

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) or the Financial Services (Jersey) Law 1998, who specialises in advising on the acquisition of shares and other securities if you are resident in the UK or Jersey or, if not, from another appropriately authorised independent adviser.

This Document, which comprises an AIM admission document prepared in accordance with the AIM Rules for Companies, has been issued in connection with the application for admission to trading of the entire issued and to be issued ordinary share capital of the Company to trading on AIM. This Document contains no offer of transferable securities to the public within the meaning of sections 85 and 102B of the FSMA, the Jersey Companies Law or otherwise. Accordingly, this Document does not constitute a prospectus within the meaning of section 85 of the FSMA or the Jersey Companies Law and has not been drawn up in accordance with the Jersey Companies Law, the Companies (General Provisions) (Jersey) Order 2002 or the Prospectus Regulation Rules or approved by, or filed with, the Jersey Financial Services Commission ("JFSC"), the Jersey Registrar of Companies, the FCA or any other competent authority.

Application has been made for the ordinary share capital of the Company, issued and to be issued pursuant to the Fundraising, to be admitted to trading on AIM. No application has been, or is currently intended to be, made for the Ordinary Shares to be admitted to listing or trading on any other stock exchange. It is expected that Admission will become effective and that dealings will commence in the Ordinary Shares on 8 March 2021. The New Ordinary Shares to be issued pursuant to the Fundraising will, on Admission, rank *pari passu* in all respects with the Existing Ordinary Shares, and will rank in full for all dividends and other distributions declared, made or paid on Ordinary Shares after Admission.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the FCA. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on Admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange has not itself examined or approved the contents of this Document.

The Directors (whose names, addresses and functions appear on page 8 of this Document) and the Company (whose registered office appears on page 8 of this Document) accept responsibility, both collectively and individually, for the information contained in this Document and compliance with the AIM Rules for Companies. To the best of the knowledge and belief of the Directors and the Company, the information contained in this Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Prospective investors should read this Document in its entirety. An investment in the Company includes a significant degree of risk and prospective investors should consider carefully the risk factors set out in Part II of this Document.

TEAM

TEAM plc

(Incorporated in Jersey registered number 129405)

**Placing of 5,218,875 Ordinary Shares of no par value at 88 pence per share,
Subscription of 3,595,445 Ordinary Shares of no par value at 88 pence per share
and
Admission to trading on AIM**

***Nominated Adviser, Broker and Bookrunner*
Canaccord Genuity Limited**

**cg/Canaccord
Genuity**

Share capital on Admission
Ordinary Shares of no par value

***Issued
Number***
16,559,334

This Document does not constitute a prospectus under the Jersey Companies Law, and accordingly, the Jersey Registrar of Companies has not consented, and is not required to consent, to its circulation under Article 5 of the Companies (General Provisions) (Jersey) Order 2002. The JFSC has given, and has not withdrawn, its consent under Article 2 of the Control of Borrowing (Jersey) Order 1958 to the issue of the Ordinary Shares in the Company. The JFSC is protected by the Control of Borrowing (Jersey) Law 1947 against

liability arising from the discharge of its functions under that law. Theta Enhanced Asset Management Limited, a wholly owned subsidiary of TEAM plc, is registered to conduct relevant classes of financial service business under the FSJL. The JFSC is protected by the FSJL against liability arising from the discharge of its functions under that law. It must be distinctly understood that, in giving this consent, the JFSC takes no responsibility for the financial soundness of the Company or for the correctness of any statements made, or opinions expressed, with regard to it. If you are in any doubt about the contents of this Document you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. The Directors have taken all reasonable care to ensure that the facts stated in this Document are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in this Document, whether of facts or of opinion. Each of the Directors accept responsibility accordingly. It should be remembered that the price of securities and the income from them can go down as well as up.

Nothing in this Document or anything communicated to holders or potential holders of the Ordinary Shares is intended to constitute or should be construed as advice on the merits of, the purchase of or subscription for, the Ordinary Shares or the exercise of any rights attached to them for the purposes of the FSJL.

Canaccord Genuity Limited ("**Canaccord**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser, sole broker and sole bookrunner to the Company in connection with the Fundraising and Admission. Canaccord will not be acting for any other person (including a recipient of this Document) or otherwise be responsible to any person for providing the protections afforded to clients of Canaccord or for advising any other person in respect of the proposed Fundraising and Admission or any transaction, matter or arrangement referred to in this Document. In particular, the information contained in this Document has been prepared solely for the purposes of Admission and it is not intended to be relied on by any subsequent purchasers of Ordinary Shares (whether on or off exchange) and accordingly no duty of care is owed to them. Canaccord's responsibility as the Company's nominated adviser under the AIM Rules for Nominated Advisers is owed solely to the London Stock Exchange and is not owed to the Company or to the Directors or to any other person in respect of their decision to acquire shares in the Company in reliance on any part of this Document.

Apart from the responsibilities and liabilities, if any, which may be imposed on Canaccord by the FSMA or the regulatory regime established thereunder, Canaccord does not accept any responsibility whatsoever for the contents of this Document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Ordinary Shares or the Fundraising and Admission. Canaccord accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this Document or any such statement. Canaccord has not authorised the contents of any part of this Document and no liability whatsoever is accepted by Canaccord for the accuracy of the information and the opinions contained in this Document or for the omission of any material information from this Document for which it is not responsible.

A copy of this Document is available, subject to certain restrictions relating to persons resident in certain overseas jurisdictions, at the Company's website www.teamassetmanagement.com.

PRESENTATION OF INFORMATION

1. General

Prospective investors should only rely on the information contained in this Document. No person has been authorised to give any information or make any representations other than those contained in this Document and, if given or made, such information or representation must not be relied upon as having been so authorised by the Company, the Directors, Canaccord or any of their respective affiliates, officers, directors, partners, employees or agents. No representation or warranty, express or implied, is made by Canaccord as to the accuracy or completeness of such information, and nothing contained in this Document is, or shall be relied upon as, a promise or representation by Canaccord as to the past, present or future. No person has been authorised to give any information or make any representation other than those contained in this Document and, if given or made, such information or representation must not be relied upon as having been so authorised. Without prejudice to any legal or regulatory obligation on the Company to publish a supplementary admission document pursuant to the AIM Rules for Companies, neither the delivery of this Document nor any subscription or sale of ordinary shares made pursuant to this Document shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Group taken as a whole since the date of this Document or that the information in it is correct as of any time after the date of this Document.

The Company will update the information provided in this Document by means of a supplement to it if a significant new factor, material mistake or inaccuracy arises or is noted relating to the information included in this Document. Any supplementary admission document will be made public in accordance with the AIM Rules for Companies.

The contents of this Document and any other communications are not to be construed as legal, financial or tax advice. Each prospective investor should consult a legal adviser, an independent financial adviser duly authorised under the FSMA or a tax adviser for legal, financial or tax advice in relation to any investment in or holding of Ordinary Shares. Each prospective investor should consult with such advisers as needed to make its investment decision and to determine whether it is legally permitted to hold shares under applicable legal investment or similar laws or regulations. Prospective investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

Investing in and holding the Ordinary Shares involves financial risk. Prior to investing in the Ordinary Shares, prospective investors should read the entirety of this Document and carefully consider all of the information contained in this Document, paying particular attention to the section entitled Risk Factors in Part II of this Document. Prospective investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in light of the information contained in this Document and their personal circumstances.

In connection with the Fundraising, Canaccord and any of its affiliates, acting as investors for their own accounts, may acquire Ordinary Shares, and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Ordinary Shares and other securities of the Company or related investments in connection with the Fundraising or otherwise. Accordingly, references in this Document to the Ordinary Shares being offered, subscribed, acquired, placed or otherwise dealt with should be read as including any offer to, or subscription, acquisition, dealing or placing by, Canaccord and any of its affiliates acting as investors for their own accounts. Canaccord does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Canaccord and its affiliates may have in the past engaged, and may in the future, from time to time, engage in transactions with, and provided various investment banking, financial advisory and other ancillary activities in the ordinary course of their business with the Company, in respect of which they have received, and may in the future receive, customary fees and commissions. As a result of these transactions, these parties may have interests that may not be aligned, or could possibly conflict, with the interests of investors.

Investors who subscribe for New Ordinary Shares or purchase Sale Shares in the Fundraising will be deemed to have acknowledged that: (i) they have not relied on Canaccord or any affiliated person in connection with any investigation of the accuracy of any information contained in this Document for their investment decision; (ii) they have relied only on the information contained in this Document; and (iii) no person has been authorised to give any information or to make any representation concerning the Company or the Placing

Shares (other than as contained in this Document) and, if given or made, any such other information or representation has not been relied upon as having been authorised by or on behalf of the Company, the Directors or Canaccord.

2. Notice to overseas persons

The distribution of this Document in certain jurisdictions may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Ordinary Shares have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, (the “**US Securities Act**”) and may not be offered, sold or delivered in, into or from the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Subject to certain exemptions, this Document does not constitute an offer of Ordinary Shares to any person with a registered address, or who is resident in, the United States. There will be no public offer in the United States. Outside of the United States, the Placing Shares are being offered in “offshore transactions” in reliance on Regulation S under the US Securities Act. The Ordinary Shares will not qualify for distribution under the relevant securities laws of Canada, Australia, the Republic of South Africa, Japan, nor has any prospectus in relation to the Ordinary Shares been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Accordingly, subject to certain exemptions, the Ordinary Shares may not be offered, sold, taken up, delivered or transferred in, into or from the United States, Canada, Australia, the Republic of South Africa, Japan or any other jurisdiction outside of the United Kingdom where to do so would constitute a breach of any local securities laws or regulations (each a “**Restricted Jurisdiction**”) or to or for the account or benefit of any national, resident or citizen of a Restricted Jurisdiction. This Document does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or purchase, any Ordinary Shares to any person in a Restricted Jurisdiction and is not for distribution in, into or from a Restricted Jurisdiction.

The Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, or any other securities commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Placing Shares nor have they approved this Document or confirmed the accuracy or adequacy of the information contained in this Document. Any representation to the contrary is a criminal offence in the US.

3. Presentation of financial information

The reports on historical financial information included in Part III of this Document have been prepared in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom and the related consent to its inclusion in this Document appearing in Section A and Section C of Part III of this Document has been included as required by the AIM Rules for Companies and solely for that purpose.

Unless otherwise indicated, financial information in this Document, including the Group’s audited consolidated financial statements for the years ended 30 September 2017, 2018, 2019 and for the nine-month period to 30 June 2020 and the notes to the financial statements, has been prepared in accordance with IFRS.

4. Rounding

Certain data in this Document, including financial, statistical and operational information has been rounded. As a result of the rounding, the totals of data presented in this Document may vary slightly from the actual arithmetical totals of such data. Percentages in tables have been rounded and, accordingly, may not add up to 100 per cent.

5. Cautionary note regarding forward-looking statements

This Document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms

“believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this Document and include statements regarding the Directors’ current intentions, beliefs or expectations concerning, among other things, the Group’s results of operations, financial condition, liquidity, prospects, growth, strategies and the Group’s markets.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements. Factors that might cause such a difference, include, but are not limited to the risk factors set out in Part II of this Document.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this Document are based on certain factors and assumptions, including the Directors’ current view with respect to past or current trends, future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group’s operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Prospective investors should therefore specifically consider the risk factors contained in Part II of this Document that could cause actual results to differ before making an investment decision. Save as required by law or by the AIM Rules for Companies, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this Document that may occur due to any change in the Directors’ expectations or to reflect events or circumstances after the date of this Document.

6. Presentation of market, economic and industry data

This document contains information regarding the Group’s business and the industry in which it operates and competes, which the Company has obtained from Director’s experience and knowledge. Where information contained in this Document has originated from a third party source, it is identified as such together with the name of its source. Such third party information has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

7. No incorporation of website information

The contents of the Company’s website or any hyperlinks accessible from the Company’s website do not form part of this Document and prospective investors should not rely on them.

8. Interpretation

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

All times referred to in this Document are, unless otherwise stated, references to London time.

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

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

9. Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any

liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of (a) retail investors, (b) investors who meet the criteria of professional clients and (c) eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Fundraising. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Canaccord will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares.

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

CONTENTS

	<i>Page</i>
DIRECTORS, SECRETARY AND ADVISERS	8
DEFINITIONS AND GLOSSARY OF TERMS	9
FUNDRAISING STATISTICS	13
EXPECTED TIMETABLE OF PRINCIPAL EVENTS	14
PART I INFORMATION ON TEAM PLC	15
PART II RISK FACTORS	29
PART III HISTORICAL FINANCIAL INFORMATION	46
PART IV ADDITIONAL INFORMATION	86
PART V TERMS AND CONDITIONS OF THE PLACING	118

DIRECTORS, SECRETARY AND ADVISERS

Directors	Jonathan <u>Mark</u> Gordon Clubb <i>(Executive Chairman)</i> Matthew Moore <i>(Chief Financial Officer and Chief Operating Officer)</i> Louis <u>Philip</u> Chetwynd Taylor <i>(Senior Independent Non-Executive Director)</i> Michael Mckenzie Gray <i>(Independent Non-Executive Director)</i> David James Ker Turnbull <i>(Independent Non-Executive Director)</i>
Registered Office and Business Address	Royal Court Chambers 10 Hill Street St Helier Jersey JE2 4UA
Company website	www.teamassetmanagement.com
Company Secretary	Martin John Toudic
Nominated Adviser, Sole Broker and Sole Bookrunner	Canaccord Genuity Limited 88 Wood Street London EC2V 7QR
Financial Adviser to the Company	H&P Advisory Limited 2 Park Street London W1K 2HX
Legal advisers to the Company as to English law	Osborne Clarke LLP One London Wall London EC2Y 5EB
Legal advisers to the Company as to Jersey law	Collas Crill LLP Gaspé House 66-72 Esplanade St Helier Jersey JE1 4XD
Legal advisers to the Nominated Adviser, Sole Broker and Sole Bookrunner	Howard Kennedy LLP No. 1 London Bridge London SE1 9BG
Reporting Accountants	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Auditors to the Group	Grant Thornton Channel Islands Kensington Chambers 46/50 Kensington Place St. Helier Jersey JE1 1ET
Registrars	Computershare Investor Services (Jersey) Limited 13 Castle Street St. Helier Jersey JE1 1ES

DEFINITIONS AND GLOSSARY OF TERMS

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

“Admission”	the admission of the Ordinary Shares, issued and to be issued pursuant to the Fundraising, to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules for Companies
“Admission Document” or “Document”	this admission document dated 2 March 2021
“AIM”	AIM, a market operated by the London Stock Exchange
“AIM Rules for Companies”	the AIM rules for companies published by the London Stock Exchange from time to time
“AIM Rules for Nominated Advisers”	the AIM rules for nominated advisers published by the London Stock Exchange from time to time
“Articles”	the articles of association of the Company
“AUM”	assets under management, which, unless stated otherwise, reflects gross assets under management
“Board” or “Directors”	the directors of the Company, from time to time or any duly authorised committee thereof. The names of directors of the Company as at the date of this Document are set out on page 8
“Canaccord”	Canaccord Genuity Limited, the Company’s nominated adviser, sole broker and sole bookrunner
“Company” or “TEAM” or “Ponterrin Holdings Limited”	TEAM plc, a company incorporated in Jersey with registration number 129405 (which was, until 12 October 2020, formerly called Ponterrin Holdings Limited)
“Concert Party”	comprised of and has the meaning given in paragraph 16 of Part I of this Document
“Covenantors”	certain Existing Shareholders (not including Mark Clubb)
“CREST”	the operator’s system (as defined in the CREST Regulations) for paperless settlement of share transfers and holding shares in uncertificated form which is administered by Euroclear
“CREST Regulations”	Companies (Uncertificated Securities) Jersey Order 1999, as amended, modified or supplemented from time to time, and such other regulations as are applicable to Euroclear and/or CREST
“DTRs”	the Disclosure Guidance and Transparency Rules made by the FCA pursuant to section 73A of the FSMA from time to time
“Enlarged Share Capital”	the issued Ordinary Shares upon Admission, comprising the Existing Ordinary Shares and the New Ordinary Shares
“Euroclear”	Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales
“EU”	the European Union
“Executive Directors”	each of Mark Clubb and Matthew Moore

“Existing Ordinary Shares”	the 8,036,000 Ordinary Shares in issue immediately prior to Admission
“Existing Shareholders”	the holders of Existing Shares
“FCA”	the UK Financial Conduct Authority
“FCA Handbook”	the handbook of rules and guidance published by the FCA from time to time
“FSJL”	Financial Services (Jersey) Law 1998
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“Fundraising”	the Placing and the Subscription
“Group”	the Company and its subsidiary undertakings and “Group Company” should be interpreted accordingly
“HMRC”	HM Revenue and Customs
“IFRS”	International Financial Reporting Standards
“Investment Committee”	the TEAM Jersey Investment Committee
“Jersey”	the Bailiwick of Jersey
“Jersey Companies Law”	the Companies (Jersey) Law 1991, as amended, modified or supplemented from time to time
“JFSC”	Jersey Financial Services Commission
“London Stock Exchange”	London Stock Exchange plc
“MAR”	as applicable: <ul style="list-style-type: none"> (a) the market abuse regulation (EU) No 596/2014 (“EU MAR”); or (b) EU MAR as the same has legal force in the United Kingdom by virtue of the European Union Withdrawal Act 2018, as amended
“Management Incentive Plan”	the TEAM plc Management Incentive Plan to provide equity incentives to selected employees and directors of the Group for bona fide commercial reasons to recruit and/or retain them, further details of which are set out at paragraph 8 of Part IV of this Document
“Net Asset Value Per Share”	has the meaning set out in paragraph 2.15 of Part IV of this Document.
“New Ordinary Shares”	the 4,927,889 new Ordinary Shares to be issued by the Company pursuant to the Placing and the 3,595,445 Subscription Shares to be issued by the Company pursuant to the Subscription
“Non-Executive Directors”	each of Michael Gray, David Turnbull and Philip Taylor
“Official List”	the Official List of the FCA
“Ordinary Shares”	ordinary shares of no par value in the capital of the Company
“Panel”	the Panel on Takeovers and Mergers

“Placing”	the conditional placing of the (i) New Ordinary Shares pursuant to the terms of the Placing Agreement and the Subscription Letters; and (ii) the Sales Shares pursuant to the terms of the Selling Shareholder Agreement
“Placing Agreement”	the conditional agreement dated 2 March 2021 and made between the (1) Company (2) Canaccord and (3) the Directors relating to the Placing, further details of which are set out in paragraph 10(a) of Part IV of this Document
“Placing Price”	88 pence per Placing Share
“Placing Shares”	the New Ordinary Shares and the Sale Shares
“Professional Client”	a client who possesses the experience, knowledge and expertise to make its own investment decisions and duly assess the risk those investment decisions incurs, either a per se professional or elective professional as defined by the JFSC
“Prospectus Regulation Rules”	the prospectus regulation rules made by the FCA pursuant to section 73A of the FSMA from time to time
“QCA Code”	the corporate governance code for small and mid-size quoted companies published by the Quoted Companies Alliance from time to time
“Relationship Agreement”	the agreement dated 2 March 2021 and made between the (1) Company (2) Mark Clubb and (3) Canaccord, further details of which are set out in paragraph 10(f) of Part IV of this Document
“Sale Shares”	the 290,986 Existing Ordinary Shares being sold on behalf of the Selling Shareholders pursuant to the Placing
“Selling Shareholders”	those persons whose names and addresses are set out in paragraph 18 of Part IV of this Document
“Selling Shareholder Agreements”	the conditional agreements each dated 2 March 2021 and made between (1) Canaccord (2) the Company and (3) each Selling Shareholder relating to the Placing, further details of which are set out in paragraph 10(b) of Part IV of this Document
“Senior Management”	certain senior employees of TEAM Jersey
“Shareholder”	a holder of Ordinary Shares
“Subscribers”	the persons who have entered into Subscription Letters with the Company
“Subscription Letters”	the letter agreements between the Subscribers and the Company relating to the Subscription, further details of which are set out at paragraph 10(g) of Part IV of this document
“Subscription Shares”	the 3,595,445 new Ordinary Shares to be subscribed by the Subscribers at the Placing Price pursuant to the Subscription Letters
“Takeover Code”	the Takeover Code on Takeovers and Mergers published by the Panel from time to time
“TEAM Jersey”	Theta Enhanced Asset Management Limited, a company incorporated in Jersey with registered number 80836
“TEAM UK”	TEAM (UK) Management Services Limited, a company incorporated in England and Wales with registered number 13029848

“UK”	the United Kingdom of Great Britain and Northern Ireland
“UK Companies Act”	the Companies Act 2006 (as amended)
“uncertificated” or “in uncertificated form”	recorded on the register of Ordinary Shares as being held in uncertificated form in CREST, entitlement to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“US”, “USA” or “United States”	the United States of America, each state thereof, its territories and possessions and the District of Columbia and all other areas subject to its jurisdiction
“VAT”	UK value added tax

FUNDRAISING STATISTICS

Placing Price	88p
Number of Existing Ordinary Shares	8,036,000
Number of Placing Shares being issued by the Company pursuant to the Placing	4,927,889
Number of Subscription Shares being issued by the Company pursuant to the Subscription	3,595,445
Number of Sale Shares being sold by the Selling Shareholders pursuant to the Placing	290,986
Number of Ordinary Shares in issue on Admission	16,559,334
Percentage of Enlarged Share Capital represented by the New Ordinary Shares	51.5 per cent.
Percentage of Enlarged Share Capital represented by the Sale Shares	1.8 per cent.
Market capitalisation of the Company at the Placing Price on Admission	£14.6 million
Total proceeds of the Fundraising	£7.5 million
Estimated expenses of the Fundraising	£1.1 million
Estimated net proceeds of the Fundraising, receivable by the Company	£6.4 million
ISIN number	JE00BM90BX45
SEDOL number	BM90BX4
AIM TIDM	TEAM
LEI number	213800EP1CI5ANR7RP18

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Document	2 March 2021
Admission and dealings commence in the Ordinary Shares on AIM	8.00 a.m. on 8 March 2021
CREST accounts credited by	8.00 a.m. on 8 March 2021
Despatch of definitive share certificates, where applicable, by	22 March 2021

Note:

Each of the above dates is subject to change at the absolute discretion of the Company and Canaccord

PART I

INFORMATION ON TEAM PLC

1. Introduction

The Company wholly owns Theta Enhanced Asset Management Limited, trading as TEAM Asset Management, referred to in this Document as TEAM Jersey. TEAM Jersey is a Jersey based specialist, investment-led active fund manager currently providing discretionary and advisory portfolio management services to private clients and trusts. The Group intends to target both professional and retail clients through its key discretionary and advisory investment management services.

As at 30 November 2020, TEAM Jersey managed over £292 million AUM for approximately 170 clients. For the 9 months ended 30 June 2020, TEAM Jersey reported revenue of £0.7 million and a loss after tax of £0.1 million.

The Directors intend, through both organic growth and a buy-and-build strategy, for the Group to become an internationally recognised wealth and asset management group, driven by an investment process seeking to offer clients positive risk-adjusted returns over the long term.

The Company is raising approximately £7.5 million gross in the Fundraising (£6.4 million net). The Directors intend to utilise the net proceeds of the Fundraising received by the Company to acquire complementary businesses, invest in the recruitment of individuals to increase the private client base and AUM of the business, to repay shareholder loans relating to costs for the Fundraising and for general working capital purposes.

2. Key Strengths of the Group

The Directors believe that the Group has a number of key strengths which enable it to take advantage of current and future growth opportunities.

- **Established existing business.** TEAM Jersey was acquired in January 2020 as the first acquisition for the Company. The business is authorised and regulated by the Jersey Financial Services Commission and since acquisition there has been a significant investment in people (five new investment managers) and infrastructure. TEAM is already demonstrating organic growth – AUM has grown from £140 million (December 2019) to £292 million in November 2020 – evidencing a capable management team and sound, scalable infrastructure.
- **Offshore regulatory jurisdiction.** The Group's current business is located in Jersey. The Directors believe Jersey offers a highly-regarded financial centre in a tax-neutral environment with strong connectivity and stable regulatory authorities. The Directors believe the provision of offshore financial services will assist in the organic growth of the Group. Further, the Company intends to use Jersey domiciled publicly traded shares in funding transactions, offering a competitive advantage over private equity backed buyers.
- **Experienced management team.** The Executive Directors are involved in both the strategic and day-to-day running of the business and, together with Senior Management, have extensive experience in the UK (including offshore) and international investment management industry, in both organic growth and M&A. The Executive Chairman has strong relationships with a number of potential funding partners who can assist the Group in identifying and executing potential acquisitions.
- **A new consolidator in the UK (including offshore) discretionary and advisory sector, with infrastructure set up for growth.** TEAM Jersey is not significant in AUM or financial profile compared to a number of its peers in both the quoted and unquoted financial sector. The Directors however believe this provides TEAM with a significant strength, when coupled with the experience and contacts of the Board, as it means the Group has a simple organisation structure with outsourced ancillary services that can accommodate growth. Since the acquisition of TEAM Jersey, the Company has invested in updating investment capabilities and client service delivery. It is now a scalable hub ready for expansion. The Directors intend to further invest in technology, personnel, reporting and control systems as the scale of the Group grows. The Directors see the current scale of the business as a benefit, giving the ability to expand and increase AUM at a faster rate than larger peers.

- **Identified pipeline of acquisitions.** The Group is currently assessing a number of potential acquisition targets that range in enterprise value from £1 million to £60 million which will be targeted post Admission. The Directors believe TEAM has in place a senior management team who have the experience along with both shareholder and institutional support to lead consolidation in the asset management industry. The Non-Executive Directors, following Admission, will provide oversight on future acquisitions.
- **Focus on growing markets.** As part of its growth strategy, the Company will actively seek international acquisitions in jurisdictions where the asset management industry is considered a growth market, as opposed to more mature, lower growth jurisdictions. The Company intends to make acquisitions in regulated jurisdictions with relatively developed financial services marketplaces. The Directors note that higher growth rates are currently being seen in client fund inflows to many offshore locations.
- **High visibility of earnings and recurring revenues.** Due to the nature of the Group's business activities, a significant proportion of the Group's revenue, both as at the date of this Document and in the future, is expected to be recurring, providing a high degree of predictability to future earnings.
- **Strong balance sheet and access to capital.** The Directors are seeking to raise £7.5 million on Admission and are intending to operate the Group with a strong balance sheet. The Directors believe this provides it with capital to execute on the organic growth strategy of the Group. In the event that the Group executes on its buy-and-build strategy and further funding is required, the Directors believe they will be able to access significant equity capital to fund acquisitions. The Company also has the potential to use debt finance, while it will limit prospective gearing to an appropriate level.

