid instruments which are easily disposable and can be suitable for any investment horizon.

The Financial Instruments do not offer: (i) capital protection or the full repayment of the amount invested; or (ii) a fully guaranteed income or a fully predictable return profile. WH Ireland considers that the Financial Instruments are inappropriate for clients who are fully risk averse or who have no risk tolerance.

For the avoidance of doubt, the Target Market Assessment does not constitute a recommendation to any investor or group of investors to invest in, purchase, or take any other action whatsoever with respect to the Financial Instruments or otherwise act as an assessment of suitability or appropriateness for the purposes of MiFID II, and WH Ireland disclaims all and any liability whether arising in tort, contract or otherwise in respect of the assessment of the Financial Instruments, this announcement or any such statement.

Furthermore, the Target Market Assessment shall be without prejudice to any selling restrictions applicable to the Financial Instruments as identified within the terms of and conditions to such Financial Instruments.

In addition, notwithstanding the Target Market Assessment, WH Ireland will only solicit investors who meet the criteria of professional clients and eligible counterparties.

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

## **Part 4 – Additional Information**

### **1. The Company**

- 1.1 The Company was incorporated on 25 October 2007 under the Isle of Man Companies Act 2006 and registered in Isle of Man with registered number 001773V as a limited company with the name Lonzim Plc. On 15 February 2011 Cambria was also registered as an overseas company at Companies House, having an establishment in the United Kingdom. The Company changed its name to Cambria Africa Plc on 24 February 2012. The liability of the members of the Company is limited.
- 1.2 On 11 December 2007 the Company's ordinary share capital was admitted to trading on AIM.
- 1.3 The Company's registered office is at Burleigh Manor, Peel Road, Douglas, Isle of Man IM1 5EP.
- 1.4 The principal legislation under which the Company operates is the Act and the regulations made thereunder.
- 1.5 The Company is domiciled in Isle of Man and is registered as an Overseas Company at Companies House.
- 1.6 The Company's accounting reference date is 31 August.
- 1.7 The ISIN of the Ordinary Shares is IM00B28CVH58.

### **2. Share capital**

- 2.1 The issued and fully paid up share capital of the Company as at 1 June 2018 (being the latest practicable date before publication of this document) was 353,839,012 Ordinary Shares.
- 2.2 Following Admission there will be up to a further 388,678,024 New Ordinary Shares. If no Offer Shares are issued other than VAL's Open Offer Participation, then immediately following Admission the Company will have an issued share capital of 498,839,012 Ordinary Shares. If all the Offer Shares are issued then immediately following Admission the Company will have an issued share capital of 742,517,036 Ordinary Shares.
- 2.3 Under the Company's Articles of Association, the Directors are authorised within any one period of 12 months or the period between consecutive annual general meetings, to allot any number of Ordinary Shares on such terms as they shall in their discretion determine up to such maximum number as represents 50 per cent of the issued share capital at the beginning of such period. Further Ordinary Shares may be allotted on terms determined by the Directors but subject to the pre-emption rights prescribed by Section 36 of the Act. In the event that the Directors are required to offer any Ordinary Shares pursuant to Section 36 of the Act, and such offer is not taken up by any existing Shareholders, those shares shall be offered on the same terms to those Shareholders who did accept the offer prior to being offered to third parties.

### 3. Directors' and other interests

- 3.1 The interests of the Directors including the interests of any person connected with them as at the date of this document and as expected to be at Admission are as follows:

	As at the date of this document		Following Admission**		***
	Number of Ordinary Shares	Percentage of issued Ordinary Share Capital	Number of Ordinary Shares	Percentage of issued Ordinary Share Capital	Percentage of issued Ordinary Share Capital
Mr Samir Shasha*	232,000,000	65.6%	377,000,000	50.8%	76.5%

\* *Held through VAL.*

\*\* *These numbers and percentages are calculated after VAL's Open Offer Participation and assuming that all the remaining Offer Shares are fully taken-up.*

\*\*\* *These numbers and percentages are calculated after VAL's Open Offer Participation and assuming that none of the remaining Offer Shares are taken-up.*

### 3.2 Directors' option arrangements

Save as disclosed above, no Director nor any member of his immediate family or person connected with him holds or is interested, whether beneficially or non-beneficially, directly or indirectly, in any shares, options over shares, voting rights in respect of shares or securities convertible into shares of the Company or any of its subsidiaries.

## 4. General

- 4.1 Save for the Consilium dispute disclosed in the Company's Annual Report and in Part 1 Letter From the CEO, and which has been settled in full during October 2017, neither the Company nor any of its subsidiaries is or has been involved in any governmental, legal or arbitration proceedings and, so far as the Directors are aware, there are no governmental, legal or arbitration proceedings, pending or threatened against them or being brought by the Company or any of its subsidiaries, during the previous 12 months, which may have, or had in the recent past, a significant effect on the financial position or profitability of the Company.
- 4.2 WH Ireland has given and not withdrawn its written consent to the issue of this document with the inclusion in it of references to its name in the form and context in which they appear.
- 4.3 The Ordinary Shares are in registered form and are capable of being held in uncertificated form. Settlement of the New Ordinary Shares and Offer Shares will, at the option of Qualifying CREST Shareholders, be within CREST and Ordinary Shares will be delivered into the CREST account of Qualifying Shareholders on 6 June 2018. No temporary documents of title will be issued. Definitive share certificates for Qualifying Non-CREST Shareholders will be despatched by 19 July 2018. Prior to the despatch of such certificates, transfers will be certified against the register of members of the Company.

## **5. Availability of document**

Copies of this document are available free of charge at the Company's registered office, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), and shall remain available for at least one month after Admission. In addition, this document will be available for a period of 12 months from the date of this document on the Company's website [www.cambriafrica.com](http://www.cambriafrica.com).

Dated: 5 June 2018