3. History of the Group

Ponterrin Holdings Limited was incorporated as a Jersey company in July 2019. The company was founded by Mark Clubb for the purpose of acquiring or merging with regulated financial services companies primarily engaged in wealth management, asset management, cash management or investment management activities located in Jersey and other jurisdictions. Ponterrin Holdings Limited identified TEAM Jersey as its first acquisition in December 2019 and raised £1.8 million from individuals either known to Mark Clubb or who were existing shareholders in TEAM Jersey to fund the acquisition.

TEAM Jersey was founded in Jersey in 2001 and is regulated by the JFSC to conduct investment business and fund services business as further set out in paragraph 6 of this Part I below.

In January 2020, Ponterrin Holdings Limited acquired TEAM Jersey for £1.5 million. On 31 December 2019, being the date that the TEAM SPA and the Trico SPA were signed, the AUM of TEAM Jersey was £140 million. Of that £140 million, £116 million was attributable to the historic business of TEAM Jersey with the balance of £24 million being attributable to AUM managed by Mark Clubb and introduced to TEAM Jersey in the period immediately prior to 31 December 2019. TEAM Jersey has grown its AUM to £292 million as at 30 November 2020.

On 12 October 2020, Ponterrin Holdings Limited was reregistered as a public company and changed its name to TEAM plc.

4. The Business

TEAM Jersey currently provides discretionary and advisory portfolio management services to private clients and intends to target both professional and retail clients through its key discretionary and advisory investment management services.

TEAM Jersey is authorised and regulated by the JFSC to carry out investment business under the FSJL in respect of Class A, B and C as prescribed by Article 1 of the Financial Services (Financial Service Business) (Jersey) Order 2009.

TEAM Jersey has a services contract with Pershing (Channel Islands) Limited in relation to the provision of custody, client asset reporting, transaction reporting, compliance asset monitoring, payments, reconciliations (dividend, transaction and script) system/cyber security and tax reporting.

Investment Strategy of Client Funds

TEAM Jersey currently offers discretionary and advisory investment management services as well as investment execution only services, across equity, foreign exchange and fixed income investments.

Products and Services

TEAM Jersey offers both a discretionary and portfolio management service to clients. TEAM Jersey also intends in the future to offer a white label service to investment advisers.

Bespoke Discretionary Management Services

TEAM Jersey offers Professional Clients a bespoke discretionary wealth management service based upon the investment strategy of the Investment Committee and the primary investment objective of the underlying client. This service incorporates:

- a multi asset approach, including direct exposure to equities, bonds and collectives (specialist single asset class strategies available);
- discretionary management, enabling investment managers to adapt rapidly to changing market conditions;
- bespoke investment strategies, developed in conjunction with a dedicated portfolio manager
- multi-currency investment; and
- online information access and reporting.

Managed Portfolio Services

TEAM Jersey's Managed Portfolio Service offers a range of discretionary investment portfolios, carefully developed to meet clients' objectives, but all reflecting the views of the Investment Committee. Key features of the services include:

- a multi asset approach
- asset allocation strategy
- investment in Collective Investment Schemes
- discretionary management of investments
- a choice of investment objectives, levels of risk, and currency
- a choice of four Investment Objectives (Growth, Balanced, Cautious, Income)
- a dedicated investment manager
- online access and reporting
- an automated portfolio rebalancing and risk monitoring process
- an electronic distribution of monthly factsheets

TEAM Jersey's Managed Portfolio Service is targeted at clients with a lower net worth than Professional Clients.

'Access' – White label investment management service

In the future TEAM Jersey intends to offer a service providing access to the investment management strategy set by its Investment Committee via a white label service. TEAM Jersey would look to form strategic alliances with leading financial services professionals and corporates.

Sources of Revenue

TEAM derives its revenue from discretionary and portfolio management services and commissions from investment and foreign exchange trading for clients. In the nine months to 30 June 2020, recurring income accounted for approximately 74.4 per cent. of TEAM Jersey's revenue.

Customer Base

As at 30 November 2020, TEAM Jersey's customer base was predominantly private clients or family company and trust structures. 81.6 per cent. of TEAM Jersey's clients are resident in Jersey, Guernsey and/or the United Kingdom.

At 30 June 2020, 48 per cent. of TEAM Jersey's total AUM of £157 million was concentrated in its top five client portfolios (and its largest client, a company controlled by a Jersey discretionary trust, accounted for 27 per cent. of total AUM). By 30 September 2020, TEAM Jersey's AUM had grown to £292 million including a new mandate to run a range of fixed income funds (the Keox funds), which accounted for £91 million of the total. The top five client concentration for the investment business reduced to 33 per cent. of AUM and its largest investment business client accounted for 14 per cent. of its total AUM.

The Directors believe that TEAM Jersey's risk of losing a top five client account is low, primarily due to the long-term relationships with those clients. The Directors believe client concentration will further decrease in the future as the client base and AUM of the Group increases.

Financial Information on TEAM

TEAM's principal operating subsidiary is TEAM Jersey. Set out below is a summary of TEAM Jersey's financial results for the three years and 9 months ended 30 June 2020, extracted without material adjustment from the financial information set out in Section D of Part III of this Document. **In order to make a proper assessment of the financial performance of the Group's business, prospective investors should read this Document as a whole and not rely solely on the key or summarised information in this section.**

	12 months ended 30 September 2017 £'000	12 months ended 30 September 2018 £'000	12 months ended 30 September 2019 £'000	9 months ended 30 June 2020 £'000
Turnover	956	937	829	713
Profit/(loss) for the financial year and total comprehensive income	20	(90)	(70)	(106)
Net assets	538	473	463	450

The reduction in TEAM Jersey's revenue in the 12 months ended 30 September 2019 was driven by a reduction in management fee income as a result of TEAM Jersey closing several of its funds. Since its acquisition by the Group in January 2020, TEAM Jersey has recorded revenue growth as AUM has increased. However, its losses have also increased in this period as the Group has invested in systems, controls and personnel ahead of Admission.

The Directors do not expect the historic financial performance of TEAM Jersey to reflect future financial performance. Future financial performance is expected to be affected by organic growth of AUM, further investment in systems, controls and personnel costs associated with being a publicly quoted company and, materially, any acquisitions undertaken by the Company. TEAM plc was incorporated on 4 July 2019 and acquired the entire share capital of TEAM Jersey on 31 January 2020. The audited consolidated historical financial information of Group is set out in Section B of Part III of this Document. The Directors do not believe the financial results of TEAM plc have a material impact on the overall financial performance of the Group up to 30 June 2020.

5. Group Strategy

The Directors' aim is to provide long term capital appreciation for Shareholders through dividend payments and shareholder value creation by building a profitable and sustainable business. Growth will be sought through organic growth of AUM and acquisitions, supported by investment in operations.

Growth Strategy

The Group's overall strategy is to promote the continued growth of the Group into a leading independent wealth and asset management business. It is expected that the Group's growth will be achieved through:

- an acquisition driven strategy to consolidate the offshore and onshore wealth and asset management market
- focus on delivering revenue and cost synergies, leveraging increasing scale and breadth of services to gain share of client wallet and economies of scale
- ancillary complementary services such as specialist funds, cash management, corporate services
- expansion into complementary locations – onshore UK, Crown Dependencies, other offshore centres
- organic AUM growth through team lifts, selective hires and targeted business development in Jersey

The Directors believe that the successful execution of a buy and build strategy to acquire incremental scale is likely to have the most meaningful impact on the future value of the Group. The Directors believe that there are a number of asset managers who are significantly underperforming due to a variety of factors including poor management, increased regulatory and technology requirements, lack of capital and strategic vision.

The Directors acknowledge that the Group has a number of competitors in the form of other networks and other advisory firms seeking to grow by acquisition. However, based on their research of the market, the Directors believe that the proposition on offer from the Group will be well received by owners of businesses and that the size of the asset management industry is sufficient to accommodate a number of consolidators.

Operational Strategy

TEAM has put in place an operating infrastructure, resulting in efficient and effective regulatory compliance that has scalability to meet the stated organic growth ambitions of the Directors.

TEAM Jersey clients are well informed through regular communications via website publications, face to face meetings or presentations. The Directors believe that TEAM Jersey is focussed on customer service, operational efficiency, independent risk control and compliance supervision and that the business model and operating systems are scalable.

6. Regulatory Environment

TEAM Jersey is currently regulated in Jersey by the JFSC. The JFSC is the independent regulatory authority responsible for the regulation, supervision and development of Jersey's financial services industry. As noted briefly above, in Jersey the regulation of financial services is principally governed by the Financial Services (Jersey) Law 1998 (the "FSJL"), and orders issued pursuant to the FSJL.

TEAM Jersey is currently a wholly owned subsidiary of the Company incorporated in Jersey, and holds regulatory licences issued by the JFSC to allow it to carry on certain categories of investment business and fund services business in or from within Jersey:

<i>Category</i>	<i>Regulatory licences held by TEAM Jersey</i>
Investment Business	Class A: Dealing in investments
	Class B: Managing investments
	Class C: Giving investment advice when not prevented from holding client assets by virtue of a condition of registration
Fund Services Business	Class X: Investment manager
	Class Y: Investment advisor

No person can become a shareholder controller (as defined below) of any Jersey regulated companies in the Group without first making an application to the JFSC pursuant to Article 14 of the FSJL seeking a confirmation from the JFSC that it has no objection to that person becoming a shareholder controller.

For these purposes a “shareholder controller” means a person who, either alone or with any associate or associates (which is widely defined):

- directly or indirectly holds 10 per cent. or more of the share capital issued by a Jersey regulated company;
- is entitled to exercise or control the exercise of not less than 10 per cent. of the voting power in general meeting of a Jersey regulated company or of any other company of which it is a subsidiary; or
- has a holding in the Jersey regulated company directly or indirectly which makes it possible to exercise significant influence over the management of the relevant Jersey regulated company.

An application will also need to be made to the JFSC pursuant to Article 14 of the FSJL seeking a confirmation from the JFSC that it has no objection to the shareholding of any shareholder controller of any Jersey regulated companies being increased or reduced past 50 per cent., 33 per cent. and 20 per cent. thresholds.

A notification must also be made to the JFSC if a person ceases to be a shareholder controller.

The Directors confirm that the Group has all the necessary licences to undertake its business.

TEAM plc is not a regulated entity.

7. Directors and Employees

Brief biographies of the Directors of the Group are set out below. Paragraph 5.4 of Part IV of this Document contains further details of current and past directorships of the Directors.

A description of the role and responsibilities of the Directors is also set below.

Directors

Jonathan Mark Gordon Clubb, aged 60 – *Executive Chairman*

Mark joined the Board in July 2019. Mark began his 27 year career in investment banking at Hoare Govett and has held various senior management roles at UBS Philips and Drew and BZW (latterly Credit Suisse First Boston). In 1997 Mark, together with six partners, founded London-based investment banking boutique, Altium Capital Partners.

Following a management buyout of Altium Capital Partners in 2008, Mark returned to Jersey and has spent the last 12 years in investment management, including at private client stockbroker, Collins Stewart, later acquired by Canaccord Genuity Inc.

Mark has a BA (Hons) degree in Economics and Business Studies, CISI level 6 in Private Client Investment Advice and Management and ICA Advanced Certificate in Compliance.

Mark is responsible for the strategy of the Group, including both the pursuit of organic growth of AUM and future acquisitions. Mark also undertakes regular reviews of the Group’s strategy and has oversight of both operational and financial performance.

Matthew Charles Moore, aged 49, *Chief Financial Officer and Chief Operating Officer following Completion*

Matthew joined the Board on 1 March 2021 having joined the Group on a consultancy basis in November 2020 and as an employee since February 2021. Matthew has a wealth of experience in senior leadership and financial roles, having been CFO at Close Investments, CFO and COO at Origen Financial Services (an Aegon group company) and most recently CFO and COO at Ascot Lloyd, a vertically integrated UK wealth management firm founded by Oaktree, a leading private equity investor.

Matthew brings significant acquisition and integration expertise to TEAM. He was responsible for acquisitions at Bellpenny, and subsequently Ascot Lloyd, and previously worked in the acquisitions team at Close Wealth Management, prior to which he held various roles in M&A at Commerzbank Securities and ING Barings.

Matthew began his career in accounting at Ernst and Young, followed by five years as an equity research analyst at Cazenove & Co.

Matthew will be responsible for the delivery of the business model and strategy as set out in this Document. Further, Matthew will be focused on delivering positive operational and financial performance.

Matthew as Chief Financial Officer will be responsible for maintaining the financial systems, control environment and regulatory compliance required within the Company. As Chief Operating Officer, Matthew will also focus on the operational performance, risks and other issues of the Group to ensure that the business remains aligned with its stated strategy.

Louis Philip Chetwynd Taylor, aged 70, *Independent Non-Executive Director and Senior Independent Director*

Philip joined the Board in March 2021. Philip has over 40 years' experience in the finance industry, beginning his career at PwC in London. Philip is currently Chairman of the States of Jersey Treasury Advisory Panel and until 31 October 2020 a non-executive director of The Royal Bank of Scotland International Limited.

Philip was the Senior Partner of PwC Channel Islands and a Global Leader of the PwC Quality Assurance Programme. Philip has previously served as Chairman of Hawksford Holdings Limited, a Commissioner of the JFSC, as a Member of the Conduct and Case Management Committees of the UK Financial Reporting Council, and as a Member of Jersey Financial Services Advisory Board.

As Senior Independent Director, Philip's primary role will be to evaluate the performance of the Executive Chairman and to chair meetings of the Non-Executive Directors without the Executive Directors being present. Following Admission, Phillip will provide an alternative contact for shareholders and other directors who do not wish to raise matters with the Executive Directors. The Directors believe that Philip has adequate separation from the day-to-day business of the Group to be able to make independent decisions and to chair the Non-Executive Directors.

Philip, as a Non-Executive Director, will participate in all board level decisions and provide oversight and scrutiny of the performance of the Executive Directors. Philip is responsible as Senior Independent Director in overseeing the adoption, delivery and communication of TEAM's corporate governance model. Philip is considered to be independent in line with guidance provided by the QCA Code. Philip will chair the Audit and Risk Committee and will be a member of both the Nomination Committee and the Remuneration Committee.

David James Ker Turnbull, aged 62, *Independent Non-Executive Director following Completion*

David joined the Board on 1 March 2021. He is currently chairman of Fiduciary Settlements Ltd, a Non-Executive Director of mnAI Data Solutions Ltd. and Managing Partner of Turnbull Ker LLP. David was previously a Managing Director at Salomon Brothers (now Citigroup) where he held various senior positions within the firm including Global Co-Head of Japanese Equities and Global Head of European Equities. David also served on the European Management Committee and Global Business Practices Committee.

Prior to Salomon Brothers, David worked for Rowe and Pitman in London and Tokyo. In 1999 David co-founded and was Chief Operating Officer of Antfactory, a global technology investment firm; in addition he founded and acted as Chief Executive of its Japanese subsidiary, Ant Capital. From 2002 to 2010, David was a fund manager focused on Asia, first at Prodigy Capital, where he was a Founding Partner, and then at Morant Wright. David is a former Senior Advisor to the Industrial and Commercial Bank of China, has advised several other companies, particularly in the financial sector, and served on several company boards including Whittard of Chelsea.

David as a Non-Executive Director will participate in all board level decisions and provide oversight and scrutiny of the performance of the Executive Directors. David is considered to be independent in line with guidance provided by the QCA Code. David will chair the Nomination Committee and will be a member of both the Audit and Risk Committee and the Remuneration Committee.

Michael Mckenzie Gray, aged 54, *Independent Non-Executive Director following Completion*

Michael joined the Board on 1 March 2021. Michael has over 20 years' management experience in banking. Michael founded MMG Consulting Ltd in 2015, an advisory consultancy firm based in Jersey.

Currently, Michael serves as a non-executive director for Triton Investment Management Ltd and the Advisory Board of a Japanese private equity group as well as a non-executive director of FTSE 250 company GCP Infrastructure Investments and a non-executive director of JTC plc and Jersey Finance Limited. Prior to this, Michael served as Regional Managing Director, Corporate Banking for RBS International and Chairman of Funds for RBS Corporate Bank.

Michael is a Fellow of the Chartered Institute of Bankers (FCIB), and Associate Member of the Association of Corporate Treasurers (AMCT) and is a Qualified IoD Member (Dip IoD).

Michael as a Non-Executive Director will participate in all board level decisions and provide oversight and scrutiny of the performance of the Executive Directors. Michael is considered to be independent in line with guidance provided by the QCA Code. Michael will chair the Remuneration Committee and will be a member of both the Audit and Risk Committee and the Nomination Committee.

Employees

The Directors believe that the recruitment, motivation and retention of highly skilled, high quality personnel is fundamental to the Group's ability to continue to meet the requirements of its clients and to execute on its growth strategy.

On 30 November 2020, the Group had a total of 12 employees.

8. Current Trading, Operational Trends and Prospects

The current trading of the Company is in line with management budgets. Over the last 12 months the Group has increased AUM, attracted new business as well as maintaining high customer retention. The Directors believe the outlook for the Group remains positive with continued opportunities in the private client markets supported by favourable investment conditions.

The Directors believe market and economic volatility, caused by the economic and political effects of COVID-19 and Brexit, represent an opportunity for the Group specifically due to its current offshore service offering.

The Company has a financial year ended 30 September. The Company intends to publish audited financial results for the Group for the period ended 30 September 2020 before 31 March 2021.

9. Reasons for the Fundraising, Use of Proceeds and Share Authorities

The net proceeds of the Fundraising receivable by the Company are approximately £6.4 million. The net proceeds will be applied principally as follows:

- to fund the general working capital requirements of the Group;
- to repay the loans provided by Mark Clubb, as further described in paragraph 10(l) of Part IV; and
- to finance acquisition opportunities that may arise from time to time.

The Company proposes to use the remaining £1.1 million raised from the gross proceeds to pay the expenses of the Fundraising.

The Directors believe that Admission will be beneficial to the Group for the following reasons:

- it will raise the profile of the Group;
- the Group will be better positioned to attract, recruit and retain key employees who may be further incentivised through the Management Incentive Plan;
- it will provide the Group with flexibility for further organic and acquired growth, specifically by providing access to capital from institutional investors. The Company will also be able to issue new Ordinary Shares as consideration in connection with acquisition opportunities.

In addition, the Fundraising will provide a realisation for the Selling Shareholders who will be raising, in aggregate, approximately £0.26 million from the sale of the Sale Shares in the Fundraising.

Share Authorities

On Admission the Company will have the authority to issue up to 48.5 per cent. of its Enlarged Issued Share Capital, being 8,036,000 Ordinary Shares, on a non pre-emptive basis and without having to seek shareholder approval at a general meeting. The Directors believe this level of authority is appropriate as the Group seeks to deliver on its growth strategy. As the Group grows in size the Directors will seek to reduce the amount of Ordinary Shares that can be issued without recourse to Shareholders to a level which is in line with its quoted peer group.

10. Details of the Fundraising and Admission

The Company, the Directors and Canaccord have entered into the Placing Agreement relating to the Placing pursuant to which, subject to certain conditions, Canaccord has conditionally agreed to use its reasonable endeavours to procure subscribers for the New Ordinary Shares to be issued by the Company under the Placing.

The Company and the Subscribers have entered into the Subscription Letters relating to the Subscription pursuant to which, subject to certain conditions, the Subscribers shall subscribe for, in aggregate, the Subscription Shares to be issued by the Company and/or sold by the Selling Shareholders at the Placing Price.

The Selling Shareholders, the Company and Canaccord have entered into the Selling Shareholder Agreements relating to the Fundraising pursuant to which, subject to certain conditions, Canaccord has conditionally agreed to use its reasonable endeavours to procure subscribers for the Sale Shares to be sold by each Selling Shareholder under the Fundraising.

The Fundraising has not been underwritten. The New Ordinary Shares represent approximately 51.5 per cent. of the Enlarged Share Capital.

The Fundraising will raise approximately £7.5 million (before expenses) for the Company and approximately £0.26 million (before expenses) for the Selling Shareholders.

The Placing Shares will be when issued, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared paid or made after Admission.

The Placing Agreement is conditional upon, *inter alia*, Admission occurring on or before 8.00 a.m. on 8 March 2021 (or such later date as the Company and Canaccord may agree, being not later than 8.00 a.m. on 30 March 2021).

The Subscription Letters are conditional upon, *inter alia*, Admission having become effective by not later than 8.00 a.m. on 30 March 2021.

The Selling Shareholder Agreements are conditional upon, *inter alia*, Admission occurring on or before 8.00 a.m. on 8 March 2021 (or such later date as the Company and Canaccord may agree, being not later than 8.00 a.m. on 30 March 2021).

Further details of the Placing Agreement are set out in paragraph 10(a) of Part IV of this Document and the terms and conditions of the Placing are set out in Part V of this Document. Further details of the Selling Shareholder Agreements are set out in paragraph 10(b) of Part IV of this Document. Further details of the Subscription Letters are set out in paragraph 10(g) of Part IV of this Document.

11. Lock-in Arrangements and Relationship Agreement

11.1 Lock-in arrangements

Certain Existing Shareholders (not including Mark Clubb) (together the “**Covenantors**”), holding, in aggregate, 25.5 per cent. of the Enlarged Share Capital, have undertaken to the Company and Canaccord (subject to certain limited exceptions including transfers to family members or to trustees for their benefit and disposals by way of acceptance of a recommended takeover offer of the entire issued share capital of the Company) not to dispose of the Ordinary Shares held by each of them or in which each of them has a beneficial interest (the “**Restricted Shares**”) following Admission or any other securities issued in exchange for or convertible into, or substantially similar to, Ordinary Shares

(or any interest in them or in respect of them) at any time prior to the first anniversary of Admission (the “**Lock-in Period**”) without the prior written consent of Canaccord and the Company.

Furthermore, Existing Shareholders holding an aggregate 20.9 per cent. of the Enlarged Share Capital, have also undertaken to the Company and Canaccord not to dispose of the Restricted Shares for the period of 12 months following the expiry of the Lock-in Period otherwise than through Canaccord.

Mark Clubb has undertaken to the Company and Canaccord (subject to the same limited exceptions noted above) not to dispose of his Restricted Shares following Admission or any other securities issued in exchange for or convertible into, or substantially similar to, Ordinary Shares (or any interest in them or in respect of them) at any time prior to the second anniversary of Admission without the prior written consent of Canaccord and the Company.

Further details of these arrangements are set out in paragraphs 10(c) and 10(d) of Part IV of this Document.

11.2 **Relationship Agreement**

In light of Mark Clubb’s shareholding in the Enlarged Share Capital immediately following Admission, as set out in paragraph 6.1 of Part IV of this Document, Mark Clubb has entered into the Relationship Agreement in order to regulate the relationship between himself and the Company.

Further details of these arrangements are set out in paragraph 10(f) of Part IV of this Document.

12. **Corporate Governance**

Under Jersey law, the directors of a Jersey company have a range of obligations and responsibilities placed upon them. These arise principally under Jersey customary law, under the Jersey Companies Law and under the Articles.

AIM-quoted companies are required to state which recognised corporate governance code they will follow from admission and how they comply with such code and to explain reasons for any non-compliance. The Directors recognise the value and importance of high standards of corporate governance and intend, given the Company’s size and the constitution of the Board, to comply with the recommendations set out in the QCA Code.

12.1 **The Board**

The Board will be responsible for the overall management of the Group including the formulation and approval of the Group’s long term objectives and strategy, the approval of budgets, the oversight of Group operations, the maintenance of sound internal control and risk management systems and the implementation of Group strategy, policies and plans. While the Board may delegate specific responsibilities, there will be a formal schedule of matters specifically reserved for decision by the Board. Such reserved matters will include, amongst other things, approval of significant capital expenditure, material business contracts and major corporate transactions. The Board will meet regularly to review performance.

The QCA Code recommends at least two members of the Board comprise non-executive directors determined by the Board to be independent. On Admission, the Board will comprise five directors, of whom two are executive and three are non-executive. The Board considers all three of the non-executives, to be independent and, as such, the Company will comply with the requirements of the QCA Code in this regard.

The Board recognises that the QCA states that save in exceptional circumstances, a chairman should not also fulfil the role of chief executive. As at Admission the Company will not have a chief executive, but rely on Mr Clubb as Executive Chairman and Matthew Moore as Chief Financial Officer and Chief Operating Officer to fulfill the duties of a chief executive. The Board believes this is appropriate due to the Company having limited financial and operational scale at Admission. The role and responsibilities of Mr Clubb and Mr Moore are supported by Shareholders. The Board however intends to appoint a chief executive in the future, at the appropriate moment, and the role of Mr Clubb as an executive director will be reviewed. The Company is committed to having a majority of independent directors at all times.

With effect from Admission, the Board has established an audit and risk committee (the “**Audit and Risk Committee**”), a nomination committee (the “**Nomination Committee**”) and a remuneration committee (the “**Remuneration Committee**”) with formally delegated responsibilities.

12.2 **The Audit and Risk Committee**

The Audit and Risk Committee will be chaired by Philip Taylor. Its other members will be Michael Gray and David Turnbull, with Matthew Moore in attendance. The Audit and Risk Committee will have primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Company is properly measured and reported on. It will receive and review reports from the Company’s management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group. Further, the Audit and Risk Committee will advise the Board on the Group’s overall risk appetite and strategy including, *inter alia*, regularly reviewing and updating (if appropriate) the risk assessment processes in place, including in relation to remuneration and compliance functions, and assisting in overseeing implementation of the adopted strategy. The Audit and Risk Committee will meet at least three times a year at appropriate intervals in the financial reporting and audit cycle and otherwise as required. The Audit and Risk Committee will also have unrestricted access to the Company’s auditors.

12.3 **The Nomination Committee**

The Nomination Committee will be chaired by David Turnbull. Its other members will be Michael Gray, Mark Clubb and Philip Taylor. The Nomination Committee will be responsible for ensuring that the Board has a formal and transparent appointment procedure and will have primary responsibility for reviewing the balance and effectiveness of the Board and identifying the skills needed on the Board and those individuals who might best provide them.

12.4 **The Remuneration Committee**

The Remuneration Committee will be chaired by Michael Gray. Its other members will be David Turnbull and Philip Taylor, with Mark Clubb attending in respect of other Executive and Non-Executive Directors’ remuneration. The Remuneration Committee will review the performance of the Executive Directors and make recommendations to the Board on matters relating to their remuneration and terms of employment. The Remuneration Committee will also make recommendations to the Board on proposals for the granting of share options and other equity incentives pursuant to any share option scheme or equity incentive scheme in operation from time to time. The remuneration and terms and conditions of appointment of the non-executive directors of the Company will be set by the Board.

12.5 **Share dealings**

The Company has adopted a share dealing code, with effect from Admission, for Directors and applicable employees (as defined in the AIM Rules for Companies) of the Group for the purpose of ensuring compliance by such persons with the provisions of Rule 21 of the AIM Rules for Companies and MAR relating to dealings in the Company’s securities. The Directors consider that this share dealing code is appropriate for a company whose shares are admitted to trading on AIM.

The Company will take appropriate steps to ensure compliance by the Directors and applicable employees with the terms of the share dealing code and the relevant provisions of MAR.

12.6 **Shareholder regulatory obligations**

Shareholders should be aware that as a result of the regulatory licences and authorisations issued to members of the Group as set out in paragraph 6 of this Part I, they will need to comply with all legislation and codes of practice in each of the jurisdictions in which members of the Group are regulated.

Set out below is a summary of certain important regulatory information in relation to the holding and disposal of shares in the Company and thus indirectly holding and disposing of shares in the regulated Group companies.

This summary is not exhaustive, it is intended to only cover Jersey where the Group currently operates a business which is locally regulated (and not all jurisdictions where the Group currently or may in the future conduct regulated activities) and the relevant legislation and codes of practice may change.

It is the responsibility of all Shareholders to comply with all legislation and codes of practice applicable to them and as such all Shareholders should (i) obtain their own legal advice in all relevant jurisdictions; and (ii) make all necessary notifications and requests for approval in all relevant jurisdictions, before acquiring or disposing of shares in the Company.

Jersey

No person can become a shareholder controller (as defined below) of any Jersey regulated companies in the Group without first making an application to the JFSC financial services regulatory division pursuant to Article 14 of the FSJL seeking a confirmation from the JFSC that it has no objection to that person becoming a shareholder controller.

For these purposes a “shareholder controller” means a person who, either alone or with any associate or associates (which is widely defined):

- directly or indirectly holds 10 per cent. or more of the share capital issued by a Jersey regulated company;
- is entitled to exercise or control the exercise of not less than 10 per cent. of the voting power in general meeting of a Jersey regulated company or of any other company of which it is a subsidiary; or
- has a holding in the company directly or indirectly which makes it possible to exercise significant influence over the management of the relevant Jersey regulated company.

An application will also need to be made to the JFSC financial services regulatory division pursuant to Article 14 of the FSJL seeking a confirmation from the JFSC that it has no objection to the shareholding of any shareholder controller of any Jersey regulated companies being increased or reduced past 50 per cent., 33 per cent. and 20 per cent. thresholds.

A notification must also be made to the JFSC if a person ceases to be a shareholder controller.

13. Dividend Policy

The declaration and payment by the Group of any future dividends on the Ordinary Shares and the amount will depend on the results of the Group's operations, its financial condition, cash requirements, future prospects, profits available for distribution and other factors deemed to be relevant at the time. However, given the Company's early stage of development, the Directors do not envisage that the Company will focus on paying dividends in the foreseeable future and intend to re-invest surplus funds in the development of the Group's business. The Group recognises payment of dividends as an indicator of company strength.

14. Management Incentive Plan

The Directors believe that the success of the Group will depend to a significant degree on the future performance of the management team. The Directors also recognise the importance of ensuring that all employees are well motivated and identify closely with the success of the Group.

Accordingly, the Company has established the Management Incentive Plan.

The Management Incentive Plan involves the issue to selected participants, of a new class of shares, namely the A Ordinary Shares in TEAM Midco Limited. The A Ordinary Shares, as a class, will give the participants the opportunity to share in 12.5 per cent. of the value of the Company, subject to meeting a hurdle. The hurdle will be met if for a continuous period of a specified number of consecutive dealing days within a specified performance period, the Company's ordinary shares are traded on AIM at a pre-determined price (or higher). If the hurdle is met, each A Ordinary Share held by a participant will accrue value equal to the pro-rated share of 12.5 per cent. value of the Company. In that case, following the day within the performance period when the hurdle is determined to have been met, the A Ordinary Shares will be acquired by the Company and in consideration, the Company will issue new listed Ordinary Shares equal to the accrued value, pursuant to a 'put and call' provision in the Articles. If the hurdle is not reached within the performance period, the A Ordinary Shares will convert into deferred worthless shares.

Further details of the Management Incentive Plan are set out in paragraph 8 of Part IV of this Document.

15. Taxation

Information regarding taxation in relation to the Fundraising and Admission is set out in paragraph 9 in Part IV of this Document. If you are in any doubt as to your tax position you should consult your own independent financial adviser immediately.

16. The Concert Party

All of the Existing Shareholders are considered to be acting in concert with each other in relation to the Company for the purposes of the Takeover Code following Admission (the “**Concert Party**”).

Immediately following Admission and assuming the placing of, or subscription for, all of the New Ordinary Shares and the sale of all of the Sale Shares, members of the Concert Party will hold, in aggregate, 8,496,851 Ordinary Shares, representing approximately 51.3 per cent. of the Enlarged Share Capital. The Concert Party members and their respective shareholdings on Admission are detailed in full in paragraph 17 of Part IV of this Document.

17. Takeover Code

The Company is incorporated in Jersey and its Ordinary Shares will be admitted to trading on AIM. Accordingly, the Takeover Code applies to the Company.

Under Rule 9 of the Takeover Code (“**Rule 9**”), any person who acquires an interest in shares (as defined in the Takeover Code), whether by a series of transactions over a period of time or not, which (taken together with any interest in shares held or acquired by persons acting in concert (as defined in the Takeover Code) with him) in aggregate, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, that person is normally required by the Panel to make a general offer to all of the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of such voting rights, a general offer will normally be required if any further interests in shares are acquired by any such person which increases the percentage of shares carrying voting rights in which he is interested.

An offer under Rule 9 must be in cash or be accompanied by a cash alternative and at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

Under the Takeover Code, a concert party arises where persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control (as defined below) of a company or to frustrate the successful outcome of an offer for a company. “**Control**” means holding, or aggregate holdings, of shares carrying 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give de facto control.

Since, on Admission, the Concert Party will together hold more than 50 per cent. of the Enlarged Share Capital, it will normally be free (subject to Note 4 on Rule 9.1 and subject to Panel consent) to increase its aggregate holding of Ordinary Shares without any obligation to make a general offer for the Company under Rule 9.

Further details on the members and shareholdings of the Concert Party are set out in paragraph 17 of Part IV of this Document.

18. Admission, Settlement and Dealings

Application has been made to the London Stock Exchange for all of the Ordinary Shares, issued and to be issued pursuant to the Fundraising, to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings will commence in the Ordinary Shares at 8.00 a.m. on 8 March 2021.

No temporary documents of title will be issued. All documents sent by or to a placee, or at his direction, will be sent through the post at the placee's risk. Pending the despatch of definitive share certificates, instruments of transfer will be certified against the register of members of the Company.

The Company has applied for the Ordinary Shares to be admitted to CREST and it is expected that the Ordinary Shares will be so admitted and accordingly enabled for settlement in CREST on the date of Admission. Accordingly, settlement of transactions in Ordinary Shares following Admission may take place within the CREST system if any individual Shareholder so wishes provided such person is a "system member" (as defined in the CREST Regulations) in relation to CREST. Dealings in advance of crediting of the relevant CREST account(s) shall be at the sole risk of the persons concerned.

CREST is a paperless settlement system enabling securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument in accordance with the CREST Regulations. The Articles permit the holding of Ordinary Shares in uncertificated form in accordance with the CREST Regulations. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

19. Further Information

Your attention is drawn to Part II of this Document which contains certain risk factors relating to any investment in the Company and to Parts III and IV of this Document which contain further additional information on the Group.

PART II

RISK FACTORS

Investing in and holding Ordinary Shares involves financial risk. Prospective investors in the Ordinary Shares should carefully review all of the information contained in this Document and should pay particular attention to the following risks associated with an investment in the Ordinary Shares, the Group's business and the industry in which it participates.

The risk factors set out below apply to the Company and Group as at the date of this Document. The risk factors which are most material, in the assessment of the Company, are set out first.

The risks and uncertainties described below are not an exhaustive list and do not necessarily comprise all, or explain all, of the risks associated with the Group and the industry in which it participates or an investment in the Ordinary Shares. They comprise the material risks and uncertainties in this regard that are known to the Company and should be used as guidance only. Additional risks and uncertainties relating to the Group and/or the Ordinary Shares that are not currently known to the Company, or which the Company currently deems immaterial, may arise or become (individually or collectively) material in the future, and may have a material adverse effect on the Group's business, results of operations, financial condition and prospects. If any such risk or risks should occur, the price of the Ordinary Shares may decline and investors could lose part or all of their investment.

Prospective investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in the light of the information in this Document and their personal circumstances. Prospective investors should consult a legal adviser, an independent financial adviser or a tax adviser for legal, financial or tax advice if they do not understand any part of this Document.

1. RISKS RELATING TO THE GROUP'S BUSINESS

1.1 Delay/failure to make significant acquisitions

A part of the Directors' strategy anticipates that the Company will develop and grow an asset management business through acquisition. If the Company is unable to successfully negotiate a meaningful acquisition or is unable to grow its asset management business organically that could have a material impact upon the Company's ability to execute this strategy.

The Company is likely to face competition from a variety of other potential purchasers in identifying and acquiring suitable assets. Market conditions may have a negative impact on the Company's ability to identify and execute investments in suitable assets that generate acceptable returns.

1.2 The Company may fail to raise sufficient capital to meet its stated acquisition strategy

Any potential acquisition activity and/or business development may require additional capital. There can be no guarantee that the necessary funds will be available on a timely basis on favourable terms or at all, or that such funds (if raised) would be sufficient. If additional funds are raised by issuing equity securities, dilution to the existing Shareholders may result. If the Company is not able to obtain additional capital on acceptable terms or at all, it may be forced to curtail or abandon such planned expansion, acquisition activity and/or business development.

1.3 Additional costs incurred in the Company's transition to a public company and the Group's management being required to devote substantial time to new compliance matters

As a newly quoted public company, the Company will incur significant legal, accounting and other expenses, including costs resulting from public company reporting obligations and the rules and regulations regarding corporate governance practices, including the listing requirements of AIM.

There can be no assurance that, under changed ownership, and in an environment where the entire Group is subject to greater scrutiny and disclosure requirements, it will be able to manage its operations in the same manner as it has done as a private business under private ownership. In particular, the Group will be subject to increased regulatory obligations as a result of being listed and

management will need to devote a substantial amount of time to ensure that the Group's business complies with all of these requirements. In addition, the reporting requirements, rules and regulations will increase the Group's legal and financial compliance costs and make some activities more time-consuming and costly

1.4 **Customer Base**

TEAM Jersey's customer base is predominantly private clients with moderate asset values or higher value family company and trust structures. 81.6 per cent. of TEAM Jersey's clients are resident in Jersey, Guernsey and/or the United Kingdom.

At 30 June 2020, 48 per cent. of TEAM Jersey's total AUM of £157 million was concentrated in its top five client portfolios (and its largest client, a company controlled by a Jersey discretionary trust, accounting for 27 per cent. of its AUM). By 30 September 2020, TEAM Jersey's AUM had grown to £292 million including a new mandate to run a range of fixed income funds (the Keox funds), which accounted for £91 million of the total. The top five client concentration for the investment business reduced to 33 per cent. of AUM and its largest investment business client accounted for 14 per cent. of its total AUM.

Any loss of a top five client is likely to have a material impact on the AUM of the company and therefore will negatively affect the financial performance of the Group.

1.5 **Reliance on key personnel**

The Group's operations are dependent on the experience, skill and knowledge of its executive officers, especially Mark Clubb, and a small number of investment managers, who provide expertise and experience in the implementation of the Group's strategy and its ability to attract and retain business. The Group's continued success depends on its ability to retain its executive officers and investment managers.

While employees of the Group are subject to employment agreements, these agreements do not preclude these employees from terminating their employment at any time, subject to notice periods. Furthermore, where such employees are subject to certain post-termination restrictions such as competing with the Group and/or soliciting employees and/or customers, these may not be fully enforceable at law or may only apply for a limited time. The departure from the Group of either Mark Clubb or one of its existing investment managers is likely to negatively impact the AUM of the Group and therefore the financial performance of the Company.

1.6 **Increase in competition**

The Group's principal market is the UK and Jersey where the investment management industry is highly competitive. The Group's competitors include global, national and local specialist asset management companies as well as banks and financial services companies, some of which are substantially larger than the Group. The Group competes on the basis of investment performance, brand recognition, business reputation, the range of products offered, quality of service and the level of fees for services. Any failure by the Group to compete effectively in the UK or Jersey markets, could lead to a loss of business and/or a failure to win new business, each of which could have a material adverse effect on the Group's business, results of operations, financial condition and growth prospects.

1.7 **The Group's clients may withdraw assets under management at short notice**

The Group's revenues are predominantly derived from management fees, the quantum of which is based on the value of AUM in most of the Group's business units. A high proportion of the Group's wealth management products permit investors or clients to reduce the aggregate amount of their investment with no, or only short periods of, notice, or to withdraw altogether from such portfolios or contracts. If interest rates rise, stock markets decline or the Group's investment performance underperforms, the pace of redemptions and withdrawals could accelerate. A significant or systemic withdrawal of AUM would result in lower management fees and therefore revenues and, depending on the extent of such withdrawals, could impact the Group's ability to achieve its financial targets and strategic initiatives.

Redemptions and withdrawals of investment assets may also be requested more quickly than assets can be sold to meet such redemptions and withdrawals, especially in products where the underlying assets are less liquid. In exceptional circumstances, a third party fund manager that manages assets which comprise a portion of a portfolio managed by the Group may suspend dealing in a fund or in a range of funds, or take other mitigating actions, if the manager determines it would be in the best interests of investors. In addition, if such funds hold a large portion of illiquid assets, the Group may be exposed to further risks if the investors seek to redeem their investments before or during the fund's suspension.

1.8 **The Group's operations could be adversely affected by the effects of health epidemics, including the current Covid-19 pandemic, in regions where the Group or third parties on which it relies have significant manufacturing facilities or other business operations**

The Group's business could be adversely affected by health epidemics in regions where it has business operations, and could cause significant disruption in the operations of third parties upon whom it relies. Whilst the current Covid-19 pandemic has had limited impact on the Group the spread of such diseases amongst the employees of the Group, as well as any quarantines affecting the employees of the Group, may reduce the ability of the Group's personnel to carry out their work.

The Group or third parties with which it contracts may require employees to temporarily work from home, which could adversely impact the productivity of the Group's workforce or the workforce of third parties on which the Group relies.

The spread of Covid-19, which has caused a broad impact globally, may materially adversely affect the Group economically. While the potential economic impact brought by, and the duration of, Covid-19 may be difficult to assess or predict, a widespread pandemic could result in significant disruption of global financial markets, reducing the Group's ability to access capital, which could in the future negatively affect its liquidity. In addition, a recession or market correction resulting from the spread of Covid-19 could materially affect the Group's business and the value of the Ordinary Shares. The global pandemic of Covid-19 continues to rapidly evolve. The ultimate impact of the Covid-19 pandemic or a similar health epidemic is highly uncertain and subject to change. The full extent of the impact on the Group's business or the global economy as a whole is not yet known with any certainty. However, such effects could have a material impact on the Group's business, operating results, financial condition and prospects.

1.9 **The United Kingdom's withdrawal from the European Union may have a negative effect on global economic conditions, financial markets and the Group's business**

On 31 December 2020, the United Kingdom left the European Union. As at the date of this Document, the Directors have a lack of clarity about future United Kingdom laws and regulations to replace or replicate as part of the future UK-EU relationship, including financial laws and regulations, tax and free trade agreements, intellectual property rights and employment laws. Changes in laws and regulations could increase costs for the Group, depress economic activity and restrict the Group's access to capital.

1.10 **The asset classes or investment strategies underlying the portfolios managed by the Group may become less attractive to clients or their advisers, which could reduce demand for the Group's products and have a material adverse effect on the Group's business, financial condition, results of operations and prospects**

The Group's product offering and solutions are, in part, determined by the relative attractiveness to investors of the respective asset classes or portfolio mix, as relevant. If these asset classes or investment strategies were to become unsuitable for clients or if there were to be a further significant shift towards investors investing through competing products, such as passive or index-based investment products, or investment vehicles representing asset classes that the Group does not offer, there may be reduced sales or increased redemptions from the Group's products. Such developments could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.11 **Fiduciary risk**

As with similar businesses in the sector, on certain occasions there is a risk that certain members of the Group could be regarded as acting in a fiduciary capacity in relation to certain clients' assets and

investment. Undertaking a fiduciary role carries specific legal obligations, a breach of which could give rise to a claim against the Group and its employees, and/or regulatory sanctions. The procedures and processes operated by the Group have been developed to address the risks associated with the delivery of fiduciary services and the standard terms of business of the Group attempt to limit liability except in cases of fraud, wilful default or gross negligence or in respect of any other liability which cannot lawfully be excluded. Furthermore, defence against claims or any settlement of a claim may be covered by professional indemnity insurance (“**PII cover**”) up to the limit of the policy. However a successful claim in excess of, or not covered by, the Group’s PII cover could have a material adverse effect on the Group’s business, results of operations or financial condition. In this regard, there is a risk that the Group’s PII cover is not of a sufficient level or scope to protect the Group against a large potential claim that may arise. Furthermore, the Group may be unable to obtain PII cover in the future on acceptable terms, or without substantial premium increases, particularly if there is deterioration in its claims experience history.

1.12 **Potential for human error in employee performance**

The Group’s clients are engaged in complex activities involving financial instruments and multi-jurisdictional complexity. Whilst the Group’s employees are trained and experienced in providing services relating to such activities and deliver services within a procedural environment designed and tested to prevent errors, this complexity means that it is difficult to eliminate the possibility of employees making errors. Errors could include, among other things, incorrectly processing client information or incorrect processing of payments. Staff are required to exercise their judgement in the course of providing services to clients and this too may result in errors. Employee errors could subject the Group to financial losses and/or regulatory sanctions and, in the case of negligence, fraud and wilful misconduct, seriously harm the Group’s reputation with existing and prospective clients. Misconduct or negligence by employees could include engaging in unauthorised or improper transactions or activities on behalf of clients or the Group, or improperly using confidential information. Although the Group operates robust procedures, any errors or fraud may be difficult to prevent or detect, and the Group may not be able to recover the losses caused by these activities. In addition, errors, poor employee performance or fraud could expose the Group and/or its clients to financial losses (which may not be covered by the Group’s PII cover) and/or regulatory sanctions. This could expose the Group to claims from clients and damage the Group’s reputation with existing and prospective clients, and therefore have a material adverse effect on the Group.

1.13 **Importance of ability to maintain and develop existing client relationships**

All of the Group’s current income is from servicing existing clients. Organic growth is dependent (in part) upon being able to deliver further services to such existing clients. Whilst the Group attempts to capture more of the spend of existing clients, there can be no guarantee that existing client relationships will continue to grow or that key clients will not choose to move the servicing of their existing mandates or accounts to a competitor. The failure to retain contracts and structures with existing clients or gain new or increased revenue from these clients could impact the Group’s competitive position and growth prospects.

1.14 **Actual or perceived underperformance of customer assets that are managed by the Group could have a material adverse effect on the Group’s business, financial condition, results of operations and prospects**

Part of the Group’s offering involves the delivery of advice-led wealth solutions and the management of multi-asset solutions and investment portfolios. As a result, an important factor in the Group’s ability to maintain and grow its customer base is the investment performance of the customer assets that the Group manages. Any sustained period of actual or perceived underperformance of products, solutions or portfolios delivered by the Group, whether relative to peer, customer expectations, benchmarks or internal targets, could have a material adverse effect on the Group’s business, financial condition, results of operations and prospects.

If the Group were to fail to provide satisfactory investment returns clients may decide to reduce their investments or withdraw assets altogether in favour of better performing services or competing managers, which would lead to a direct reduction in the level of the Group’s AUM and, as a result, lower fee income.

Investment underperformance relative to competitors, customer or adviser expectations or relevant benchmarks would also make it more difficult for the Group to attract new clients and could damage the Group's reputation and brands, which have in part been built around its investment performance generally. As a result, the Group's ability to attract assets from existing and new clients might diminish, particularly given the competitive nature of the wealth management market. Any sustained period of underperformance by the Group across a range of its managed portfolios or other wealth management products (including as a result of model errors or manipulations) could have a material adverse effect on its business, results of operations, financial condition and prospects.

1.15 The Group may not be able to successfully execute its strategic initiatives, growth and acquisition risks

If the Group fails to execute on its strategy, it may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Successful execution of the strategy is not assured, and depends upon such factors as the Group's ability to accurately predict the type of products and the level of advice required by its target customer base, and to price such products and services competitively. If one or more of the assumptions that the Group has made in setting its targets or objectives are inaccurate, or if one or more of the risks described in this section occur, the Group may be unable to achieve one or more of its targets or objectives. If the Group's strategy is not implemented successfully, if the Group's strategy does not yield the anticipated benefits, or if the Group is unable to control costs in delivering its strategy, the Group may be unable to achieve its targets, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group may not be successful in making effective investment in the Group's personnel and facilities. The failure of one or more of the Group's larger clients, or failure to attract new clients and/or to undertake further organic or inorganic growth, could place a potential limitation on the Group's ability to meet its growth targets and adversely impact on the Group's results and its operational and financial condition. Failure to make or to implement necessary expansion and upgrades of the Group's systems and infrastructure in a timely manner whilst maintaining client service levels could cause a loss of clients or a reduction in the rate of growth of the Group's client base. Further, unless growth results in an increase in revenues that is proportionate to the increase in costs associated with this growth, operating margins and profitability would be adversely affected. In each case, this may have a material adverse effect on the Group's business.

Part of the Group's strategy involves expanding its business through acquisitions of other businesses or establishing new businesses. Such acquisitions will require the integration of new operations into the Group's business. The Group's ability to realise the expected benefits from future acquisitions will depend, in large part, upon its ability to integrate new operations with existing operations in a timely and effective manner and to manage an increasingly large business. It will also potentially depend upon the Group's ability to recruit additional management as it cannot be assumed that management of acquired businesses will continue to work for the Group in the longer-term, or that any of its recruiting efforts will succeed. In addition, the Group's acquisition strategy will involve numerous risks, including the potential inability to identify appropriate acquisition opportunities, possible failures of acquisitions to be profitable or to generate anticipated cash flows, the entry into markets and geographic areas where the Group has limited or no experience, diversion of management's time and resources from core operations and potential difficulties in integrating operations and systems with those of acquired companies.

1.16 The Group has an established brand, which is vulnerable to adverse market perception or negative publicity

The Group's success and results are to a certain extent, dependent on the strength of its reputation and existing brand, which may become vulnerable to adverse market and customer perception. The Group operates in industries where integrity, trust and confidence are paramount. The Group is exposed to the risk that litigation, employee misconduct, operational failures, the outcome of regulatory investigations, press speculation and negative publicity, disclosure of confidential customer information, cyber security breaches and inadequate services, among other factors, whether or not well founded, could significantly impact its brands or reputation.

The Group's brand or reputation could also be affected if the Group recommend products or services that do not perform as expected (whether or not the expectations are well founded) or in line with the clients' expectations for the product range. If clients have experienced financial losses or do not achieve expected performance levels, these clients may cease to do business with the Group, may complain or may bring claims against the Group. As a result, the Group may face reputational damage or regulatory sanctions, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Any of the foregoing could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.17 **Disputes and litigation risk**

The Group's activities expose it to the risks of potential disputes, legal proceedings or claims from clients and other parties. The Group has received two complaints from former clients where legal proceedings have been threatened, further details are provided in paragraph 12 of Part IV of this Document. The Group has taken and intends to continue to take such precautions as it considers appropriate to avoid or minimise the likelihood of such disputes, legal proceedings or claims and any resulting financial loss to the Group. However, there can be no assurance that disputes will not arise or that claimants in any litigation proceedings will not be able to devote substantially greater financial resources to any proceedings or that the Group will prevail in any such litigation. Any disputes, claims or litigation, whether or not determined in the Group's favour or settled by the Group and notwithstanding the PII cover maintained by the Group to meet such claims, may be costly and may divert the efforts and attention of the Group's management and other personnel from normal business operations and may have a material and adverse effect on the Group.

1.18 **The Group's compliance procedures might be not be effective or rigorously adhered to**

The Group's ability to comply with applicable laws and regulations governing service delivery is largely dependent on the Group's compliance and reporting systems, the ongoing training of staff, and the Group's ability to attract and retain qualified compliance personnel. Whilst the Group does, and will continue to, take steps to establish and maintain adequate systems and controls, should the Group fail to effectively maintain and adhere to these compliance procedures (as a result of insufficient qualified personnel or otherwise), it will increase the likelihood that the Group becomes subject to litigation from clients and investors in the Group's clients and investigations by regulatory agencies. In addition, the Group's compliance procedures may not be adequate to detect errors or defaults.

1.19 **Contractual risk**

Members of the Group provide services to their clients in accordance with standard terms of business and specific client agreements which typically specify the particular scope of services the Group is responsible for providing under that mandate. Whilst the Group operates robust procedures and processes to ensure services are delivered in accordance with this contractual framework, errors or breaches may occur resulting in the invocation of the Group's contractual protections and potentially give rise to a claim against the Group.

1.20 **A computer system failure, security breach or cyber-attack could significantly disrupt the Group's ability to trade, manage systems and platforms on behalf of clients, or otherwise operate its business**

The Group uses computer systems to conduct its business, which involves managing and administering assets on behalf of clients in its wealth portfolios and on its platforms. The Group's business is highly dependent on its ability to access these systems to perform necessary business functions and to provide adviser and customer support, administer products, make changes to existing policies, file and pay claims, manage clients' investment portfolios and produce financial statements and regulatory returns. The Group may in the future experience incidents with its IT systems. There can be no assurance that IT incidents will not result in material disruptions to the Group's systems which adversely affect the Group's customer experiences. If serious breaches, errors or breakdowns in the Group's IT systems are prolonged or occur on a regular basis then the Group could lose fee and commission income, lose valuable and sensitive customer data, damage the goodwill its clients accord to it and damage its reputation, and could also materially breach contracts it has with its clients.

The Group is increasingly exposed to the risk that third parties or malicious insiders may attempt to use cyber-crime techniques, including distributed denial of service attacks to disrupt the availability, confidentiality and integrity of its IT systems, which could result in disruption to key operations, make it difficult to recover critical services, and damage assets. Moreover, if the Group is subject to a cyber-attack, its systems may be subject to down-time in an effort to prevent a security breach. Such an outage may lead to reputational damage or customer confusion, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects or damage its reputation. The Group continues to invest in its information security controls in response to emerging threats, such as cyber-crime and fraud, and to seek to ensure that controls for known threats remain robust. The risks associated with cyber-attacks, where an individual or group seeks to exploit vulnerabilities in IT systems for financial gain or to disrupt services, are a material risk to the Group and the UK financial system, which has a high degree of interconnectedness between market participants, centralised market infrastructure and in some cases complex legacy IT systems.

The Group cannot be certain that its infrastructure and controls will prove effective in all circumstances and any failure of the controls could result in significant financial losses and a material adverse effect on the Group's operational performance and reputation. The Group may also face increased risk of cyber-crime as a result of the Fundraising and Admission, given the Group's increased business profile and heightened media attention.

Furthermore, the Group's computer systems may be vulnerable to disruptions or breaches as a result of human error, natural disasters, man-made disasters, pandemics or other events beyond the Group's control, and disaster recovery and business continuity protocols may not prove effective. This could result in loss of trust from the Group's clients, causing reputational damage, regulatory action and financial loss.

1.21 The Group possesses highly sensitive data in relation to its clients and adviser network. A security breach or data theft could damage the Group's reputation and have a material adverse effect on its business, financial condition, results of operations and prospects

The Group's business, by its nature, requires it to store, retrieve, evaluate and utilise customer and company data and information, which is highly sensitive. The Group is subject to the risk of actual or attempted IT security breaches from parties with criminal or malicious intent. Should the Group's intrusion detection and anti-penetration software not anticipate, prevent or mitigate a network failure or disruption, or should an incident occur in a system for which there is no duplication, it may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

If attempts by malicious third parties or insiders to disrupt the Group's IT systems compromise its sensitive data, such a breach could result in loss of trust from the Group's clients, causing reputational damage and financial loss.

Any breach in security of the Group's systems, for example from increasingly sophisticated attacks by cyber-crime groups or fraudulent activity in connection with customer accounts, could disrupt the Group's business, result in the disclosure of confidential information, create significant financial or legal exposure and damage the Group's reputation or brands, any of which may in turn have material adverse effect on the Group's business, financial condition, results of operations and prospects.

1.22 The Group is dependent on maintaining a highly skilled specialist workforce

The Group requires highly skilled employees to carry out its business and enable it to achieve its growth targets. The Directors believe that there is significant competition for skilled personnel, including principal investment managers with the skills and knowledge that the Group requires for its operations. The Group's ability to achieve substantial revenue growth will depend, in large part, on its success in recruiting, developing and retaining sufficient numbers of such people to support its growth. Any failure to attract, develop and retain suitable personnel may impact the Group's performance.

1.23 The Group is exposed to conduct risk

Conduct risk is the risk that decisions and behaviours of a company or its employees lead to its clients being treated unfairly or otherwise result in detrimental customer outcomes. Conduct risk may

arise where the Group fails to design, implement or adhere to appropriate policies and procedures, offer products, services or other propositions that do not meet the needs of clients or fails to perform in accordance with its intended design, fails to communicate appropriately with clients, fails to deal with complaints effectively, sells or recommends unsuitable products or solutions to clients, fails to provide them with adequate information to make informed decisions or provide unsuitable investment or financial planning advice to clients, or fails to do any of the foregoing on an ongoing basis after initial sales, among other things. This risk may also arise as a result of employee (mis)conduct.

Conduct risk remains the subject of close regulatory scrutiny. Failing to protect the interests of clients in this way and failing to demonstrate sufficient suitability processes and monitoring could lead to legal proceedings or regulatory enforcement action. Moreover, regulators may deem certain clients to be “vulnerable” clients, which may result in a higher standard of conduct being required of the Group in relation to products and services offered to such clients. Given that regulation includes principles-based rules and regulations, the rules and regulations may be subject to differing applications and interpretations by regulators or market participants over time. This could in turn lead to financial penalties, reputational damage and, in the case of regulatory enforcement action, the suspension or revocation of regulatory permissions, licences or approvals. Moreover, if the Group fails to detect misconduct on a timely basis, or at all, the Group may face further reputational or financial damage. This could have a material adverse effect on the Group’s business, financial condition, results of operations and prospects.

2. RISKS RELATING TO THE GROUP’S INDUSTRY

2.1 Exposure to domestic and global political developments and their impact on financial markets could have a material adverse effect on the Group’s business, financial condition, results of operations and prospects

Political change has the potential to directly impact the businesses of the Group through the introduction of new laws (including tax laws) or regulations or indirectly by altering adviser, investor and customer sentiment.

The Group also may be affected by geopolitical events, including instability within the Eurozone, Brexit, a second independence referendum in Scotland, strained relations with China, North Korea and Russia, tensions in the South China Sea, tensions in Iran and the Middle East and widespread increases in global tariffs. Additional developments may also occur that the Group cannot currently know or anticipate, or which may be impossible to plan for or protect against. It is possible that the effects of such geopolitical events will include further financial instability and slower economic growth, significant regulatory changes, currency fluctuations and higher unemployment and inflation in the Channel Islands, the UK, continental Europe and the global economy, at least in the short- to medium-term. It could also create constraints on the ability of the Group to operate efficiently in the future political environment. Any of the foregoing could have a material adverse effect on the Group’s business, financial condition, results of operations and prospects.

2.2 Regulatory capital requirements

Regulated members of the Group may be required to comply with applicable requirements to maintain certain levels of capital. Failure by certain members of the Group to comply with applicable regulatory capital requirements could result in the relevant regulator taking action which could have material adverse financial implications and adversely affect the Group’s reputation and business.

2.3 The Group’s business is conducted in a competitive environment and, if the Group is not successful in anticipating and responding to competitive change, customer preferences or demographic trends in a timely and cost-effective manner, its business, financial condition, results of operations and prospects could be materially adversely affected

The markets for financial advice, investment solutions, platforms and wealth management markets in the Channel Islands, the UK and internationally are competitive, and the Group expects such competition to intensify in response to competitor behaviour, consumer preferences, technological changes, the impact of consolidation, regulatory actions and other factors. The Group faces the risk that clients do not prefer the Group’s platforms or its savings and investment product offerings to those of competitors.

The factors affecting the Group's ability to sell its products and services and achieve continued profitability include investment management performance, price and yields offered, financial strength and ratings, range of product lines and product and service quality, quality of advice, customer perception of the Group, brand strength, innovation of competitors, developing demographic trends and customer appetite for certain investment products. For example, as is common place in an investment business, many of the Group's clients are in their fifties or older, since older clients tend to have more significant assets to invest. The Group will lose assets if clients withdraw assets for use in retirement or due to their passing away. There will therefore be a continued need for the Group to attract new clients in the future to compensate for this natural loss of assets under management or clients and for the Group to develop its product set to keep pace with the demographic trends, such as with regard to decumulation products and intergenerational transfers. If the Group is unable to attract new clients in the future, or if younger generations of clients do not generate wealth at a rate similar to historical periods, the Group may experience decreased demand for its services or products.

The Group may face competitors that are larger, have greater financial resources or a greater market share, offer a broader range of products or offer greater technology-enabled solutions. The Group's competitors could offer similar products or services at a lower price and thereby undercut its offerings. The Group's ability to generate an appropriate return depends significantly upon its capacity to anticipate and respond appropriately to these competitive pressures and trends. The Group could also be impacted by consolidation in the investment fund manager market in the future. As such, if there is a significant amount of market consolidation with regard to investment fund managers, it could adversely impact the Group's AUM. In addition, the Group's profit margins could be impacted, in part, by increased competition if it is unable to maintain its market share, service levels, quality of service or ability to respond to consumer preferences, including with regard to the increasing popularity of technology-based advice solutions.

If the Group is not successful in anticipating and responding to competitive change or customer preferences or demographic trends in a timely and cost-effective manner, its business, financial condition, results of operations and prospects could be materially adversely affected.

2.4 **The Group is exposed to a deterioration in demand or an increase in supply for wealth management and retirement related products, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects**

Historically, supply and demand for wealth management and retirement-related products have been variable, and the operating results of wealth management and retirement solution companies have fluctuated significantly because of volatile and sometimes unpredictable developments, many of which are beyond the direct control of any company.

The supply of wealth management and retirement-related products is related to, amongst other factors, prevailing prices, the level of industry profitability and capital surplus which, in turn, may fluctuate in response to changes in inflation rates, the rates of return on investments being earned by the industry, changing business opportunities, legislative changes, opportunities from technological change as well as other social, economic, legal and political changes. As a result, the wealth management and retirement-related products industry has historically been variable. Increases in the supply of wealth management and retirement related products (whether through an increase in the number of competitors, an increase in the capitalisation available to wealth managers, or otherwise) and, similarly, reduction in consumer demand for wealth management and retirement-related products, could have adverse consequences for the Group, including lower fees or higher expenses for the Group, any of which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group could experience the effects of this variable nature, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

2.5 **The following risks may adversely affect the level of customer investment portfolios and the Group's AUM, which in turn could have a material adverse effect on the Group's business, financial condition, results of operations and prospects**

(a) *Decline in equity markets*

A decline in the equity markets, including as a result of decreased investor confidence in specific markets or globally, could reduce revenues by reducing the value of the investment assets managed or administered by the applicable business. The Group's fee income is therefore directly exposed to fluctuations in equity markets as its fees and commissions tend to be charged as a percentage of AUM. Profits could also be reduced as a result of current investors withdrawing assets in volatile equity markets or reducing their rates of ongoing investment with the Group's products and solutions.

(b) *Decline in fixed income markets*

A decline in the fixed income markets, including as a result of decreased investor confidence in specific markets or globally, increases in interest rates, changes in relative yield among instruments with different maturities, available liquidity in the markets in which a security trades, an issuer's actual or perceived creditworthiness, an issuer's ability to meet its obligations, could reduce revenues by reducing the value of the investment assets managed or administered by the applicable business. A proportion of the Group's AUM is invested in fixed income markets globally. The Group's fee income is therefore exposed to fluctuations in fixed income markets as its fees and commissions are generally charged as a percentage of AUM.

(c) *Rise in interest rates*

Because the Group's business depends, in part, on fees related primarily to the value of AUM, a rise in interest rates could reduce revenues by reducing the volume and value of the investment assets the Group manages. Moreover, changes to interest rates may impact customer behaviour and where they choose to invest their assets, which could create a difficult environment for investment performance. As a result, the Group may experience a reduction in the level of AUM and, as a result, lower fee income.

(d) *Widening in credit spreads*

Widening credit spreads may reduce the level of the Group's AUM, which could impact Group profitability in several ways. Profits from fees taken on unit-linked funds and other third party assets invested in corporate bonds would fall when spreads widen. In addition, market volatility can make it difficult to value certain securities (for example, emerging market debt or high yield bonds) if trading becomes less frequent. Accordingly, valuations of investments may include assumptions or estimates that may have significant period-to-period changes due to market conditions, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

(e) *Changes in short- or long-term inflation*

The Group is subject to inflation risk through its holdings of fixed interest and other investments on behalf of clients and as a result of the potential for the cost of claims and expenses to rise faster than anticipated in the Group's respective pricing or reserving. Changes in inflation could also affect the value perceived to be offered by the Group's policies and so adversely affect persistency levels.

(f) *Liquidity risk*

The Group may hold certain investments within investment portfolios on behalf of clients that may lack liquidity. If significant amounts of cash are required at short notice in excess of expected cash requirements, it may be difficult to sell these investments in a timely manner. In such circumstances, the Group may be forced to sell them for less than they otherwise would have been able to. While this is unlikely to impact the Group's liquidity position, it may have a material adverse effect on the value and liquidity of the Group's clients' portfolios.

3. RISKS RELATING TO REGULATION AND LEGISLATION

3.1 The Group's regulated businesses are subject to extensive regulation both in Jersey and internationally, and the Group faces risks associated with compliance with these regulations

The Group is subject to extensive regulation in each of the jurisdictions in which it conducts business. Likewise, some of the investment vehicles it uses (such as UCITS funds operated under the UCITS Directive) also have to satisfy various regulatory requirements in order to be authorised for distribution in some jurisdictions. The Group is also obliged to complete extensive and complex disclosures relating to assets held within the Group to meet Jersey regulations. Regulatory agencies have broad regulatory and administrative powers over many aspects of financial services businesses such as the Group, which may include governance, systems and controls requirements, conduct of business requirements (including marketing and selling practices, advertising, customer documentation and service standards), market conduct, product authorisation and governance, solvency, liquidity, intra-group transactions, risk concentration and permitted investments. Regulators are concerned primarily with financial stability, market integrity and the protection of clients rather than with the interests of the shareholders or creditors of financial services firms.

Whilst there are clear benefits to regulation, including business reputation, acceptability for clients and barriers to entry for less well-structured competitors, there are also risks to the business associated with regulatory breach and the impact of regulatory change including possible structure redundancy. The regulatory risks to the Group cover both regulations that the Group has to comply with and also those regulations that its clients are required to adhere to. Any change in the laws and regulations governing the Group's business or the operations of its clients, or in the interpretation of these by the regulatory bodies in the jurisdictions in which the Group and its clients operate, could negatively impact the products and services which the Group is able to offer or could impact the demand for such products and services from the Group's clients. Regulatory change could increase the Group's regulatory compliance costs which may reduce the Group's margins. Whilst regulatory change is a key driver of the Group's business and can raise barriers to entry and impact competition, such change could also have an adverse effect on the Group's results of operations, financial condition and growth prospects.

In Jersey the Group's business is subject to regulation by the JFSC. The JFSC has broad powers, including the authority to grant, vary the terms of or cancel a regulated firm's registration, to investigate marketing and sales or advice practices and to require the maintenance of adequate financial resources. The JFSC has the power to take a range of investigative, disciplinary or enforcement actions, including public censure, customer restitution, fines or sanctions and (in practice) to require compensation. The Group has been subject to increased levels of engagement with the JFSC in the months preceding publication of this Document, and there is the risk that this level of engagement will continue post Admission, which could divert management's attention from the day-to-day running of the Group's business. The JFSC may make enquiries of the companies that they regulate regarding compliance matters and, like all Jersey-regulated financial services firms, the Group faces the risk that the JFSC could find that it has failed to comply with applicable regulations or has not undertaken corrective action as required.

A determination that the Group has failed to comply with applicable regulation could have an adverse impact on the Group's reported results or on relations with the Group's regulators and current and potential customers. Regulatory action against a member of the Group could result in investigations, censures (which may take the form of both private warnings and public censures), fines or financial penalties, cease-and-desist orders, suspension of business, suspensions of personnel or other sanctions including revocation or variation of licences and/or registrations with the respective regulatory agencies, criminal penalties and civil lawsuits, customer restitution, and adverse publicity for, or negative perceptions regarding, the Group. This may result in regulators subjecting the Group to closer scrutiny than would otherwise be the case, which in turn may result in higher compliance costs, fines or other sanctions for the Group. In addition regulatory approval may be required prior to any expansion of business activities either within an existing jurisdiction or into a new jurisdiction, or prior to an investor taking a controlling position (as determined in accordance with applicable regulation) in the Group. The Group may also be subject to regulatory action and restitution payments to customers with respect to historical business and legacy products, whether or not still managed or administered, including where the Group no longer sells into a jurisdiction or no longer sells certain

products or solutions. Any of these matters may have a material adverse effect on the Group's business, financial condition, results of operations and prospects, and it could divert management's attention from the day-to-day running of the Group's business.

The environment of evolving and expanding regulation represents a future cost associated with the identification of regulatory changes and procedural assimilation of control processes to address them. This cost increases as the Group enters additional jurisdictions. It is not possible to predict the future impact of possible changes. Further regulatory risk arises from the rapidly evolving regulatory environment and from regulatory authorities around the world assuming an increasingly active and assertive role in supervising and enforcing regulations in the jurisdictions in which the Group operates. An example of regulation that impacts the Group is the National Risk Assessment of Money Laundering and Terrorist Financing. The Financial Action Task Force ("**FATF**"), the global standard setter on countering money laundering and terrorist financing, now requires all countries to identify, assess and understand money laundering and terrorist financing risks, and take action and apply resources aimed at ensuring risks are mitigated effectively. Many countries have responded to the international standard by undertaking a national risk assessment ("**NRA**") and publishing action plans. Like many other jurisdictions in Europe, Jersey has opted to use the World Bank national risk assessment tool as the basis for its NRA. Jersey has recently undertaken and published the results of its National Risk Assessment of Money Laundering and Terrorist Financing and has indicated that the results are likely to result in additional legislative and regulatory initiatives. It is anticipated that costs (both financial and in terms of management time) will be incurred by the Group in adopting processes designed to comply with any new regime or reporting requirements that arise from this risk assessment. In addition, failure by the Group to comply with any such new regime or requirements may result in the Group being subject to investigation, penalties or lawsuits as well as exposing the Group to potential reputational damage.

3.2 **The Group's businesses are subject to the risk of adverse changes in the laws, regulations and regulatory requirements in the markets in which they operate**

Financial services laws, regulations and regulatory requirements currently affecting the Group (and the financial products that it manufactures) may change at any time in ways that could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. It is difficult to accurately predict the timing, scope or form of future regulatory initiatives, although it is widely expected that there will continue to be a substantial amount of regulatory change and a high degree of supervisory oversight of regulated financial services firms. In addition, under certain principles-based rules and regulations, there may be different industry views about how to achieve particular outcomes. Regulators may from time to time have different views about how market participants should meet regulatory outcomes and interpretations may differ from generally accepted market practice.

The Group will not always be able to predict accurately the impact of future legislation or regulation or changes in the interpretation or operation of existing legislation or regulation on its business, financial condition, results of operations and prospects. Changes in government policy, legislation or regulatory interpretation applying to companies in financial services industries in any of the markets in which the Group operates, which may be applied retrospectively, may adversely affect the Group's product range, distribution channels, capital requirements, results and financing requirements. For example, the Group may be unable to sell, or may decide not to sell, products or solutions in certain jurisdictions if regulations or interpretations change.

Such changes could include, for example, alterations to the regulation of selling or advice practices and solvency requirements. The Group may face increased compliance costs due to the need to establish additional compliance controls or the direct cost of such compliance because of changes to financial services legislation or regulation. The Group faces significant compliance challenges because the regulatory environment is evolving rapidly and supervisory authorities around the world are assuming an increasingly active and assertive role in introducing, interpreting and enforcing regulations in the jurisdictions in which the Group operates.

In addition, regulations may change in such a way as to prohibit or restrict "vertically integrated" wealth firms from recommending their own products or solutions.

3.3 **Regulatory authorities or clients may attempt to seek redress against the Group where it is alleged that advice given generally or in relation to products or services was unsuitable or unfairly priced, or otherwise failed to meet regulatory requirements or customer expectations**

The Group is exposed to the risk of regulatory action or claims from clients regarding unsuitable advice or misleading information. For example, regulators or clients could allege that clients were recommended products or solutions that were not suitable for them, or that the terms and conditions of relevant products or solutions, the nature of the products or solutions, or the circumstances under which the products or solutions were recommended, were misrepresented to them. In Jersey, any such issues or disputes arising in relation to private individuals that cannot be resolved privately may be subject to resolution by the Channel Islands Financial Services Ombudsman, by JFSC enforcement action or by litigation.

Complaints may also arise if clients feel that they have not been treated reasonably or fairly, or that the duty of care which they are owed has been breached. Issues may also arise if it is alleged that investment decisions for discretionary portfolios do not properly match investments to objectives or adequately balance risk against performance, leading to inappropriate risk exposure for clients, financial loss or reputational damage. The Group may also receive complaints resulting from recommendations for products or services that were not or are not suitable, with the potential for customer detriment, resulting in the Group's financial loss, damage to reputation, or regulatory fines or censure. In Jersey, suitability has been an important area of regulatory focus, as demonstrated by JFSC initiatives thematic visits and proposed follow-up work. The JFSC's supervisory focus on suitability could result in additional skilled person reviews and enforcement actions, which may increase the Group's exposure in this area.

The Group may be exposed, in particular, to risks relating to "vulnerable clients", which the JFSC has defined as someone who, due to their personal circumstances, is especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care. The JFSC has noted that vulnerability can affect consumers across all financial products and services. Failure to identify customer vulnerability could lead to poor customer outcomes and detriment, including if a customer is not able to fully understand products or services or if information is not provided in an appropriate format for the customer's needs. If the Group does not have adequate policies to identify vulnerable clients, or if such policies are not embedded in a way that promotes the fair treatment of all clients, the Group's Jersey regulated firm could fall below regulatory expectations in this area, which could result in regulatory action.

In addition, in recent years the industry in general has experienced an increase in the use of social media by clients, commentators and claims management companies to exert influence over financial services firms in their decision-making. While a considerable amount of time and resources may have been invested in reviewing and assessing historical sales or advice practices and in the maintenance of risk management, legal and compliance procedures to monitor current sales practices, there can be no assurance that all of the issues associated with current and historical practices have been, or will be, identified in the course of any review by the Group, nor that any issues already identified will not be more widespread than presently estimated. The negative publicity associated with issues identified in any sales or advice practices, any compensation payable in respect of any such issues and regulatory changes resulting from such issues, have had, and may continue to have, a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Issues and disputes may arise from time to time from the way in which the banking, asset management and advisory industries has sold or administered an investment solution or other product or in the way in which they have treated policyholders, investors or clients, either individually or collectively. The regulator may intervene directly where larger groups or matters of public policy are concerned.

3.4 **The Group may fail to detect or prevent money laundering and other financial crime activities if financial crime risks are not correctly identified and if effective controls to mitigate those risks are not implemented. This could expose the Group to heavy fines, additional regulatory scrutiny and reputational risk**

The Group is required to comply with applicable anti-money laundering, anti-terrorism, sanctions, anti-tax evasion, anti-fraud, anti-bribery and corruption, insider dealing and other laws and regulations in the jurisdictions in which it operates, including the UK Bribery Act 2010, the UK Criminal Finances Act 2017, the Corruption (Jersey) Law 2006 and the extra-jurisdictional reach of international laws such as the US Foreign Corrupt Practices Act. These laws and regulations require the Group, among other things, to conduct customer due diligence regarding fiscal evasion, anti-money laundering, sanctions and politically exposed persons screening, keep customer and supplier account and transaction information up to date and implement effective financial crime policies and procedures. Where applicable, these laws restrict or prohibit transactions with certain countries and with certain companies and individuals identified on lists maintained by the UK government, US government, the EU, various EU Member States and other governments.

Financial crime has become the subject of enhanced scrutiny and supervision by regulators globally. Anti-money laundering, anti-bribery and anti-corruption, and insider dealing and economic sanctions laws and regulations are increasingly complex and detailed and have become the subject of enhanced regulatory supervision, requiring businesses to invest in improved systems, sophisticated monitoring and skilled compliance personnel. The JFSC and other regulatory authorities may from time to time make enquiries of companies within their respective jurisdictions regarding compliance with regulations governing the conduct of business or the operation of a regulated business (including the degree and sufficiency of supervision of the business) and the handling and treatment of clients or conduct investigations when it is alleged that regulations have been breached. Responding to such enquiries may be time-consuming and expensive.

Financial crime is continually evolving, and the expectations of regulators are increasing. This requires similarly proactive and adaptable responses from the Group so that it is able to effectively deter threats and criminality. Even known threats can never be fully eliminated, and there may in the future be instances where the Group may be used by other parties to engage in money laundering and other illegal or improper activities. In addition, the Group relies on its employees, external administrators and certain other third parties to identify and report such activities. There is a risk that they will fail to do so or otherwise fail to comply with or implement the Group's policies and procedures relating to financial crime.

Where the Group is unable to comply with applicable laws, regulations and expectations, regulators and relevant law enforcement agencies have the ability and authority to impose significant fines and other penalties, including requiring a complete review of business systems, day-to-day supervision by external consultants and ultimately the revocation of regulatory authorisations and licences. The consequences of being found guilty of an offence include fines, cease-and-desist orders and imprisonment (for individuals) or censure, fines, cease-and-desist orders, suspension of business or other sanctions including revocation of licences and/or registrations with the respective regulatory agencies, criminal penalties and civil lawsuits (for companies). The direct and indirect impact of such consequences could have a material adverse effect on the Group's reputation, business, results of operations and/or financial condition.

The Group cannot guarantee that its current policies and procedures are sufficient to completely prevent situations of fiscal evasion, money laundering, bribery, fraud or corruption, including actions by the Group's employees, for which the Group might be held responsible. Any such event may have severe consequences, including sanctions, fines and reputational consequences, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

3.5 **The Group may be subject to regulatory action or financial penalties if it fails to comply with the Client Assets Order**

As the Group holds and controls client money and safe custody assets, it must comply with the Financial Services (Investment Business (Client Assets)) (Jersey) Order 2001 ("**CAO**") and the Codes of Practice for the Conduct of Investment Business published by the JFSC ("**Codes of Practice**").

The CAO requirements help to protect clients' assets and money when a firm is responsible for them and helps to protect them in the event of a firm's insolvency. Client money and asset protection is an important aspect of JFSC's regulatory principles and the CAO applies restrictions and requires regular reconciliations of Client Money. Adherence to CAO requirements relies on a number of complex operational processes and systems, both internal and external, resulting in a high inherent risk of non-compliance. Any CAO breaches are reported to the JFSC, and the JFSC would be immediately notified of any material breaches. If any such breaches were not fully remediated, or the JFSC considered the Group does not have sufficient regard for the protection of clients' assets, the Group may be subject to regulatory action or financial penalties, which could also result in adverse publicity and reputational damage, and ultimately have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

3.6 Applicable law and regulations may discourage potential investors from acquiring interests in the Company of 10 per cent. or more and/or potential acquisition proposals and delay, deter or prevent a change of control of the Company, which may in turn reduce the value of the Ordinary Shares

The Group has a subsidiary which is regulated by a local regulatory body. In addition it may in the future hold further regulated subsidiaries. As a result of the application of local regulation, a person seeking to acquire or increase its holding of Ordinary Shares may require prior approval by the applicable regulatory body. For example, in Jersey any person who proposes to acquire 10 per cent. or more of the Ordinary Shares, or currently holds above that level and subsequently triggers certain higher thresholds, would be required to make an application to the JFSC seeking a confirmation from the JFSC that it has no objection to the relevant person becoming a "shareholder controller" or triggering one of the other thresholds.

A non-exhaustive summary of the regulatory requirements applicable to persons holding, or intending to hold, shares in the Company is set out in paragraph 6 of Part I of this Document. Investors should seek their own legal advice in all applicable jurisdictions if they are intending to acquire a substantial amount of shares in the Company.

The Articles contain provisions whereby if any Shareholder Regulatory Event (defined below) occurs, then the Company may, *inter alia*, sell the relevant person's (or persons') shares in the market on their behalf to comply with such direction. Further details of these provisions are set out in paragraph 4.2(n) of Part IV of this Document.

The regulatory requirements applicable to the Group may change and may, in their current or any future form, discourage potential investors from acquiring interests in the Company of 10 per cent. or more (or indeed any interests in Ordinary Shares) and may also delay, deter or prevent a change of control of the Company, including through transactions, and in particular unsolicited transactions, that some or all of the Shareholders might consider to be desirable. This may in turn reduce the value of the Ordinary Shares. Disposals of any relevant person's (or persons') shares in the market, as a result of complying with any direction issued by the JFSC (or indeed any other relevant regulatory authority), may have a similar effect.

4. GENERAL RISKS RELATING TO AN INVESTMENT IN THE ORDINARY SHARES

4.1 General

An investment in Ordinary Shares is 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 the investment, and who have sufficient resources to be able to bear any losses that may arise therefrom (which may be equal to the whole amount invested). Such an investment should be seen as complementary to existing investments in a wide spread of other financial assets and should not form a major part of an investment portfolio. Prospective investors should not consider investing in the Ordinary Shares unless they already have a diversified investment portfolio. Prospective investors should be aware that the value of an investment in the Company may go down as well as up and investors may therefore not recover their original investment.

4.2 **Legislation and tax status**

This Document has been prepared on the basis of current legislation, regulation, rules and practices and the Directors' interpretation thereof. Such interpretation may not be correct and it is always possible that legislation, rules and practice may change. Any change in legislation and in particular in tax status or tax residence of the Group or in tax legislation or practice may have an adverse effect on the returns available on an investment in the Company.

4.3 **Tax risks for Shareholders**

The attention of investors is drawn to section 9 headed 'Taxation' in Part IV of this document. Any change in the Group's tax status or in taxation legislation in the UK could affect the financial performance of the Group, the value of the Group or affect the Group's ability to achieve its investment objectives or provide favourable returns to Shareholders. Any such change could also adversely affect the amount of any future dividends payable to Shareholders (if any).

4.4 **General economic climate**

Factors such as inflation, currency fluctuation, interest rates, supply and demand of capital and industrial disruption have an impact on business costs and commodity prices and stock market prices. The Group's operations, business and profitability can be affected by these factors, which are beyond the control of the Group.

4.5 **Economic, political, judicial, administrative, taxation, environmental or other regulatory matters**

In addition to the impact of the downturn of the world's economies, the Group may be adversely affected by other changes in economic, political, judicial, administrative, taxation or other regulatory or other unforeseen matters. The Group may not have been and may not be at all times in complete compliance with environmental laws, regulations and permits, and the nature of the Group's operations expose it to the risk of liabilities or claims with respect to environmental, regulatory and worker health and safety matters. If the Group violates or fails to comply with environmental laws, regulations and permits, it could be subject to penalties, fines, restrictions on operations or other sanctions, and the Group's operations could be interrupted or suspended.

4.6 **No prior market for the Ordinary Shares**

Before Admission, there has been no prior market for the Ordinary Shares. Although application has been made for the Ordinary Shares to be admitted to trading on AIM, an active public market may not develop or be sustained following Admission.

4.7 **Share price volatility and liquidity**

Following Admission, the market price of the Ordinary Shares may be subject to wide fluctuations in response to many factors, including stock market fluctuations and general economic conditions or changes in political sentiment. This may substantially affect the market price of the Ordinary Shares irrespective of the progress the Group may make in terms of developing and expanding its products or its actual financial, trading or operational performance. These factors could include the performance of the Group, purchases or sales of the Ordinary Shares (or the perception that the same may occur, as, for example in the period leading up to the expiration of the restrictions contained in the Lock-in Arrangements), legislative changes and market, economic, political or regulatory conditions or price distortions resulting from limited liquidity in the Company's shares. The share price for publicly traded companies, particularly those at an early stage of development, such as the Company, can be highly volatile. Admission to AIM should not be taken as implying that a liquid market for the Ordinary Shares will either exist, develop or be sustained following Admission. Active, liquid trading markets generally result in lower price volatility and more efficient execution of buy and sell orders for investors. The liquidity of a securities market is often a function of the volume of the underlying shares that are publicly held by unrelated parties. If a liquid trading market for the Ordinary Shares does not develop, the price of the Ordinary Shares may become more volatile and it may be more difficult to complete a buy or sell order even for a relatively small number of such Ordinary Shares.

4.8 **Substantial sales of Ordinary Shares**

There can be no assurance that certain Directors or other Shareholders will not elect to sell their Ordinary Shares following the expiry of the Lock-in Arrangements, details of which are set out in

paragraphs 10(c) and 10(d) of Part IV of this Document, or otherwise. The market price of Ordinary Shares could decline as a result of any such sales of Ordinary Shares or as a result of the perception that these sales may occur. In addition, if these or any other sales were to occur, the Company may in the future have difficulty in offering Ordinary Shares at a time or at a price it deems appropriate.

4.9 There is no guarantee that the Company's Ordinary Shares will continue to be traded on AIM

The Company cannot assure investors that the Ordinary Shares will always continue to be traded on AIM or on any other exchange. If such trading were to cease, certain investors may decide to sell their shares, which could have an adverse impact on the price of the Ordinary Shares. Additionally, if in the future the Company decides to obtain a listing on another exchange in addition or as an alternative to AIM, the level of liquidity of the Ordinary Shares traded on AIM could decline.

4.10 Investment in AIM traded securities

The Ordinary Shares will be traded on AIM rather than admitted to the Official List. AIM is designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. The rules of AIM are less demanding than the rules for companies admitted to the Official List and an investment in shares traded on AIM may carry a higher risk than an investment in shares admitted to the Official List. In addition, the market in shares traded on AIM may have limited liquidity (as stated above), therefore making it more difficult for an investor to realise its investment on AIM than to realise an investment in a company whose shares are admitted to the Official List. Prospective investors should therefore be aware that the market price of the Ordinary Shares may be more volatile than that of shares admitted to the Official List, and may not reflect the underlying value of the Company. Investors may, therefore, not be able to sell at a price which permits them to recover their original investment and they could lose their entire investment in the Company.

4.11 Issue of additional Ordinary Shares

As an AIM-quoted company, it will be open to the Company to issue its Ordinary Shares as consideration pursuant to the Group's buy and build strategy. It is possible that the Company may decide to issue, pursuant to a public offer or otherwise, additional Ordinary Shares in the future at a price or prices higher or lower than the Placing Price. An additional issue of Ordinary Shares by the Company, or the public perception that an issue may occur, could have an adverse effect on the market price of Ordinary Shares and could dilute the proportionate ownership interest, and hence the proportionate voting interest, of Shareholders. This will particularly be the case if and to the extent that such an issue of Ordinary Shares is not effected on a pre-emptive basis, or Shareholders do not take up their rights to subscribe for further Ordinary Shares structured as a pre-emptive offer.

On Admission the Company will have the authority to issue up to 100 per cent. of its current issued share capital without having to seek shareholder approval at a general meeting or to offer Ordinary Shares on a pre-emptive basis. Shareholders could have the proportionate ownership interest significantly diluted in the future.

4.12 Exchange rate fluctuation may impact on the value of and the investment in the Ordinary Shares or any dividends in foreign currency terms

The Ordinary Shares will be quoted and any dividends to be paid in respect of them will be paid in pounds sterling. An investment in Ordinary Shares by an investor in a jurisdiction whose principal currency is not pounds sterling exposes the investor to foreign currency exchange rate risk. Any depreciation of the pound sterling in relation to such foreign currency will reduce the value of the investment of the Ordinary Shares or any dividends in foreign currency terms.

4.13 Concert Party will hold in excess of 50 per cent. of the Enlarged Share Capital

Following Admission, the Concert Party will hold in excess of 50 per cent. of the Enlarged Share Capital. Notwithstanding the terms of the Relationship Agreement (in relation to Mark Clubb only), the Articles and applicable laws and regulations, the Concert Party (and Mark Clubb, individually) will be able to exercise significant influence over the Company and the Group's operations, business strategy and those corporate actions which require the approval of Shareholders. Further details regarding the Concert Party and Relationship Agreement are set out at paragraphs 17 and 10(f) of Part IV of this Document respectively.

PART III

HISTORICAL FINANCIAL INFORMATION

SECTION A: ACCOUNTANTS' REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF TEAM PLC



2 March 2021

The Directors
TEAM PLC
Royal Court Chambers
10 Hill Street
St Helier
Jersey, JE2 4UA

Canaccord Genuity Limited
88 Wood Street
London, EC2V 7QR

Dear Sirs,

Introduction

We report on the audited consolidated historical financial information of TEAM PLC and its subsidiary (the "Group") as set out in this section of the Company's admission document dated 2 March 2021 (the "Document").

Opinion

In our opinion, the historical financial information of the Group gives, for the purposes of the Document, a true and fair view of the state of affairs of the Group as at the date stated and of the results, financial position, cash flows and changes in equity for the period then ended in accordance with the requirements of the AIM Rules for Companies and International Financial Reporting Standards (IFRS) as adopted and endorsed by the European Union (EU).

Responsibilities

The directors of the Company are responsible for preparing the historical financial information of the Group in accordance with IFRS.

It is our responsibility to form an opinion on the historical financial information of the Group as to whether it gives a true and fair view, for the purposes of the Document and to report our opinion to you.

Basis of preparation

This financial information has been prepared for inclusion in the Document dated 2 March 2021 on the basis of the accounting policies set out in note 2 in the historical financial information of the Group. This report is required by Paragraph (a) of Schedule Two of the AIM Rules for Companies and is given for the purpose of complying with that paragraph and for no other purpose.

Crowe U.K. LLP
Chartered Accountants
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Tel +44 (0)20 7842 7100
Fax +44 (0)20 7583 1720
DX: 0014 London Chancery Lane
www.crowe.co.uk

Basis of Opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Auditing Practices Board in the United Kingdom. We are independent of the Group in accordance with relevant ethical requirements. In the United Kingdom this is the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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

Declaration

For the purposes of paragraph (a) of Schedule Two of the AIM Rules for Companies, we are responsible for this report as part of the Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Document in compliance with Paragraph (a) of Schedule Two of the AIM Rules for Companies.

Yours faithfully,

Crowe U.K. LLP

Chartered Accountants

SECTION B: HISTORICAL FINANCIAL INFORMATION OF TEAM PLC

STATEMENT OF COMPREHENSIVE INCOME

The statement of comprehensive income of the Group for the period from 4 July 2019 to 30 June 2020 is set out below:

		<i>4 July 2019 to 30 June 2020 £'000</i>
	<i>Note</i>	<i>Audited</i>
Continuing operations		
Revenue	3	419
Operating expenses	4,5	(581)
Interest payable and similar expenses	7,15	(1)
Profit/(loss) on ordinary activities before taxation	6	(163)
Taxation	8	5
Profit/(loss) for the financial year and total comprehensive income		<u>(158)</u>
Earnings/(loss) per share (basic and diluted)		<u>£(3.52)</u>

STATEMENT OF FINANCIAL POSITION

The statement of financial position of the Group as at 30 June 2020 is set out below:

		<i>30 June 2020 £'000 Audited</i>
	<i>Note</i>	
Non-current assets		
Intangible assets	9	1,015
Property, plant & equipment	10	58
Deferred tax	8	42
		<u>1,115</u>
Current assets		
Trade and other receivables	12	422
Cash and cash equivalents		284
		<u>706</u>
Payables: amounts falling due within one year	13	(155)
		<u>551</u>
Net current assets		<u>1,666</u>
Total assets less current liabilities		<u>1,666</u>
Payables: amounts falling due after one year	13	–
		<u>1,666</u>
Net assets		<u><u>1,666</u></u>
Equity		
Share capital	16	9
Share premium reserve		1,815
Retained earnings		(158)
		<u>1,666</u>
Total equity		<u><u>1,666</u></u>

STATEMENT OF CHANGES IN EQUITY

The statement of changes in Equity of the Group for the period from 4 July 2019 to 30 June 2020 is set out below:

	<i>Share capital £'000 Audited</i>	<i>Share premium £'000 Audited</i>	<i>Retained earnings £'000 Audited</i>	<i>Total £'000 Audited</i>
At 4 July 2019	–	–	–	–
Loss for the period	–	–	(158)	(158)
New share capital subscribed	9	1,815	–	1,824
At 30 June 2020	<u>9</u>	<u>1,815</u>	<u>(158)</u>	<u>1,666</u>

STATEMENT OF CASH FLOWS

The statement of cash flow of the Group for the period from 4 July 2019 to 30 June 2020 is set out below:

The only changes in liabilities other than from financing cash flows are in respect of leases, details of additions and disposals of which are given in note 10.

	<i>4 July 2019 to 30 June 2020 £'000</i>	
	<i>Audited</i>	<i>Note</i>
Cash flows from operating activities		
Loss for the year	(158)	
Adjustments to cash flows from non-cash items:		
Depreciation and amortisation	71	6
Finance costs	1	7
Income tax expense	(5)	8
Trade and other receivables (net of effects from acquisition of subsidiaries)	(168)	12
Trade and other payables net of effects from acquisition of subsidiaries)	57	13
	<u>(202)</u>	
Cash flows from investing activities		
Acquisitions of subsidiary net of cash acquired	(1,102)	9
Acquisition of property, plant and equipment	(8)	
	<u>(1,110)</u>	
Cash flows from financing activities		
Interest paid	(1)	
Payments in respect of right of use assets	(25)	
Issue of share capital at par	8	
Share premium on issue of shares	1,284	
	<u>1,266</u>	
Net decrease in cash and cash equivalents	(46)	
Cash and cash equivalents from acquired subsidiary	330	
Cash and cash equivalents at end of year/period	<u>284</u>	

Non-cash transactions:

During the year, the subsidiary was acquired for a total consideration of £1,500,000, which comprised of cash consideration of £1,102,174 and share capital exchange of £397,826.

As at 30 June 2020, unpaid share capital amounted to £134,799 which comprised of £279 par value share capital and £134,520 share premium.

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. General information

TEAM PLC, formerly named Ponterrin Holdings Limited, is incorporated and registered in Jersey, Channel Islands. The registered company number is 129405. Its registered address and principal place of business is Royal Court Chambers, 10 Hill Street, St Helier, Jersey, JE2 4UA. TEAM PLC was incorporated on 4 July 2019

The principal activity of the Group is the provision of investment management services.

These financial statements are presented in Pound Sterling (£), rounded to the nearest thousand (£'000), which is the currency of the primary economic environment in which the Group operates.

2. Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise judgement in applying the Group's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements are disclosed in more detail under the critical accounting judgements policy.

Basis of preparation

These financial statements have been prepared in accordance with the requirements of International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (collectively IFRSs), the requirements of the Companies (Jersey) Law 1991 and the Financial Services (Trust Company and Investment Business (Accounts, Audit and Reports)) (Jersey) Order 2007. The Group's financial statements have been prepared under the historical cost convention, with the exception of financial instruments, which are stated in accordance with IFRS 9 Financial Instruments: recognition and measurement.

Consolidated financial statements

The Group financial statements incorporate the financial statements of the Company and subsidiary entities controlled by the Company made up to 30 June 2020. Control is achieved where the Company is exposed, or has rights, to variable returns from its involvement with an investee company and has the ability to affect those returns through its power over the other entity; power generally arises from holding a majority of voting rights.

Going concern

After making enquiries, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason the Directors continue to adopt the going concern basis in preparing the financial statements.

In March 2020, the World Health Organization declared the outbreak of novel coronavirus disease ("COVID-19") as a pandemic, and we expect our operations to be affected as the virus continues to proliferate. The Directors have adjusted certain aspects of the Group's operations to protect employees while still meeting customers' needs for their services. The Directors will continue to monitor the situation closely and it is possible that we will implement further measures. The Directors have considered the impact of COVID-19 on the Group and are of the view that it remains a going concern after revising forecasts for 2020 and reviewing the impact of COVID-19 on the working capital of the Company.

Critical accounting estimates and judgements

The Group makes certain estimates and assumptions in the preparation of financial statements. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable that best reflects the conditions and circumstances that exist at the reporting date.

The principal estimates and judgements that could have an effect upon the Group's financial results are the useful economic lives of property, plant and equipment, the impairment of trade receivables and the provision for income and deferred taxes. Further details of these estimates and judgements are set out in the related accounting policies for these items.

Revenue recognition

The Group recognises revenue on the transfer of services in accordance with the contractual terms entered into with clients. Fees and commissions are received within 30 days of each quarter end.

- Commission: Trading and foreign exchange commission income are recognised on a trade date basis
- Fees: Portfolio and investment management, introductory and sponsor fees are recognised when earned

Impact of initial application of IFRS 15 Revenue from Contracts with Customers

The Group has applied IFRS15 – Revenue from Contracts with Customers. IFRS 15 establishes the principles that an entity applies when reporting information about the nature, amount, timing and uncertainty of revenue and cash flows from a contract with a customer. Applying IFRS 15, an entity recognises revenue to depict the transfer of promised services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those services

To recognise revenue under IFRS 15, management have taken the following five steps to:

- identify the contract(s) with a customer.
- identify the performance obligations in the contract. Performance obligations are promises in a contract to transfer to a customer services that are distinct.
- determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. If the consideration promised in a contract includes a variable amount, an entity must estimate the amount of consideration to which it expects to be entitled in exchange for transferring the promised services to a customer.
- allocate the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of each distinct good or service promised in the contract.
- recognise revenue when a performance obligation is satisfied by transferring a promised good or service to a customer (which is when the customer obtains control of that good or service). A performance obligation may be satisfied at a point in time (typically for promises to transfer goods to a customer) or over time (typically for promises to transfer services to a customer). For a performance obligation satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied.

Having assessed the nature of contracts with customers it has been established that the standard will have no impact to the Group's results.

Revenue recognition

The Group recognises revenue on the transfer of services in accordance with the contractual terms entered into with clients. Fees and commissions are received within 30 days of each quarter end.

- Commission: Trading and foreign exchange commission income are recognised on a trade date basis
- Fees: Portfolio and investment management, introductory and sponsor fees are recognised when earned

Segment reporting

IFRS 8 requires that an entity disclose financial and descriptive information about its reportable segments, which are operating segments or aggregations of operating segments. Operating segments are identified on the basis of internal reports that are regularly reviewed by the Board to allocate resources and to assess performance. Using the Group's internal management reporting as a starting point the single reporting segment set out in note 3 has been identified.

Foreign currency transactions and balances

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items are included in statement of total comprehensive income for the period in operating expenses.

Tax

The tax expense for the period represents the sum of the tax currently payable and the deferred tax.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company's intends to settle its current tax assets and liabilities on a net basis.

Property, plant and equipment

Property, plant and equipment are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of items.

Fully depreciated assets are retained in the cost and the related accumulated depreciation until they are removed from service. In the case of disposals, assets and related depreciation are removed from the financial statements at the net amount less proceeds from disposal is charged or credited to the statement of income.

Depreciation

Depreciation is charged so as to write off the cost or valuation of assets over their useful economic lives, using the straight-line method

<i>Asset class</i>	<i>Depreciation method and rate</i>
Computer Hardware	5 years
Equipment	4 years
Office improvements	Over the remaining term of the lease
Software costs	3 years
Right to use assets	Over the term of the lease

Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date.

Intangible assets

The value of the customer relationships has been calculated using the excess earnings approach discounted using the incremental borrowing rate of 10.26 per cent. The average life of a customer relationship has been set at ten years and represents both the period over which the value of such relationships have been calculated and the amortisation period of the intangible asset arising.

At each reporting date, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Intangible assets attributed to customer contracts is amortised for 10 years.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. Such investments are those with original maturities of three months or less.

Trade receivables

Trade and other receivables are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is based on the lifetime expected credit loss, based on past and forward-looking information.

Payables

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. Trade and other payables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Leases

Under IFRS 16, the Company recognises right-of-use assets and liabilities for most leases.

The Group has elected and applied the exemption not to recognise right-of-use assets and lease liabilities for short-term leases of equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

At inception of a contract under IFRS 16, the Group assesses whether a contract is, or contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-to-use asset and lease liability at the lease commencement date. The right-to-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any direct costs incurred and an estimate of costs to restore the underlying asset, less any incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group's incremental borrowing rate.

The lease liability is measured at amortised cost using the effective interest rate method.

The Group presents right-of-use assets in property, plant and equipment and lease liabilities in loans and borrowings in the statement of financial position.

Financial instruments

The Company has adopted IFRS 9 in respect of financial instruments.

Financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for lifetime expected credit losses based on past and forward-looking information. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Income Statement. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Income Statement.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3. Revenue

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of TEAM Jersey that are regularly reviewed by management to allocate resources to the segments and to assess their performance. TEAM Jersey continues to identify a single reportable segment and within this single reportable segment, total revenue for the year from continuing operations is as follows:

	<i>4 July 2019 to 30 June 2020 £'000 Audited</i>
Fees	309
Commissions	110
	<hr/>
	419
	<hr/> <hr/>

4. Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	<i>4 July 2019 to 30 June 2020 £'000 Audited</i>
Wages and salaries	323
	<hr/> <hr/>

5. Directors' remuneration

The directors' remuneration for the year was as follows:

	<i>4 July 2019 to 30 June 2020 £'000 Audited</i>
M Clubb	36
L Trevellyan	5
L Smith	4
A Stanton	2
	<hr/>
	47
	<hr/> <hr/>

6. Operating loss

Arrived at after charging:

	<i>4 July 2019 to 30 June 2020 £'000 Audited</i>
Auditors' remuneration – audit fees	15
Amortisation of goodwill	44
Depreciation of plant and equipment	4
Depreciation of right to use assets	23
	<u>86</u>

7. Interest payable and similar expenses

	<i>4 July 2019 to 30 June 2020 £'000 Audited</i>
Interest payable – right to use asset	1
	<u>1</u>

8. Taxation

Tax charged in the income statement:

	<i>4 July 2019 to 30 June 2020 £'000 Audited</i>
Deferred tax	(5)
	<u>(5)</u>

The tax charge is in relation to TEAM Jersey and is calculated on the basis of tax rates and laws applicable to financial services companies of 10 per cent.

The Company is managed and controlled in Jersey, Channel Islands and is therefore tax resident there. The current and deferred income tax charge is calculated on the basis of tax rates and laws applicable to Jersey resident companies at 0 per cent. for trading activities.

	<i>4 July 2019 to 30 June 2020 £'000 Audited</i>
Loss before tax attributable to financial services companies	(42)
Tax for financial service companies at 10%	(4)
Tax increase from effect of unrelieved tax losses carried forward	4
Deferred tax credit	(5)
	<u>(47)</u>

9. Intangible assets

On the 31 January 2020 TEAM PLC acquired the entire share capital of TEAM Jersey, a company incorporated and registered in Jersey, Channel Islands.

	<i>Customer relationships £'000</i>
Cost	
At 4 July 2019	–
Acquired through business combinations	1,059
Disposals	–
	<hr/>
At 30 June 2020	1,059
	<hr/>
Amortisation	
At 4 July 2019	–
Charge for the year	44
	<hr/>
At 30 June 2020	38
	<hr/>
Carrying amount	
At 30 June 2020	1,015
	<hr/> <hr/>

The Company acquired the entire share capital of TEAM Jersey, a company incorporated and registered in Jersey, Channel Islands which provides investment management services. The total consideration paid for TEAM Jersey was £1,500,000 which comprises of cash of £1,102,174 and shares amounting to £397,826. Included in the statement of income are £25,467 in transaction costs relating to this acquisition. The primary reason for the acquisition was to enable the Group to provide investment management services.

The value of the customer relationships has been calculated using the excess earnings approach discounted using the incremental borrowing rate of 10.26 per cent. The average life of a customer relationship has been set at ten years and represents both the period over which the value of such relationships have been calculated and the amortisation period of the intangible asset arising. This value of the customer relationship equated to 0.75 per cent. of assets under management at the date of acquisition. The revenue included in the consolidated statement of comprehensive income of TEAM Jersey since its acquisition to 30 June 2020 was £418,727 and the loss for the period was £42,313.

Any goodwill arising through business combinations is allocated to individual assets of its subsidiaries including identified intangible assets. A summary of the fair values of each major class of consideration is listed below:

	£
Categorisation of assets	
Intangible asset: customer contracts	1,059,082
Right-of-use assets	64,582
Property, plant and equipment	11,815
Deferred tax	37,936
Investments	2
Cash & cash equivalents	329,739
Trade & other receivables	119,336
Lease liabilities	(72,098)
Trade & other payables	(50,394)
	<hr/>
	1,500,000
	<hr/> <hr/>

10. Property, plant and equipment

	<i>Right of use assets £'000</i>	<i>Equipment £'000</i>	<i>Computer hardware £'000</i>	<i>Computer software £'000</i>	<i>Total £'000</i>
Cost					
At 4 July 2019	–	–	–	–	–
Additions	166	103	21	17	307
Disposals	–	–	–	–	–
At 30 June 2020	<u>166</u>	<u>103</u>	<u>21</u>	<u>17</u>	<u>307</u>
Depreciation					
At 4 July 2019					
Transfer as part of acquisition	101	96	12	14	223
Charge for the year	23	1	2	–	26
At 30 June 2020	<u>124</u>	<u>97</u>	<u>14</u>	<u>14</u>	<u>249</u>
Carrying amount					
At 30 June 2020	<u>42</u>	<u>6</u>	<u>7</u>	<u>3</u>	<u>58</u>

The right-to-use asset is in relation to the property at Royal Court Chambers, 10 Hill Street, St Helier, Jersey, JE2 4UA which it occupies. The lease term ends on 30 April 2021.

11. Investments in subsidiaries

	<i>4 July 2019 to 30 June 2020 £'000 Audited</i>
Investments in subsidiaries	<u>–</u>

Details of undertakings

Details of the investments (including principal place of business in which TEAM PLC holds 20 per cent. or more of the nominal value of any class of share capital are as follows:

<i>Undertaking</i>	<i>Country of incorporation</i>	<i>Holding</i>	<i>9 months to 30 June 2020 £'000 Audited</i>
TEAM Jersey	Jersey	Ordinary	100%
Team Nominees Limited	Jersey	Ordinary	100%

TEAM Nominees Limited acts as a nominee company, holding client assets in safe custody on behalf of its parent company. TEAM Nominees Limited does not trade and its net assets amount to £2.

TEAM Nominees Limited also owns 99 management shares, representing 99 per cent. in Quadrant Management International Funds Plc and Global Assetbuilder Fund Plc. There was no consideration paid for these shares. These management shares carry no voting rights or rights to dividends.

12. Receivables

	<i>4 July 2019 to 30 June 2020 £'000 Audited</i>
Trade receivables	216
Prepayments	71
Other receivables	135
	<hr/>
Total current trade and other receivables	422
	<hr/> <hr/>

Impairment of receivables

	<i>4 July 2019 to 30 June 2020 £'000 Audited</i>
Impairment included in trade receivables	–
	<hr/> <hr/>

13. Payables

	<i>4 July 2019 to 30 June 2020 £'000 Audited</i>
Due within one year	
Loans and borrowings	14 49
Payables	78
Social security and other taxes	28
	<hr/>
	155
	<hr/> <hr/>
Due after one year	
Loans and borrowings	–
	<hr/> <hr/>

14. Lease liabilities

The amount of interest on the lease liabilities recognised as an expense during the period was £1,444. TEAM Jersey occupies a property at Royal Court Chambers, 10 Hill Street, St Helier, Jersey, JE2 4UA. The annual repayments of the lease repayments are £60,000 per annum. The lease term ends on 30 April 2021.

	<i>4 July 2019 to 30 June 2020 £'000 Audited</i>
Maturity analysis	
Not later than one year	45
Between one and five years	—
	<u>45</u>

	<i>4 July 2019 to 30 June 2020 £'000 Audited</i>
Interest expense	
Lease liabilities	1
	<u>1</u>

15. Share capital

	<i>4 July 2019 to 30 June 2020 No. Audited</i>
Allotted, called and fully paid shares	
Ordinary share capital of £0.10 each	<u>93,000</u>

	<i>4 July 2019 to 30 June 2020 £'000 Audited</i>
Allotted, called and fully paid shares	
Ordinary shares of £0.10 each	<u>9</u>

The authorised share capital of the Company is £20,000 divided into 190,000 Class A shares of £0.10 nominal value each and 10,000 Class B Shares of £0.10 nominal value each.

During the period, the Company issued 93,000 Class A shares with a total consideration above par, resulting in a share premium of £1,815,313 net of share transaction costs of £48,896.

At 30 June, the unpaid portion of the share capital from certain shareholders amounted to £134,799 which is presented as subscription receivables under other receivables in the statement of financial position as disclosed in note 12.

16. Related Party transactions

Key management personnel

Key management personnel are the same as the directors. Remuneration of the directors is disclosed in note 5 to the financial statements.

Other Transactions with directors

The Company provides investment services to the directors and a former director. The Company does not receive any income for the provisions of these services.

L Trevelyan is a director and shareholder of Hambelton Properties which leases the office space to the Company. Lease transactions are disclosed in notes 7, 10, 13 and 14.

During the period ended 30 June 2020, the Group paid Purpose Limited £17,990 for bookkeeping and accounts preparation services. One of the Company's non-executive directors, J L Smith has a controlling interest in Purpose Limited.

17. Financial instruments

4 July 2019
to 30 June
2020
£'000
Audited

Categorisation of financial instruments

Financial assets measured at cost: investments in subsidiary	–
Financial assets that are debt instruments measured at amortised cost: trade receivables	351
Financial assets that are debt instruments measured at amortised cost: cash and cash equivalents	284
	<hr/>
	635
	<hr/> <hr/>
Financial liabilities measured at amortised cost: trade payables	
	(78)
Financial liabilities measured at amortised cost: loans and borrowings	
	(49)
	<hr/>
	(127)
	<hr/> <hr/>

18. Capital management

The group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Credit risk management

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above. Revenue is generated quarterly and cash is received from trade receivables is received within 30 days from the quarter end. The Group does not believe there is significant credit risk. In addition, the financial assets are neither past due or impaired.

Market risk management

The Group is mainly exposed to market risk in respect of variations in customer asset values and therefore the management fees that the Group receives. There has been no material change to the Group's exposure to market risks or the manner in which it manages and measures the risks.

Interest risk management

The Company has no borrowings and is therefore not exposed to interest rate risk in that respect.

Liquidity risk management

The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring the capital requirements of the Company.

Maturity analysis:

	<i>Remaining maturities of financial liabilities</i>		<i>Total £</i>
	<i>less than one year £</i>	<i>between 2-5 years £</i>	
Lease liabilities	49	–	49
Trade payables	78	–	78
	<u>127</u>	<u>–</u>	<u>127</u>

Sensitivity analysis

The Company's cash assets are held in business current accounts that are available on demand. Any further reductions in interest rates would not have a material impact.

19. Earnings per share

	<i>4 July 2019 to 30 June 2020 £'000 Audited</i>
Profit/(loss) for the financial year and total comprehensive income	(158)
Weighted average number of shares (000's)	<u>45.01</u>
Earnings/(loss) per share (£)	<u><u>(3.52)</u></u>

20. Ultimate controlling party

In the opinion of the directors, there is no single ultimate controlling party.

21. Events after the statement of financial position date

Under loan agreements dated 14 December 2020 and 21 January 2021 (each, a "**Loan Agreement**") both between Mark Clubb (as lender) and the Company (as borrower), Mr Clubb has provided an aggregate of £400,000 (comprising of two £200,000 term loans) to the Company to be used for its general corporate purposes. The Company has used the loan to pay amounts incurred in relation to Admission.

Interest on each loan accrues at the rate of 3.0 per cent. per annum (or any other rate agreed) and is payable at the end of each three month interest period (unless agreed otherwise). The Company must pay all accrued but unpaid interest, and repay each loan, in full on the date falling 1 month after the third anniversary of the respective date of each Loan Agreement (or any other date agreed) or on demand from Mr Clubb if an 'Event of Default' (which is limited to payment defaults and insolvency events) is continuing. The Company may prepay each loan (in whole or part) by giving Mr Clubb at least two business days' notice (or any shorter period agreed).

Each Loan Agreement is governed by Jersey law.

SECTION C: ACCOUNTANTS' REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF TEAM JERSEY



2 March 2021

The Directors
TEAM PLC
Royal Court Chambers
10 Hill Street
St Helier
Jersey, JE2 4UA

Canaccord Genuity Limited
88 Wood Street
London, EC2V 7QR

Dear Sirs,

Crowe U.K. LLP
Chartered Accountants
Member of Crowe Global
55 Ludgate Hill
London EC4M 7JW, UK
Tel +44 (0)20 7842 7100
Fax +44 (0)20 7583 1720
DX: 0014 London Chancery Lane
www.crowe.co.uk

Introduction

We report on the audited historical financial information of Theta Enhanced Asset Management Limited ("TEAM Jersey") as set out in this section of the Company's admission document dated 2 March 2021 (the "Document").

Opinion

In our opinion, the historical financial information of TEAM Jersey gives, for the purposes of the Document, a true and fair view of the state of affairs of TEAM Jersey as at the date stated and of the results, financial position, cash flows and changes in equity for the period then ended in accordance with the requirements of the AIM Rules for Companies and International Financial Reporting Standards (IFRS) as adopted and endorsed by the European Union (EU).

Responsibilities

The directors of the Company are responsible for preparing the historical financial information of TEAM Jersey in accordance with IFRS.

It is our responsibility to form an opinion on the historical financial information of TEAM Jersey as to whether it gives a true and fair view, for the purposes of the Document and to report our opinion to you.

Basis of preparation

This financial information has been prepared for inclusion in the Document dated 2 March 2021 on the basis of the accounting policies set out in note 2 in the historical financial information of TEAM Jersey. This report is required by Paragraph (a) of Schedule Two of the AIM Rules for Companies and is given for the purpose of complying with that paragraph and for no other purpose.

Basis of Opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Auditing Practices Board in the United Kingdom. We are independent of TEAM Jersey in accordance with relevant ethical requirements. In the United Kingdom this is the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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

Declaration

For the purposes of paragraph (a) of Schedule Two of the AIM Rules for Companies, we are responsible for this report as part of the Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Document in compliance with Paragraph (a) of Schedule Two of the AIM Rules for Companies.

Yours faithfully,

Crowe U.K. LLP

Chartered Accountants

SECTION D: HISTORICAL FINANCIAL INFORMATION OF TEAM JERSEY

STATEMENT OF COMPREHENSIVE INCOME

The statements of comprehensive income of TEAM Jersey for the years ended 30 September 2017, 30 September 2018 and 30 September 2019, the 9 months ended 30 June 2019 and the 9 months ended 30 June 2020 are set out below:

	<i>Note</i>	<i>Year to 30 September 2017 £'000 Audited</i>	<i>Year to 30 September 2018 £'000 Audited</i>	<i>9 Months to 30 June 2019 £'000 Unaudited</i>	<i>Year to 30 September 2019 £'000 Audited</i>	<i>9 Months to 30 June 2020 £'000 Audited</i>
Continuing operations						
Revenue	3	956	937	622	829	713
Operating expenses	4,5	(931)	(1,032)	(653)	(899)	(828)
Interest payable and similar expenses	7, 14	(4)	(4)	(5)	(8)	(3)
Profit/(loss) on ordinary activities before taxation	6	21	(99)	(36)	(78)	(118)
Taxation	8	(1)	9	4	8	12
Profit/(loss) for the financial year and total comprehensive income		<u>20</u>	<u>(90)</u>	<u>(32)</u>	<u>(70)</u>	<u>(106)</u>
Earnings/(loss) per share (basic and diluted)	17	<u>4.35p</u>	<u>(19.57)p</u>	<u>(7.10)p</u>	<u>(15.22)p</u>	<u>(18.99)p</u>

STATEMENT OF FINANCIAL POSITION

The statements of financial position of TEAM Jersey as at 30 September 2017, 2018 and 2019 and as at 30 June 2019 and 2020 are set out below:

		30 September 2017 £'000 <i>Audited</i>	30 September 2018 £'000 <i>Audited</i>	30 June 2019 £'000 <i>Unaudited</i>	30 September 2019 £'000 <i>Audited</i>	30 June 2020 £'000 <i>Audited</i>
Non-current assets						
Property, plant & equipment	9	65	160	117	97	58
Deferred tax	8	14	23	27	31	43
Investments	10	–	–	–	–	–
		<u>79</u>	<u>183</u>	<u>144</u>	<u>128</u>	<u>101</u>
Current assets						
Trade and other receivables	11	217	189	217	187	264
Cash and cash equivalents		360	316	287	293	215
		<u>577</u>	<u>505</u>	<u>504</u>	<u>480</u>	<u>479</u>
Payables: amounts falling due within one year	12	(91)	(128)	(158)	(111)	(130)
Net current assets		<u>486</u>	<u>377</u>	<u>346</u>	<u>369</u>	<u>349</u>
Total assets less current liabilities		<u>565</u>	<u>560</u>	<u>490</u>	<u>497</u>	<u>450</u>
Payables: amounts falling due after one year	12	(27)	(87)	(49)	(34)	–
Net assets		<u>538</u>	<u>473</u>	<u>441</u>	<u>463</u>	<u>450</u>
Equity						
Share capital	15	460	460	460	460	563
Share premium reserve	16	163	163	163	163	238
Other reserves	16	–	25	25	85	–
Retained earnings		(85)	(175)	(207)	(245)	(351)
Total equity		<u>538</u>	<u>473</u>	<u>441</u>	<u>463</u>	<u>450</u>

STATEMENT OF CHANGES IN EQUITY

The statements of changes in Equity of TEAM Jersey for each of the three years ended 30 September 2019, the 9 months ended 30 June 2019 and the 9 months ended 30 June 2020 are set out below:

	<i>Share capital £'000 Audited</i>	<i>Share premium £'000 Audited</i>	<i>Other reserves £'000 Unaudited</i>	<i>Retained earnings £'000 Audited</i>	<i>Total £'000 Audited</i>
At 1 October 2016	460	163	–	(105)	518
Profit for the year	–	–	–	20	20
At 30 September 2017	<u>460</u>	<u>163</u>	<u>–</u>	<u>(85)</u>	<u>538</u>
Loss for the year	–	–	–	(90)	(90)
Share based payments	–	–	25	–	25
At 30 September 2018	<u>460</u>	<u>163</u>	<u>25</u>	<u>(175)</u>	<u>473</u>
Loss for the year	–	–	–	(70)	(70)
Share based payments	–	–	60	–	60
At 30 September 2019	<u>460</u>	<u>163</u>	<u>85</u>	<u>(245)</u>	<u>463</u>
<i>At 1 October 2018</i>	<i>460</i>	<i>163</i>	<i>25</i>	<i>(175)</i>	<i>473</i>
<i>Loss for the period</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>(32)</i>	<i>(32)</i>
<i>At 30 June 2019</i>	<i>460</i>	<i>163</i>	<i>25</i>	<i>(207)</i>	<i>441</i>
At 1 October 2019	460	163	85	(245)	463
Loss for the period	–	–	–	(106)	(106)
Share based payments	–	–	(85)	–	(85)
New share capital subscribed	103	75	–	–	178
At 30 June 2020	<u><u>563</u></u>	<u><u>238</u></u>	<u><u>–</u></u>	<u><u>(351)</u></u>	<u><u>450</u></u>

STATEMENT OF CASH FLOWS

The statements of cash flow of TEAM Jersey for each of the ended 30 September 2019, the 9 months ended 30 June 2019 and the 9 months ended 30 June 2020 are set out below:

The only changes in liabilities other than from financing cash flows in respect of leases, details of additions and disposals of which are given in note 9.

		<i>Year to</i> <i>30 September</i> <i>2017</i> <i>£'000</i> <i>Audited</i>	<i>Year to</i> <i>30 September</i> <i>2018</i> <i>£'000</i> <i>Audited</i>	<i>9 Months to</i> <i>30 June</i> <i>2019</i> <i>£'000</i> <i>Unaudited</i>	<i>Year to</i> <i>30 September</i> <i>2019</i> <i>£'000</i> <i>Audited</i>	<i>9 Months to</i> <i>30 June</i> <i>2020</i> <i>£'000</i> <i>Audited</i>
Cash flows from operating activities						
Loss for the year		20	(90)	(32)	(70)	(106)
Adjustments to cash flows from non-cash items:						
Depreciation and amortisation	6	35	55	45	65	47
Finance costs	7	4	4	5	8	3
Income tax expense	8	1	(9)	(4)	(8)	(12)
Share based payments		–	25	–	60	–
Trade and other receivables	11	(61)	20	(27)	3	(77)
Trade and other payables	12	23	(1)	31	(19)	28
Net cash flow from operating activities		<u>22</u>	<u>4</u>	<u>18</u>	<u>39</u>	<u>(117)</u>
Cash flows from investing activities						
Acquisitions of plant, property and equipment	9	(3)	(11)	(2)	(2)	(8)
Cash flows from financing activities						
Payments in respect of right of use assets		(30)	(37)	(45)	(60)	(45)
Issue of share capital at par		–	–	–	–	50
Share premium on issue of shares		–	–	–	–	42
Net cash flow from financing activities		<u>(30)</u>	<u>(37)</u>	<u>(45)</u>	<u>(60)</u>	<u>47</u>
Net decrease in cash and cash equivalents		(11)	(44)	(29)	(23)	(78)
Cash and cash equivalents at start of year/period		<u>371</u>	<u>360</u>	<u>316</u>	<u>316</u>	<u>293</u>
Cash and cash equivalents at end of year/period		<u><u>360</u></u>	<u><u>316</u></u>	<u><u>287</u></u>	<u><u>293</u></u>	<u><u>215</u></u>

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. General information

Theta Enhanced Asset Management Limited is a private company limited by share capital incorporated and registered in Jersey, Channel Islands. The registered company number is 80836. The address of its registered office and principal place of business is Royal Court Chamber, 10 Hill Street, St Helier, Jersey, JE2 4UA.

The principal activity of TEAM Jersey is the provision of investment management services.

The financial information is presented in Pound Sterling (£), rounded to the nearest thousand (£'000), which is the currency of the primary economic environment in which TEAM Jersey operates.

2. Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies adopted in the preparation of the financial information are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The preparation of financial information in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise judgement in applying TEAM Jersey's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial information are disclosed in more detail under the critical accounting judgements policy.

Basis of preparation

The financial information has been prepared in accordance with the requirements of International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (collectively IFRSs), the requirements of the Companies (Jersey) Law 1991 and the Financial Services (Trust Company and Investment Business (Accounts, Audit and Reports)) (Jersey) Order 2007. TEAM's financial information has been prepared under the historical cost convention, with the exception of financial instruments, which are stated in accordance with IFRS 9 Financial Instruments: recognition and measurement.

The comparative figures for the period ended 30 June 2019, year ended 30 September 2019, year ended 30 September 2018 and year ended 30 September 2017 have been extracted from the financial statements and restated under IFRS. Interim financial information has been prepared as part of the proposed listing of TEAM PLC of which TEAM Jersey is a subsidiary.

Consolidated financial information

TEAM Jersey has not prepared consolidated financial information as its only subsidiary, TEAM Nominees Limited acts as a nominee company and does not trade. The assets of this subsidiary are not material and therefore consolidated financial information has not been prepared.

Going concern

After making enquiries, the Directors have formed a judgement, at the time of approving the financial information, that there is a reasonable expectation that TEAM Jersey has adequate resources to continue in operational existence for the foreseeable future. For this reason the Directors continue to adopt the going concern basis in preparing the financial information.

In March 2020, the World Health Organization declared the outbreak of novel coronavirus disease ("COVID-19") as a pandemic, and we expect our operations to be affected as the virus continues to proliferate. The Directors have adjusted certain aspects of TEAM Jersey's operations to protect employees while still meeting customers' needs for their services. The Directors will continue to monitor the situation closely and it is possible that we will implement further measures. The Directors have considered the impact of COVID-19 on TEAM Jersey and are of the view that it remains a going concern after revising forecasts for 2020 and reviewing the impact of COVID-19 on the working capital of TEAM Jersey.

Changes in accounting policy

New standards, interpretations and amendments effective

The following have been applied and have had an effect on the financial information:

Transition to IFRS

The interim financial information, for the period ended 30 June 2020, is the first TEAM Jersey has prepared in accordance with IFRS. For periods up to and including the year ended 30 September 2019, TEAM prepared its financial information in accordance with UK Accounting Standards, including FRS 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland.

Accordingly, TEAM Jersey has prepared financial information for historical comparison that comply with IFRS applicable as at 30 September 2019, together with the comparative period data for the year ended 30 September 2018 and 30 September 2017.

New standards, interpretations and amendments

The following standards, amendments to standards, and interpretations which have been issued by the IASB that have had an impact on the financial information is as follows:

- IFRS 16 Leases (effective 1 January 2019)

TEAM Jersey has adopted IFRS 16 using the retrospective approach. This standard introduces new requirements for lessee accounting, with the distinction between operating and finance lease no longer applying for lessees. The new standard recognises a right-to-use asset and liability for all leases, unless the underlying asset is of low value when new. This standard also requires depreciation of the asset to be recognised separately from the interest expense of the lease liability. As a result, the effects of this accounting policy is included in the adjustments in the transition to IFRS from its previous Accounting Standards.

Critical accounting estimates and judgements

TEAM Jersey makes certain estimates and assumptions in the preparation of financial information. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable that best reflects the conditions and circumstances that exist at the reporting date.

The principal estimates and judgements that could have an effect upon TEAM Jersey's financial results are the useful economic lives of property, plant and equipment, the impairment of trade receivables and the provision for income and deferred taxes. Further details of these estimates and judgements are set out in the related accounting policies for these items.

Revenue recognition

TEAM Jersey recognises revenue on the transfer of services in accordance with the contractual terms entered into with clients. Fees and commissions are received within 30 days of each quarter end.

- Commission: Trading and foreign exchange commission income are recognised on a trade date basis
- Fees: Portfolio and investment management, introductory and sponsor fees are recognised when earned

Impact of initial application of IFRS 15 Revenue from Contracts with Customers

TEAM Jersey has applied IFRS15 – Revenue from Contracts with Customers. IFRS 15 establishes the principles that an entity applies when reporting information about the nature, amount, timing and uncertainty of revenue and cash flows from a contract with a customer. Applying IFRS 15, an entity recognises revenue to depict the transfer of promised services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those services

To recognise revenue under IFRS 15, management have taken the following five steps to:

- identify the contract(s) with a customer.

- identify the performance obligations in the contract. Performance obligations are promises in a contract to transfer to a customer services that are distinct.
- determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. If the consideration promised in a contract includes a variable amount, an entity must estimate the amount of consideration to which it expects to be entitled in exchange for transferring the promised services to a customer.
- allocate the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of each distinct good or service promised in the contract.
- recognise revenue when a performance obligation is satisfied by transferring a promised good or service to a customer (which is when the customer obtains control of that good or service). A performance obligation may be satisfied at a point in time (typically for promises to transfer goods to a customer) or over time (typically for promises to transfer services to a customer). For a performance obligation satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied.

Having assessed the nature of contracts with customers it has been established that the standard will have no impact to TEAM Jersey's results.

Segment reporting

IFRS 8 requires that an entity disclose financial and descriptive information about its reportable segments, which are operating segments or aggregations of operating segments. Operating segments are identified on the basis of internal reports that are regularly reviewed by the Board to allocate resources and to assess performance. Using TEAM Jersey's internal management reporting as a starting point the single reporting segment set out in note 3 has been identified.

Foreign currency transactions and balances

In preparing the financial information of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in statement of total comprehensive income for the period in operating expenses.

Tax

The tax expense for the year represents the sum of the tax currently payable and the deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of total comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. TEAM Jersey's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

TEAM Jersey is managed and controlled in Jersey, Channel Islands and is therefore tax resident there. The current income tax charge is calculated on the basis of tax rates and laws applicable to financial services companies of 10 per cent.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial information and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

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

be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and TEAM Jersey intends to settle its current tax assets and liabilities on a net basis.

Property, plant and equipment

Property, plant and equipment are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of items.

Fully depreciated assets are retained in the cost and the related accumulated depreciation until they are removed from service. In the case of disposals, assets and related depreciation are removed from the financial information at the net amount less proceeds from disposal is charged or credited to the statement of income.

Depreciation

Depreciation is charged so as to write off the cost or valuation of assets over their useful economic lives, using the straight-line method

<i>Asset class</i>	<i>Depreciation method and rate</i>
Computer Hardware	5 years
Equipment	4 years
Office improvements	Over the remaining term of the lease
Software costs	3 years
Right to use assets	Over the term of the lease

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. Such investments are those with original maturities of three months or less.

Trade receivables

Trade and other receivables are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is based on the lifetime expected credit loss, based on past and forward-looking information.

Payables

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. Trade and other payables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Financial instruments

Financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for lifetime expected credit losses based on past and forward-looking information. If an asset is impaired the impairment loss is the difference between

the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Income Statement. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Income Statement.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Leases

TEAM Jersey has applied IFRS 16 using the retrospective approach. The impact of changes is disclosed in the notes to the financial information.

TEAM Jersey previously classified leases as operating leases or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to TEAM Jersey. Under IFRS 16, TEAM Jersey recognises right-of-use assets and liabilities for most leases.

TEAM Jersey has elected and applied the exemption not to recognise right-of-use assets and lease liabilities for short-term leases of equipment. TEAM Jersey recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

At inception of a contract under IFRS 16, TEAM Jersey assesses whether a contract is, or contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

TEAM Jersey recognises a right-to-use asset and lease liability at the lease commencement date. The right-to-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any direct costs incurred and an estimate of costs to restore the underlying asset, less any incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, TEAM Jersey's incremental borrowing rate.

The lease liability is measured at amortised cost using the effective interest rate method.

TEAM Jersey presents right-of-use assets in property, plant and equipment and lease liabilities in loans and borrowings in the statement of financial position.

Share based payments

Shares issued in consideration for goods or services received and the grant of share options are classified as equity-settled arrangements and are measured at fair value. Equity-settled share-based payment transactions are measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. Where the fair value of the goods or services received cannot be estimated reliably fair value is measured by reference to the fair value of the equity instruments granted. Where shares, share options or other equity instruments are granted to employees as part of their remuneration package the fair value of the employee services received are measured by reference to the fair value of the equity instruments granted.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3. Revenue

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of TEAM Jersey that are regularly reviewed by management to allocate resources to the segments and to assess their performance. TEAM Jersey continues to identify a single reportable segment and within this single reportable segment, total revenue for the year from continuing operations is as follows:

	<i>Year to 30 September 2017 £'000 Audited</i>	<i>Year to 30 September 2018 £'000 Audited</i>	<i>9 Months to 30 June 2019 £'000 Unaudited</i>	<i>Year to 30 September 2019 £'000 Audited</i>	<i>9 Months to 30 June 2020 £'000 Audited</i>
Fees	715	731	450	602	526
Commissions	241	206	172	227	187
	<u>956</u>	<u>937</u>	<u>622</u>	<u>829</u>	<u>713</u>

4. Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	<i>Year to 30 September 2017 £'000 Audited</i>	<i>Year to 30 September 2018 £'000 Audited</i>	<i>9 Months to 30 June 2019 £'000 Unaudited</i>	<i>Year to 30 September 2019 £'000 Audited</i>	<i>9 Months to 30 June 2020 £'000 Audited</i>
Wages and salaries	<u>534</u>	<u>602</u>	<u>376</u>	<u>555</u>	<u>486</u>

5. Directors' remuneration

The directors' remuneration for the year was as follows:

	Year to 30 September 2017 £'000 Audited	Year to 30 September 2018 £'000 Audited	9 Months to 30 June 2019 £'000 Unaudited	Year to 30 September 2019 £'000 Audited	9 Months to 30 June 2020 £'000 Audited
B Shenton	110	110	90	120	91
M Clubb	–	–	–	–	60
R Chambers	–	–	45	60	22
L Trevellyan	13	13	11	13	10
J Wetherall	14	14	11	14	5
A Gibbins	–	–	8	12	4
	<u>137</u>	<u>137</u>	<u>165</u>	<u>219</u>	<u>192</u>

6. Operating loss

Arrived at after charging:

	Year to 30 September 2017 £'000 Audited	Year to 30 September 2018 £'000 Audited	9 Months to 30 June 2019 £'000 Unaudited	Year to 30 September 2019 £'000 Audited	9 Months to 30 June 2020 £'000 Audited
Auditors' remuneration – audit fees	12	13	10	13	15
Depreciation of plant and equipment	8	12	3	10	5
Depreciation of right to use assets	27	43	42	55	42
	<u>47</u>	<u>68</u>	<u>55</u>	<u>78</u>	<u>62</u>

7. Interest payable and similar expenses

	Year to 30 September 2017 £'000 Audited	Year to 30 September 2018 £'000 Audited	9 Months to 30 June 2019 £'000 Unaudited	Year to 30 September 2019 £'000 Audited	9 Months to 30 June 2020 £'000 Audited
Interest payable – right to use asset	4	4	5	8	3
	<u>4</u>	<u>4</u>	<u>5</u>	<u>8</u>	<u>3</u>

8. Taxation

Tax charged in the income statement

	Year to 30 September 2017 £'000 Audited	Year to 30 September 2018 £'000 Audited	9 Months to 30 June 2019 £'000 Unaudited	Year to 30 September 2019 £'000 Audited	9 Months to 30 June 2020 £'000 Audited
Deferred tax	1	(9)	(4)	(8)	(12)
	<u>1</u>	<u>(9)</u>	<u>(4)</u>	<u>(8)</u>	<u>(12)</u>

The tax on profit before tax for the year is the rate applicable to financial service companies in Jersey of 10% (2018 – 10%).

The differences are reconciled below:

	<i>Year to 30 September 2017 £'000 Audited</i>	<i>Year to 30 September 2018 £'000 Audited</i>	<i>9 Months to 30 June 2019 £'000 Unaudited</i>	<i>Year to 30 September 2019 £'000 Audited</i>	<i>9 Months to 30 June 2020 £'000 Audited</i>
Profit/(loss) before tax	21	(94)	(36)	(78)	(118)
Tax for financial service companies at 10%	2	(9)	(4)	(8)	(12)
Effect of expenses not deductible in determining taxable profit/(loss)	1	1	–	1	–
Tax increase from effect of unrelieved tax losses carried forward	(3)	8	4	7	12
Deferred tax credit	1	(9)	(4)	(8)	(12)
Total tax charge/ (credit)	1	(9)	(4)	(8)	(12)

As at the 30 June 2020 TEAM Jersey has recognised £42,823 of a deferred tax asset. The Directors have reviewed forecasts and expect to have sufficient profits that will be available against which TEAM Jersey can utilise the benefit. This amount is recognised as a non-current asset on the statement of financial position.

9. Property, plant and equipment

	<i>Right of use assets £'000</i>	<i>Equipment £'000</i>	<i>Computer hardware £'000</i>	<i>Computer software £'000</i>	<i>Total £'000</i>
Cost					
At 1 October 2016	80	93	16	11	200
Additions	–	–	–	–	–
Disposals	–	–	–	–	–
At 30 September 2017	80	93	16	11	200
Additions	166	2	5	4	177
Disposals	(80)	–	–	–	(80)
At 30 September 2018	166	95	21	15	297
Additions	–	–	–	2	2
Disposals	–	–	–	–	–
At 30 September 2019	166	95	21	17	299
At 1 October 2018	166	95	21	15	297
Additions	–	–	–	2	2
Disposals	–	–	–	–	–
At 30 June 2019	166	95	21	17	299
At 1 October 2019	166	95	21	17	299
Additions	–	8	–	–	8
Disposals	–	–	–	–	–
At 30 June 2020	166	103	21	17	307

	<i>Right of use assets £'000</i>	<i>Equipment £'000</i>	<i>Computer hardware £'000</i>	<i>Computer software £'000</i>	<i>Total £'000</i>
Depreciation					
At 1 October 2016	11	82	3	4	100
Charge for the year	27	4	1	3	35
At 30 September 2017	38	86	4	7	135
Charge for the year	43	5	3	4	55
Eliminated on disposal	(53)	–	–	–	(53)
At 30 September 2018	28	91	7	11	137
Charge for the year	55	2	5	3	65
At 30 September 2019	83	93	12	14	202
<i>At 1 October 2018</i>	<i>28</i>	<i>91</i>	<i>7</i>	<i>11</i>	<i>137</i>
<i>Charge for the period</i>	<i>42</i>	<i>1</i>	<i>1</i>	<i>1</i>	<i>45</i>
<i>At 30 June 2019</i>	<i>70</i>	<i>92</i>	<i>8</i>	<i>12</i>	<i>182</i>
At 1 October 2019	83	93	12	14	202
Charge for the period	42	2	2	1	47
At 30 June 2020	125	95	14	15	249
Carrying amount					
At 30 September 2017	42	7	12	4	65
At 30 September 2018	138	4	14	4	160
At 30 September 2019	83	2	9	3	97
<i>At 30 June 2019</i>	<i>96</i>	<i>3</i>	<i>13</i>	<i>3</i>	<i>115</i>
At 30 June 2020	41	8	7	2	58

The right-to-use asset is in relation to the property at Royal Court Chambers, 10 Hill Street, St Helier, Jersey, JE2 4UA which it occupies. On 1 May 2018 the lease was amended by an instrument of variation to the original lease and the lease term was amended to 30 April 2021 under new terms.

10. Investments in subsidiaries

	<i>Year to 30 September 2017 £'000 Audited</i>	<i>Year to 30 September 2018 £'000 Audited</i>	<i>9 Months to 30 June 2019 £'000 Unaudited</i>	<i>Year to 30 September 2019 £'000 Audited</i>	<i>9 Months to 30 June 2020 £'000 Audited</i>
Investments in subsidiaries	–	–	–	–	–

Details of undertakings

Details of the investments (including principal place of business in which TEAM Jersey holds 20 per cent. or more of the nominal value of any class of share capital are as follows:

			Year to 30 September 2017 £'000 Audited	Year to 30 September 2018 £'000 Audited	9 Months to 30 June 2019 £'000 Unaudited	Year to 30 September 2019 £'000 Audited	9 Months to 30 June 2020 £'000 Audited
Under- taking Team Nominees Limited	Country of incorp- oration	Holding					
	Jersey	Ordinary	100%	100%	100%	100%	100%

TEAM Nominees Limited acts as a nominee company, holding client assets in safe custody on behalf of its parent company. TEAM Nominees Limited does not trade and its net assets amount to £2 (2018: £2).

TEAM Jersey also owns 99 management shares, representing 99 per cent. in Quadrant Management International Funds Plc and Global Assetbuilder Fund Plc. There was no consideration paid for these shares. These management shares carry no voting rights or rights to dividends.

11. Receivables

	Year to 30 September 2017 £'000 Audited	Year to 30 September 2018 £'000 Audited	9 Months to 30 June 2019 £'000 Unaudited	Year to 30 September 2019 £'000 Audited	9 Months to 30 June 2020 £'000 Audited
Trade receivables	188	168	189	164	216
Prepayments	29	21	28	23	48
Total current trade and other receivables	<u>217</u>	<u>189</u>	<u>217</u>	<u>187</u>	<u>264</u>

Impairment of receivables

	Year to 30 September 2017 £'000 Audited	Year to 30 September 2018 £'000 Audited	9 Months to 30 June 2019 £'000 Unaudited	Year to 30 September 2019 £'000 Audited	9 Months to 30 June 2020 £'000 Audited
Impairment included in trade receivables	<u>-</u>	<u>23</u>	<u>23</u>	<u>-</u>	<u>-</u>

During 2018 a provision for impairment totalling £23,322 was included within trade receivables. During 2019 TEAM Jersey provided for additional impairment of £15,879. The total balance of £39,201 was subsequently written off at the year ended 30 September 2019.

12. Payables

		Year to 30 September 2017 £'000 <i>Audited</i>	Year to 30 September 2018 £'000 <i>Audited</i>	9 Months to 30 June 2019 £'000 <i>Unaudited</i>	Year to 30 September 2019 £'000 <i>Audited</i>	9 Months to 30 June 2020 £'000 <i>Audited</i>
Due within one year						
Loans and borrowings	13	17	52	55	55	49
Payables		65	65	92	35	48
Amounts due to related parties	17	–	–	–	–	–
Social security and other taxes		9	11	11	19	33
		<u>91</u>	<u>128</u>	<u>158</u>	<u>111</u>	<u>130</u>
Due after one year						
Loans and borrowings		<u>27</u>	<u>87</u>	<u>49</u>	<u>33</u>	<u>–</u>

13. Loans and borrowings

		Year to 30 September 2017 £'000 <i>Audited</i>	Year to 30 September 2018 £'000 <i>Audited</i>	9 Months to 30 June 2019 £'000 <i>Unaudited</i>	Year to 30 September 2019 £'000 <i>Audited</i>	9 Months to 30 June 2020 £'000 <i>Audited</i>
Non-current loans and borrowings						
Right-to-use lease liabilities	14	<u>27</u>	<u>88</u>	<u>49</u>	<u>33</u>	<u>–</u>
Current loans and borrowings						
Right-of-use lease liabilities	14	<u>17</u>	<u>52</u>	<u>55</u>	<u>55</u>	<u>49</u>

14. Right-to-use lease liabilities

Lease liabilities

TEAM Jersey occupies a property at Royal Court Chambers, 10 Hill Street, St Helier, Jersey, JE2 4UA. The total right-to-use lease liabilities for this property is disclosed below. On 1 May 2018 the annual repayments of the lease increased from £30,000 to £60,000 per annum by an instrument of variation to the original lease. The lease term ends on 30 April 2021.

		Year to 30 September 2017 £'000 <i>Audited</i>	Year to 30 September 2018 £'000 <i>Audited</i>	9 Months to 30 June 2019 £'000 <i>Unaudited</i>	Year to 30 September 2019 £'000 <i>Audited</i>	9 Months to 30 June 2020 £'000 <i>Audited</i>
Maturity analysis						
Not later than one year		17	60	60	60	45
Between one and five years		27	90	45	30	–
		<u>44</u>	<u>150</u>	<u>105</u>	<u>90</u>	<u>47</u>

	Year to 30 September 2017 £'000 Audited	Year to 30 September 2018 £'000 Audited	9 Months to 30 June 2019 £'000 Unaudited	Year to 30 September 2019 £'000 Audited	9 Months to 30 June 2020 £'000 Audited
Interest expense					
Lease liabilities	4	4	5	8	3
	<u>4</u>	<u>4</u>	<u>5</u>	<u>8</u>	<u>3</u>

15. Share capital

	Year to 30 September 2017 No. Audited	Year to 30 September 2018 No. Audited	9 Months to 30 June 2019 No. Unaudited	Year to 30 September 2019 No. Audited	9 Months to 30 June 2020 No. Audited
Allotted, called and fully paid shares					
Ordinary share capital of £1 each	460,000	460,000	460,000	460,000	565,500
	<u>460,000</u>	<u>460,000</u>	<u>460,000</u>	<u>460,000</u>	<u>565,500</u>

	Year to 30 September 2017 £'000 Audited	Year to 30 September 2018 £'000 Audited	9 Months to 30 June 2019 £'000 Unaudited	Year to 30 September 2019 £'000 Audited	9 Months to 30 June 2020 £'000 Audited
Allotted, called and fully paid shares					
Ordinary shares of £1 each	460	460	460	460	563
	<u>460</u>	<u>460</u>	<u>460</u>	<u>460</u>	<u>563</u>

On the 2 February 2020 TEAM Jersey increased the authorised share capital of TEAM Jersey to £750,000 shares of £1. It was previously 512,500 shares of £1 each.

16. Reserves

Share based reserves records the cumulative share based expense for instruments that are outstanding.

In prior years 215,000 ordinary shares were issued at an average price of £1.758 generating a share premium of £163,000. Ordinary shareholders have one vote per share held and a right to receive dividends. On 19 October 2016 an option to purchase 52,500 new ordinary shares at £2.42 was granted to Mr L Trevelyan with a two-year vesting period. The option was exercised by the issue of shares on 8 October 2019. The consideration for the issue of those shares on exercise of the option was the fair value of office space provided in the period 1 May 2018 to 8 October 2019 £85,000 and cash of £42,050. The directors do not consider the fair value separately attributable to the grant of the option instrument to be material.

On 19 July 2019 TEAM Jersey amended the memorandum of association to increase the capital to £512,500 shares at £1.00 per share. This was subsequently increased on 2 February 2020 to 750,000 shares of £1 each.

17. Earnings per share

Basic earnings per share has been calculated by dividing the profit on ordinary activities after taxation by the weighted average number of shares in issue during the year.

	<i>Year to 30 September 2017 £'000 Audited</i>	<i>Year to 30 September 2018 £'000 Audited</i>	<i>9 Months to 30 June 2019 £'000 Unaudited</i>	<i>Year to 30 September 2019 £'000 Audited</i>	<i>9 Months to 30 June 2020 £'000 Audited</i>
Profit/(loss) for the financial year and total comprehensive income	20	(90)	(32)	(70)	(106)
Number of shares (000's)	460	460	460	460	563
Earnings/(loss) per share (pence)	<u>4.35</u>	<u>(19.57)</u>	<u>(6.96)</u>	<u>(15.22)</u>	<u>(18.99)</u>

18. Related Party transactions

Key management personnel

Key management personnel are the same as the directors. Remuneration of the directors is disclosed in note 4 to the financial information.

Other transactions with directors

TEAM Jersey provides investment services to the directors and a former director. TEAM Jersey does not receive any income for the provisions of these services.

B Shenton and A Gibbins are directors of Quadrant Management Fund Plc until 23 November 2018. The Company acted as a sponsor and investment manager to this fund until 23 November 2018. A Gibbins was paid consultancy fees of £794 (2018: £82,000, 2017: £82,000) during the year.

L Trevellyan is a director and shareholder of Hambelton Properties which leases the office space to the Company. On 19 October 2016 an option to purchase 52,500 new ordinary shares at £2.42 was granted to Mr L Trevellyan which was exercised on 17 August 2018. The new shares were issued on 8 October 2019.

Summary of transactions with subsidiaries

TEAM Jersey bears the operating expenses of its subsidiary TEAM Nominees Limited. This amounted to £750 (2018: £750) during the year.

19. Financial instruments

	<i>Year to 30 September 2017 £'000 Audited</i>	<i>Year to 30 September 2018 £'000 Audited</i>	<i>9 Months to 30 June 2019 £'000 Unaudited</i>	<i>Year to 30 September 2019 £'000 Audited</i>	<i>9 Months to 30 June 2020 £'000 Audited</i>
Categorisation of financial instruments					
Financial assets measured at cost: investments in subsidiary	–	–	–	–	–
Financial assets that are debt instruments measured at amortised cost: trade receivables	188	168	188	164	216
Financial assets that are debt instruments measured at amortised cost: cash and cash equivalents	360	316	287	293	215
	<u>548</u>	<u>484</u>	<u>475</u>	<u>457</u>	<u>431</u>

20. Capital requirement

There is a requirement for TEAM Jersey to maintain a minimum of £25,000 paid up share capital and a surplus of adjusted net liquid assets over the expenditure requirement in a ratio of 110 per cent. The ANLA is reviewed monthly by management. TEAM Jersey has not breached the ANLA requirement in this or the previous accounting period.

Credit Risk management

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above. Revenue is generated quarterly and cash is received from trade receivables is received within 30 days from the quarter end. TEAM Jersey does not believe there is significant credit risk.

Market risk management

TEAM Jersey is mainly exposed to market risk in respect of variations in customer asset values and therefore the management fees that TEAM Jersey receives. There has been no material change to TEAM Jersey's exposure to market risks or the manner in which it manages and measures the risks.

Interest risk management

TEAM Jersey has no borrowings and is therefore not exposed to interest rate risk in that respect.

Liquidity risk management

TEAM Jersey manages liquidity risk by maintaining adequate reserves and by continuously monitoring the capital requirements of TEAM Jersey.

Sensitivity analysis

TEAM Jersey's cash assets are held in business current accounts that are available on demand. Any further reductions in interest rates would not have a material impact.

21. Ultimate controlling party

In the opinion of the directors, there is no single ultimate controlling party.

22. Transition to IFRS

TEAM Jersey has adopted IFRS 16 using the retrospective approach. This standard introduces new requirements for lessee accounting, with the distinction between operating and finance lease no longer applying for lessees. The new standard recognises a right-to-use asset and liability for all leases unless the underlying asset is of low value when new. This standard also requires depreciation of the asset to be recognised separately from the interest expense of the lease liability. As a result, the effects of this accounting policy is included in the adjustments in the transition to IFRS from its previous Accounting Standards.

The adoption of IFRS 16 has resulted in a new treatment of property rental obligations leading to the inclusion of £83,033 of right-of-use assets in the Statement of Financial Position as at 30 September 2019 together with a lease liability of £90,458. In the year to 30 September 2019, operating profit was increased by £65,000, which was matched by an increase in lease liability interest and right-of-use depreciation of £62,216, giving a de-minimis impact to the Income Statement for the year. This was the only adjustment in transitioning to IFRS.

The following tables summarise the impacts of transition to IFRS on TEAM Jersey's financial information:

	<i>30 September 2019 £'000 Audited under FRS 102</i>	<i>30 September 2019 £'000 Remeasure- ment</i>	<i>30 September 2019 £'000 Restated under IFRS</i>
Non-current assets			
Property, plant & equipment	14	83	97
Deferred tax	29	2	31
Investments	–	–	–
	<u>43</u>	<u>85</u>	<u>128</u>
Current assets			
Trade and other receivables	187	–	187
Cash and cash equivalents	293	–	293
	<u>480</u>	<u>–</u>	<u>480</u>
Payables: amounts falling due within one year	(55)	(56)	(111)
Net current assets	<u>425</u>	<u>56</u>	<u>369</u>
Total assets less current liabilities	<u>468</u>	<u>29</u>	<u>497</u>
Payables: amounts falling due after one year	–	(34)	(34)
Net assets	<u>468</u>	<u>(5)</u>	<u>463</u>
Equity			
Share capital	460	–	460
Share premium reserve	163	–	163
Other reserves	85	–	85
Retained earnings	(240)	(5)	(245)
Total equity	<u>468</u>	<u>(5)</u>	<u>463</u>

PART IV
ADDITIONAL INFORMATION

1. The Company

- 1.1 The Company was incorporated and registered in Jersey as a private company limited by shares under the Jersey Companies Law on 4 July 2019 with the name Ponterrin Holdings Limited and with registered number 129405. On 12 October 2020, the Company was re-registered as a public company limited by shares and changed its name to TEAM plc.
- 1.2 The Company is a public company limited by shares and accordingly the liability of its members is limited. The Company and its activities and operations are principally regulated by the Jersey Companies Law and the subordinate legislation made thereunder.
- 1.3 The registered office of the Company is at Royal Court Chambers, 10 Hill Street, St Helier, Jersey JE2 4UA. The telephone number of the Company is +44 (0)1534 877210 and its website is www.teamassetmanagement.com.
- 1.4 Since its incorporation, the Company has not declared, or paid a dividend.

2. Share capital and loan capital

- 2.1 As at 4 July 2019, the issued share capital of the Company was as follows:

<i>Class of share</i>	<i>Number</i>	<i>Issued Amount</i>
Ordinary shares of £0.10 each	100	£10.00

- 2.2 As at 31 December 2019, the issued share capital of the Company was as follows:

<i>Class of share</i>	<i>Number</i>	<i>Issued Amount</i>
Class A shares of £0.10 each	45,900	£4,590.00

- 2.3 As at 31 January 2020, the issued share capital of the Company was as follows:

<i>Class of share</i>	<i>Number</i>	<i>Issued Amount</i>
Class A shares of £0.10 each	87,300	£8,730.00

- 2.4 As at 30 June 2020, being the latest date to which audited accounts for the Company have been prepared, the issued share capital of the Company was as follows:

<i>Class of share</i>	<i>Number</i>	<i>Issued Amount</i>
Class A Shares of £0.10 each	91,453	£9,145.30

- 2.5 The issued share capital of the Company, as at the date of publication of this Document is as follows:

<i>Class of share</i>	<i>Number</i>
Ordinary Shares of no par value	8,036,000

2.6 The issued share capital of the Company, as it is expected to be immediately following Admission is as follows:

<i>Class of share</i>	<i>Number</i>
Ordinary Shares of no par value	16,559,334

2.7 Pursuant to special resolutions of the Company dated 6 and 12 January 2021, the Company made the following changes to its share capital:

- (a) each of the 10,000 unissued Class B Shares of £0.10 each in the Company was cancelled;
- (b) each of the issued and unissued Class A Shares of £0.10 each in the Company was converted into a no par value share;
- (c) each of the issued and unissued Class A Shares in the Company was subdivided into 82 shares in the Company so that the Company:
 - (i) was authorised to issue up to 15,580,000 Class A Shares of no par value; and
 - (ii) had 7,995,000 Class A Shares of no par value in issue;
- (d) the Company was authorised to issue an unlimited number of Ordinary Shares of no par value having the rights, and being subject to the conditions, set out in the articles of association adopted pursuant those special resolutions; and
- (e) each of the issued and unissued Class A Shares of no par value in the Company was reclassified as an Ordinary Share of no par value in the Company so that the Company had 7,995,000 Ordinary Shares of no par value in issue.

2.8 Pursuant to an ordinary resolution of the Company dated 12 January 2021, the Board was authorised to allot 41,000 ordinary shares to employees of the Group.

2.9 Pursuant to an ordinary resolution of the Company dated 12 January 2021, in accordance with article 5.1 (Authority) of the Articles, the Board is authorised to allot equity securities (as defined in the Articles):

- (a) in connection with the Fundraising;
- (b) in connection with the Management Incentive Plan; and
- (c) otherwise than in connection with the Fundraising or Management Incentive Plan, in a maximum number of up to 8,036,000 equity securities, for a period expiring on the first to occur of the date of the annual general meeting of the Company to be held in 2021 and 31 December 2021.

2.10 Pursuant to a special resolution of the Company dated 12 January 2021, in accordance with article 7 (Disapplication of pre-emption rights) of the Articles, the Board is authorised to allot equity securities (as defined in the Articles) wholly for cash:

- (a) in connection with the Fundraising;
- (b) in connection with a rights issue (as defined in the Articles); and
- (c) otherwise than in connection with the Fundraising or a rights issue, up to a maximum number of 8,036,000 equity securities for a period expiring on the first to occur of the date of the annual general meeting of the Company to be held in 2021 and 31 December 2021.

2.11 The Articles confer on Shareholders certain rights of pre-emption in respect of the allotment of equity securities (as defined in the Articles) which are, or are to be, paid up wholly in cash. These provisions have been disapplied to the extent referred to in paragraph 2.10 above.

2.12 Save as set out in this paragraph 2:

- (a) no unissued share or loan capital of the Company or (except for shares in TEAM Midco Limited issued under the Management Incentive Plan) any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

- (b) there are no shares in the capital of the Company currently in issue with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived;
 - (c) there are no outstanding convertible securities issued by the Company; and
 - (d) no share capital or loan capital of the Company or any of its subsidiaries (other than intra-group issues by wholly-owned subsidiaries or shares in TEAM Midco Limited issued or to be issued under the Management Incentive Plan) is in issue and no such issue is proposed.
- 2.13 None of the Ordinary Shares have been sold or made available to the public in conjunction with the application for Admission.
- 2.14 Save as disclosed in this Document, no commission, discounts, brokerages or other specific terms have been granted by the Company in connection with the issue or sale of any of its share or loan capital.
- 2.15 The Ordinary Shares are in registered form and capable of being held in uncertificated form. Application has been made to Euroclear for the Ordinary Shares to be enabled for dealings through CREST as a participating security. No temporary documents of title will be issued. It is expected that definitive share certificates will be posted to those Shareholders who have requested the issue of Ordinary Shares in certificated form by 22 March 2021. The International Securities Identification Number (ISIN) for the Ordinary Shares is JE00BM90BX45.
- 2.16 The Placing Price of 88 pence per Ordinary Share is payable in full on Admission under the terms of the Fundraising.
- 2.17 The net asset value of an existing Ordinary Share prior to the issue of the Placing Shares, based on the net assets of the Company as at 30 June 2020, is £0.21 (the “**Net Asset Value Per Share**”).
- 2.18 The Placing Price of 88 pence per Ordinary Share represents a premium of 67 pence over the Net Asset Value Per Share.

3. Subsidiary undertakings

The Company is the holding company of the Group.

The Company currently has the following significant subsidiaries:

<i>Name</i>	<i>Registration number</i>	<i>Status</i>	<i>Place of incorporation</i>	<i>Percentage of voting share capital held</i>
TEAM Jersey	80836	Trading	Jersey	100 – held by TEAM Midco Limited
TEAM UK	13029848	Management company	England and Wales	100 – held by TEAM Midco Limited
TEAM Nominees Limited	90452	Non-trading	Jersey	100 – held by TEAM Jersey
TEAM Midco Limited	133111	Non-trading	Jersey	100*

*The Company holds 100 per cent of the ordinary shares which carry voting and dividend rights. Participants in the Management Incentive Plan hold A ordinary shares which do not carry voting or dividend rights.

4. Summary of the Memorandum and Articles of Association of the Company

4.1 Memorandum of Association

Under the Jersey Companies Law, the capacity of a Jersey company is not limited by anything in its memorandum or articles of association, and accordingly, the Company’s memorandum of association does not contain an objects clause.

4.2 **Articles of Association**

The Articles, which were adopted conditional on Admission by a special resolution of the Company passed on 12 January 2021, contain, *inter alia*, provisions to the following effect:

(a) *Rights attaching to Ordinary Shares*

(i) Voting rights

Subject to the provisions of the Jersey Companies Law and the Articles and to any rights or restrictions as to voting attached to any class of shares, at any general meeting on a show of hands, every member who (being an individual) is present in person has one vote. On a vote on a show of hands, a proxy appointed by one member has one vote and a proxy appointed by more than one member has one vote, if instructed to vote in the same way by all those members, and is entitled to one vote for and one vote against, if instructed to vote in different ways by those members. On a poll, every member present in person or by proxy or (being a corporation) by a duly authorised representative has one vote for each share of which he is the holder. A member of the Company shall not be entitled, in respect of any share held by him, to vote (either personally or by proxy) at any general meeting of the Company unless all calls on amounts unpaid on his share or other sums payable by him in respect of that share in the Company have been paid to the Company, unless the Board otherwise determines.

(ii) Dividends

Subject to the provisions of the Jersey Companies Law and of the Articles and to any special rights attaching to any shares, the Company may, by ordinary resolution, declare dividends be paid to members of the Company according to their respective rights. However, no such dividend shall exceed the amount recommended by the Board. Interim dividends may be paid provided that they appear to the Board to be justified by the financial position of the Company.

Except as otherwise provided by the Articles or by the rights attached to shares, all dividends shall be apportioned and paid *pro rata* according to the amounts paid up or credited as paid up (otherwise than in advance of calls) on the shares during any portion or portions of the period in respect of which the dividend is paid.

Unless otherwise provided by the rights attached to any share, no dividends payable by the Company shall bear interest as against the Company.

The Company in general meeting may, on the recommendation of the Board, by ordinary resolution direct that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets, and in particular, of fully paid shares or debentures of any other company.

The Board may, with the prior authority of an ordinary resolution of the Company, offer the holders of Ordinary Shares the right to elect to receive Ordinary Shares credited as fully paid instead of cash in respect of the whole or some part of any dividend specified in the resolution.

Any dividend unclaimed for a period of 12 years after having become due for payment shall (if the Board so resolves) be forfeited and shall revert to the Company.

(iii) Return of capital

On a winding-up of the Company, the assets available for distribution among the members shall be distributed to the members *pro rata* to the number of shares held by each member at the time of the commencement of the winding up. If any share is not fully paid up, that share shall only carry the right to receive a distribution calculated on the basis of the proportion that the amount paid up on that share bears to the issue price of that share.

The liquidator may, with the authority of a special resolution of the Company and any other authority required by the Law, divide among the members in specie the whole or any part of the assets of the Company and for that purpose, value any assets and determine how the division shall be carried out as between the members.

(b) *Transfer of shares*

Save in the case of shares which have become participating securities for the purposes of the CREST Regulations, title to which may be transferred by means of an operator's system such as CREST without a written instrument, all transfers of shares must be effected by an instrument of transfer in writing in any usual form or in any other form approved by the Board. The instrument of transfer shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. The Board may, in its absolute discretion, refuse to register any transfer of certificated shares unless it is:

- (i) in respect of a share which is fully paid up;
- (ii) in respect of a share on which the Company does not have a lien;
- (iii) in respect of only one class of shares;
- (iv) in favour of a single transferee or not more than four joint transferees; and
- (v) delivered for registration to the registered office of the Company (or such other place as the Board may from time to time specify for this purpose) accompanied by the certificate for the shares to which it relates (unless a certificate has not been issued) and such other evidence as the Board may reasonably require to prove the title of the transferor and the due execution by him of the transfer or, if the transfer is executed by some other person on his behalf, the authority of that person to do so,

provided that the Board may not exercise its discretion to refuse to register any transfer of a certificated share in such a way as to prevent dealings in such shares from taking place on an open and proper basis.

The Board shall register a transfer of title to any uncertificated share, except the Board may refuse (subject to any relevant requirements of any recognised investment exchange on which the Company's shares are normally traded) to register the transfer of an uncertificated share which is in favour of more than four persons jointly or in any other circumstances permitted by the CREST Regulations.

If the Board refuses to register a transfer of a share it must, within two months after the date on which the transfer was lodged with the Company, send notice of the refusal to the transferee together with its reasons for refusal.

(c) *Disclosure of interests in shares*

The provisions of rule 5 of the DTRs govern the circumstances in which a person may be required to disclose his interests in the share capital of the Company. Inter alia, this requires a person who is interested in 3 per cent. or more of the voting rights in respect of the Company's issued ordinary share capital to notify his interest to the Company (and above that level, any change in such interest equal to 1 per cent. or more). In addition, the Takeover Code contains further provisions pursuant to which a person may be required to disclose his interests in the share capital of the Company.

Pursuant to the Articles, if a member, or any other person appearing to be interested in shares held by that member, has been issued with a notice pursuant to the Articles and has failed in relation to any shares (the "**default shares**") to give the Company the information thereby required within the prescribed period from the date of the notice or, in purported compliance with such notice, has made a statement which is false or inadequate in a material particular, then the Board may, at least 14 days after service of the notice, serve on the holder of such default shares a notice ("**disclosure notice**") pursuant to which the following sanctions shall apply:

- (i) if the default shares in which any one person is interested or appears to the Company to be interested represent less than 0.25 per cent. of the issued shares of the class, the

holders of the default shares shall not be entitled, in respect of those shares, to attend or to vote, either personally or by proxy, at any general meeting or at any separate meeting of the holders of any class of shares in the Company or to exercise any other right conferred by membership in relation to meetings of the Company; or

- (ii) if the default shares in which any one person is interested or appears to the Company to be interested represent at least 0.25 per cent. of the issued shares of that class, the holders of the default shares shall not be entitled, in respect of those shares:
 - (A) to attend or to vote, either personally or by proxy at any general meeting or at any separate general meeting of the holders of any class of shares in the Company, or to exercise any other right conferred by membership in relation to meetings of the Company;
 - (B) to receive any payment by way of dividend and no share shall be allotted in lieu of payment of a dividend; or
 - (C) subject to the Jersey Companies Law, to transfer or agree to transfer any of those shares or any rights in them.
- (d) If, while any of the restrictions referred to above apply to a share, another share is allotted in right of it, the same restrictions shall apply to that other share as if it were a default share.
- (e) *Purchase of own shares*

Subject to the provisions of the Jersey Companies Law and to any rights for the time being attached to any shares, the Company may enter into any contract for the purchase of its own shares.
- (f) *Variation of rights*

Subject to the provisions of the Jersey Companies Law and of the Articles, if at any time the share capital of the Company is divided into different classes of shares, any of the rights attached to any class of shares in issue may, whether or not the Company is being wound up, be varied in such manner as those rights may provide or (if no such provisions is made) either with the consent in writing of the holders of three quarters in number of the issued shares of that class or with the authority of a special resolution passed at a separate general meeting of the holders of those shares.

The quorum for such separate general meeting of the holders of the shares of the class shall be not less than two persons present holding or representing by proxy at least one-third in number of the issued shares of the class in question.

- (g) *General meetings*

Subject to the provisions of the Jersey Companies Law, annual general meetings shall be held at such time and place as the Board may determine. The Board may convene any other general meeting whenever it thinks fit. A general meeting shall also be convened by the Board on the requisition of members in accordance with the Jersey Companies Law.

A general meeting of the Company (other than an adjourned meeting) shall be called by notice of, at least, 14 clear days (irrespective of whether it is an annual general meeting or not).

The accidental omission to give notice of a general meeting or, in cases where it is intended that it be sent out with the notice, an instrument of proxy, or to give notice of a resolution intended to be moved at a general meeting to, or the non-receipt of any of them by, any person(s) entitled to receive the same shall not invalidate the proceeding at that meeting and shall be disregarded for the purpose of determining whether the notice of the meeting, instrument of proxy or resolution were duly given.

No business shall be transacted at any general meeting unless the requisite quorum is present but the absence of a quorum shall not preclude the choice or appointment of a chairman which shall not be treated as part of the business of the meeting. Subject to the provisions of the

Articles, two persons entitled to attend and vote on the business to be transacted, each being a member present in person or a proxy for a member, shall be a quorum.

With the consent of any general meeting at which a quorum is present the chairman may, and shall if so directed by the meeting, adjourn the meeting from time to time (or indefinitely) and from place to place as he shall determine. The chairman may, without consent of the meeting, interrupt or adjourn any general meeting if he is of the opinion that it has become necessary to do so in order to secure the proper and orderly conduct of the meeting or to give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting or to ensure that the business of the meeting is otherwise properly disposed of.

Notice of adjournment or of the business to be transacted at the adjourned meeting is not required unless the meeting is adjourned for 14 days or more, in which case at least 7 clear days' notice is required. No business shall be dealt with at any adjourned meeting, the general nature of which was not stated in the notice of the original meeting.

(h) *Board authorisation of conflicts*

Subject to and in accordance with the Jersey Companies Law and the provisions of the Articles, the Board may authorise any matter or situation in which a Director has, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company. Any such authorisation shall be effective only if:

- (i) any requirement as to the quorum at any meeting of the Directors at which the matter is considered is met without counting either the conflicted Director or any other interested Director;
- (ii) the matter or situation was agreed to and any relevant resolution was passed without counting the votes of the conflicted Director or any other interested Director; and
- (iii) the conflicted Director has disclosed in writing all material particulars of the matter, office, employment or position which relates to the matter or situation which is the subject of the conflict or possible conflict.

(i) *Directors' interests*

Provided permitted by any relevant legislation and provided that he has disclosed to the Board the nature and extent of his interest in accordance with the Law and the Articles, a Director, notwithstanding his office:

- (i) may be party to or otherwise interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested;
- (ii) may hold any other office or position of profit under the Company (except that of auditor of the Company or of any subsidiary of the Company) and may act by himself or through his firm in a professional capacity for the Company;
- (iii) may be a member of or a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by or promoting the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment; and
- (iv) shall not, by reason of his office, be liable to account to the Company for any dividend, profit, remuneration, superannuation payment or other benefit which he derives from any such office, employment, contract, arrangement, transaction or proposal or from any interest in any such body corporate and no such contract, arrangement, transaction or proposal shall be avoided on the grounds of any Director having any such interest or receiving any such dividend, profit, remuneration, payment or benefit.

(j) *Directors' ability to vote and count for quorum*

A Director shall not vote on or be counted in the quorum in relation to, any resolution concerning any transaction or arrangement in which he has an interest which may reasonably be regarded as likely to give rise to a conflict of interest, and, if he purports to do so, his vote

shall not be counted. This prohibition shall not apply and a Director may vote on (and be counted in the quorum) in respect of any resolution relating to any of the following matters:

- (i) any transaction or arrangement in which he is interested by virtue of an interest in shares, debenture or other securities of the Company or otherwise in or through the Company or any of its subsidiaries;
- (ii) the giving to him of any guarantee, security or indemnity in respect of:
 - (A) money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries; or
 - (B) a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;
- (iii) where the Company or any of its subsidiaries is offering securities in which offer the Director is or may be entitled to participate as a holder of securities or as an underwriter or sub-underwriter;
- (iv) subject to the Jersey Companies Law, indemnification (including loans made in connection with it) by the Company in relation to the performance of his duties on behalf of the Company or of any of its subsidiaries;
- (v) any transaction or arrangement concerning any other company in which he does not hold directly or indirectly as shareholder, or through his direct or indirect holdings of financial instruments (within the meaning of DTR 5) voting rights representing one per cent. or more of any class of shares in the capital of that company;
- (vi) relating to an arrangement for the benefit of the employees of the Company or any of its subsidiaries which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates; or
- (vii) the purchase or maintenance of insurance for the benefit of the Directors or for the benefit of persons including the Directors.

A Director may not vote (or be counted in the quorum at any meeting) in respect of any resolution concerning his own appointment or the termination of his own appointment, as the holder of any office or position of profit with the Company or any company in which the Company is interested (including fixing or varying the terms of such appointment or its termination).

Where proposals are under consideration concerning the appointments (including fixing or varying the terms of the appointment) or the termination of the appointment of two or more Directors to offices or position of profit with the Company or any company in which the Company is interested, such proposals may be divided and a separate resolution considered in relation to each Director. In such case, each such Director (if not otherwise debarred from voting) is entitled to vote (and be counted in the quorum) in respect of each resolution except that resolution concerning his own appointment or termination.

(k) *Directors*

The Directors (other than alternate Directors) shall be entitled to receive fees for their services as Directors such sum as the Board may from time to time determine (not exceeding £500,000 per annum in aggregate or such other sum as the Company may approve by ordinary resolution).

Each Director shall be entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in or about the performance of his duties as Director. If by arrangement with the Board any Director performs any special duties or services outside his ordinary duties as a Director and not in his capacity as a holder of employment or executive office, he may be paid such reasonable additional remuneration (whether by way of a lump sum or by way of salary, commission, participation in profits or otherwise) as the Board may from time to time determine.

(l) *Pensions and benefits*

The Board may exercise all the powers of the Company to:

- (ii) pay, provide, arrange or procure the grant of pensions or other retirement benefits, death, disability or sickness benefits, health, accident and other insurances or other such benefits, allowances, gratuities or insurances, including in relation to the termination of employment, to or for the benefit of any person who is or has been at any time a Director of the Company or in the employment or service of the Company or any subsidiary of the Company or the predecessors in business of the Company or any such subsidiary, or the relatives or dependants of any such person. For that purpose the Board may procure the establishment and maintenance of, or participation in, or contribution to, any pension fund, scheme or arrangement and the payment of any insurance premiums;
- (iii) establish, maintain, adopt and enable participation in any profit sharing or incentive scheme including shares, share options or cash or any similar schemes for the benefit of any Director or employee of the Company or any subsidiary of the Company, and subject to any restrictions under applicable legislation, to lend money to any such Director or employee or to trustees on their behalf to enable any such schemes to be established, maintained or adopted; and
- (iv) support and subscribe to any institution or association which may be for the benefit of the Company or any subsidiary of the Company or any Directors or employees of the Company or any subsidiary of the Company or their relatives or dependants or connected with any town or place where the Company or any subsidiary of the Company carries on business, and to support and subscribe to any charitable or public object whatsoever.

(m) *Indemnification of Directors*

To the fullest extent permitted by the Jersey Companies Law, the Company may:

- (i) indemnify any Director and any director of any subsidiary of the Company against any liability;
- (ii) indemnify a director of a company that is a trustee of a pension scheme for employees (or former employees) of the Company or any of its subsidiaries against liability incurred in connection with the company's activities as trustee of the scheme;
- (iii) purchase and maintain insurance against any liability for any person referred to in (i) and (ii) above; and
- (iv) provide any person referred to in paragraph (i) or (ii) above with funds (whether by loan or otherwise) to meet expenditure incurred or to be incurred by him in defending any criminal, regulatory or civil proceedings or in connection with an application for relief (or to enable such director to avoid incurring such expenditure).

(n) *Borrowing powers*

The Board may exercise all the powers of the Company to borrow money to guarantee, to indemnify and to create security (whether by mortgage, charge or otherwise) over any of its undertaking, property and assets (present or future) and uncalled capital and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or any third party.

(o) *Regulatory matters*

If, at any time, the Company determines that a Shareholder Regulatory Event (as defined below) has occurred, it may in its absolute discretion, by written notice to the holder(s) of any interest(s) in any shares in the Company to whom a Shareholder Regulatory Event relates (or to whom the Company reasonably believes it relates):

- (i) suspend one or more of the following rights attaching to such shares:
 - (A) the right to attend, speak, demand a poll or vote (either personally or by proxy) at a general meeting of the Company (or at any separate meeting of the holders of

- the relevant class of shares) in respect of any of such shares, or to exercise, directly or through any trustee or nominee, any other related right conferred by such shares;
 - (B) the right to receive any payment or distribution (whether by way of dividend, interest or otherwise) in respect of any of such shares, or receive any other form of remuneration, including for services rendered; and
 - (C) the right to the issue of further shares or other securities in respect of such shares; and
- (ii) require the recipient of such notice or any person named in it as interested in (or reasonably believed to be interested in) shares of the Company, to:
- (A) dispose of such number of those shares as is specified in such notice; and
 - (B) provide evidence to the Company (in a form reasonably satisfactory to the Company) that such shares have been disposed of within 14 days (or such other time as may be required by a Regulatory Authority (as defined below) or as determined by the Company following the receipt of legal advice) from the date of such notice or within such other period as the Company shall (in its absolute discretion) consider reasonable.

If a notice requiring any shares to be disposed of has not been withdrawn or complied with in accordance with its terms or is otherwise not complied with to the satisfaction of the Company within the time specified, the Company shall:

- (i) be entitled, in its absolute discretion, to dispose (or procure the disposal) of such shares (including to itself) at the highest price reasonably obtainable by the Company or its agents in the circumstances (or such price permitted by the Regulatory Authority); and
- (ii) give written notice of any such disposal to those persons on whom such disposal notice was served or was deemed to have been served.

A “**Shareholder Regulatory Event**” shall occur if:

- (i) a Regulatory Authority informs the Company, any member of its Group or any member by way of a formal determination that any member of the Company or any person interested or believed to be interested in any shares of the Company is for whatever reason:
 - (A) unsuitable to be a person interested in shares of the Company or any member of its Group;
 - (B) not licensed, qualified or approved to be a person interested in shares of the Company or any member of its Group; or
 - (C) disqualified as a holder of interests in shares of the Company or any member of its Group,

under any legislation regulating the operation of any activity undertaken by the Company or any member of its Group or any other company, partnership, body corporate or other entity in which the Company or any member of its Group is interested; and/or

- (ii) a Regulatory Authority by reason, in whole or in part, of the interest of any person(s) in shares of the Company (or by its belief as to the interest of any person(s) in such shares) has:
 - (A) refused or formally notified the Company or any member of its Group or any other company, partnership, body corporate or other entity in which the Company or any member of its Group is interested that it will or is likely to or may refuse;
 - (B) revoked or cancelled or indicated to the Company or any member of its Group or any other company, partnership, body corporate or other entity in which the Company or any member of its Group is interested that it will or is likely to or may revoke or cancel;
 - (C) opposed or formally notified to the Company or any member of its Group or any other company, partnership, body corporate or other business in which the

Company or any member of its Group is interested that it will or is likely to or may oppose; or

- (D) imposed any condition or limitation which may have a material adverse impact upon the operation of any activity undertaken or to be undertaken by the Company or any member of its Group or other entity in which the Company or any member of its Group is interested, or upon the benefit of which the Company or any other member of its Group derives or is likely to derive from the operation by any other member of its Group or any other company, partnership, body corporate, or other entity in which the Company or any member of its Group is interested or indicated to the Company or any member of its Group or any such other company, partnership, body corporate or other entity that it will or is likely to or may impose any such condition or limitation, in relation to,

the grant, renewal, or the continuance of any registration, licence, approval, finding of suitability, consent, or certificate required by any legislation regulating (or any code of conduct or practice recognised or endorsed by the Regulatory Authority relevant to) the operation of any activity undertaken by the Company or any member of its Group or any other company, partnership, body corporate or other entity in which the Company or any member of its Group is interested, which is held by or has been applied for by the Company or any member of its Group or other such person.

For the purposes of the above:

- (i) the Company may, in determining the reason for any action or potential action of a Regulatory Authority, have regard to any statements or comments made by any members, officers, employees or agents of the Regulatory Authority whether or not such statements or comments form part of or are reflected in any official determination or notice issued by the Regulatory Authority, and may act notwithstanding any appeal in respect of the decision of any Regulatory Authority;
- (ii) a **“Regulatory Authority”** means any authority wherever located (whether a government department, independent body established by legislation, a government, self regulating organisation, court, tribunal, commission, board, committee or otherwise) vested with responsibility (with or without another or others) for the regulation of any regulated activity carried on by the Company or any member of its Group, including the Jersey Financial Services Commission, the Guernsey Financial Services Commission and the UK Financial Conduct Authority;
- (iii) the Board may exercise the powers of the Company and any powers, rights or duties conferred on the Company and exercisable by the Board may be exercised by a duly authorised committee of the Board or any person(s) to whom authority has been delegated by the Board or any such committee of the Board (as applicable);
- (iv) any resolution or determination of, or any decision or the exercise of any discretion or power by the Company, the Board, a duly authorised committee of the Board or any person to whom authority has been delegated shall be final and conclusive and binding on all concerned, and neither the Company, the Board, nor any delegate shall be obliged to give any reason(s) for that determination, decision or exercise of discretion; and
- (v) **“interest”** and **“interested in”** in relation to the Company’s shares shall be construed in accordance with the relevant legislation or rules being applied by the relevant Regulatory Authority.

If a Regulatory Authority serves any notice on a member relating to a Shareholder Regulatory Event such member shall immediately notify the Company of such Shareholder Regulatory Event and shall provide the Company with a copy of the notice within 5 days of the member receiving the notice.

5. Directors and employees

- 5.1 The Directors and each of their respective functions are set out in paragraph 7 of Part I of this Document.

5.2 The business address of the Directors is Royal Court Chambers, 10 Hill Street, St Helier, Jersey JE2 4UA.

5.3 The date of birth and the commencement date in office of each of the Directors to date in their current office are set out below:

<i>Name</i>	<i>Date of birth</i>	<i>Commencement date in office</i>
Mark Clubb	10 October 1960	4 July 2019
Matthew Moore	26 May 1971	1 March 2021
Michael Gray	21 March 1966	1 March 2021
David Turnbull	1 December 1958	1 March 2021
Philip Taylor	9 October 1950	1 March 2021

5.4 Details of any directorship that is or was in the last five years held by each of the Directors, and any partnership of which each of the Directors is or was in the last five years a member in addition to their directorships of the Company and its subsidiary undertakings are set out below:

<i>Name</i>	<i>Current directorships and partnerships</i>	<i>Previous directorships and partnerships</i>
Mark Clubb	EEA Life Settlements Fund (Guernsey)	None
Matthew Moore	None	Ascot Lloyd Financial Services Limited Ascot Lloyd Holdings Limited Ascot Lloyd Trustees Limited Avellemy Limited Ballpenny Limited BIA Financial Planning Ltd Bramhall Financial Limited Capital Professional Limited Connect Wealth Management Limited CPL (Private Portfolio) Limited CPL (Vermillion) Limited CPL Bidco Limited CPL Midco Limited CPL Topco Limited Harvard Financial Management Ltd Newell Palmer & Associates Limited Newell Palmer – Des Limited Newell Palmer Group (Services) Limited Newell Palmer Group Ltd Newell Palmer Group Holdings Ltd Newell Palmer Holdings Limited Newell Palmer Limited Newell Palmer Wealth Management Limited Pantheon Financial Enterprise Limited Pantheon Financial Intelligence Limited Pantheon Financial Investments Ltd Pantheon Financial Limited Pantheon Financial Management Limited Pantheon Financial Options Limited Pantheon Financial Partners Limited Pantheon Financial Solutions Limited Pantheon Financial Strategies Limited Pivotal Wealth Advisors Limited Prest Financial Services Holdings Limited Prest Financial Services Limited Rickards Associates Ltd

<i>Name</i>	<i>Current directorships and partnerships</i>	<i>Previous directorships and partnerships</i>
Michael Gray	GCP Infrastructure Limited Jersey Finance Limited JST Company Limited JTC plc MMG Consulting Limited Triton Investments Management S.à.R.L. Triton Investment Management Limited J-Star Jersey Company Limited Foresight 4 VCT plc Jersey AVS Corporate Services Limited	TFF III Limited TFF IV Limited TFF Limited Triton Debt Opportunities Managers Limited Triton Managers II Limited Triton Managers III Limited Triton Managers IV Limited Triton Managers Limited Triton Value Fund Limited Triton Value Fund Managers Limited
David Turnbull	Fiduciary Settlements Ltd mnAI Data Solutions Limited Turnbull Ker LLP	Opun Limited The Opun Group Limited
Philip Taylor	Pont Marquet Investments Limited Pont Marquet RAC Limited SJW Estates Limited St Johns Wood Square Ltd Pacific Infrastructure & Services Limited	Hawksford Holdings Ltd 1887 Vincent Square Limited City Merchants High Yield Trust Ltd Demajo Investments Limited Jersey International Business School JPMorgan Global Convertibles Income Fund Ltd Royal Bank of Scotland International Holdings Ltd Royal Bank of Scotland International Ltd SJW Properties Limited SJW Realty Limited

5.5 Save as disclosed in paragraph 5.6 below, at the date of this Document none of the Directors named in this Document:

- (a) has any unspent convictions in relation to indictable offences;
- (b) has been declared bankrupt or has entered into an individual voluntary arrangement;
- (c) was a director of any company at the time of or within the 12 months preceding any receivership, compulsory liquidation, *désastre* proceedings, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors with which such company was concerned or any equivalent procedure under the laws of any jurisdiction;
- (d) was a partner in a partnership at the time of or within the 12 months preceding a compulsory liquidation, administration or partnership voluntary arrangement of such partnership;
- (e) has had his assets the subject of any receivership or was a partner in a partnership at the time of or within the 12 months preceding any assets thereof being the subject of a receivership; or
- (f) has been the subject of any public criticisms by any statutory or regulatory authority (including any recognised professional body) nor has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

5.6 **Directors confirmations**

David Turnbull was appointed as a director of The Opun Group Limited ("**Opun Group**") on 29 August 2014 and of Opun Limited ("**Opun**") on 1 December 2014. Both Opun Group and Opun were put into administration on 1 June 2018 while Mr Turnbull was a director.

- 5.7 Details of the number of the Group's employees for each of the three financial years ended 30 September 2019 and the nine month period to 30 June 2020 are as follows:

<i>Financial year ended</i>	<i>Number of employees at the end of relevant period</i>
30 September 2017	9
30 September 2018	8
30 September 2019	8
30 June 2020	10

- 5.8 As at 30 June 2020, the employees of the Group were employed as follows:

Investment Management	5
Other	5
Total	10

6. Directors' and other interests

- 6.1 The interests of the Directors, their immediate families and any persons connected with them (within the meaning of section 252 of the UK Companies Act) (all of which, unless otherwise stated, are beneficial) in the issued share capital of the Company as at the date of this Document and as they are expected to be prior to and immediately following Admission are/will be as follows:

<i>Name</i>	<i>As at the date of this Document</i>		<i>Immediately following Admission</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of issued Ordinary Shares</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued Ordinary Shares</i>
Mark Clubb	3,034,902	37.77	3,353,083	20.25
Matthew Moore	Nil	Nil	Nil	Nil
Michael Gray	Nil	Nil	22,727	0.14
David Turnbull	Nil	Nil	17,045	0.10
Phillip Taylor	Nil	Nil	17,045	0.10

- 6.2 Save as disclosed above, none of the Directors nor any member of his immediate family nor any person connected with him (within the meaning of section 252 of the UK Companies Act) holds or is beneficially or non-beneficially interested, directly or indirectly, in any shares or options to subscribe for, or securities convertible into, shares of the Company or any of its subsidiary undertakings.

- 6.3 In addition to the interests of the Directors set out in paragraphs 6.1 to 6.2 above, as at the date of this Document, insofar as is known to the Company, the following persons are, or will at Admission be, interested in 3 per cent. or more of the issued share capital of the Company:

<i>Name</i>	<i>As at the date of this Document</i>		<i>Immediately following Admission</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of issued Ordinary Shares</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued Ordinary Shares</i>
Jonathan Mark Gordon Clubb	3,034,902	37.77	3,353,083	20.25%
Schroder Investment Management Limited	nil	nil	1,653,409	9.98%
Hargreave Hale Limited	nil	nil	1,363,636	8.23%
Lance Trevelyan	839,844	10.45	839,844	5.07%
Metropolitan Guarantee Limited	763,502	9.50	763,502	4.61%
Novum Securities Limited	nil	nil	568,181	3.43%
Prima Investment Limited	nil	nil	568,181	3.43%
Quantum Field Dynamics Limited	534,476	6.65	534,476	3.23%
Sally Mears	381,792	4.75	495,428	2.99%
John Dixon	381,792	4.75	381,792	2.31%
Go West Holdings Limited	381,300	4.74	404,027	2.44%

- 6.4 Save as disclosed above, there are no persons, so far as the Company is aware, who are or will be immediately following Admission interested in 3 per cent. or more of the Company's issued share capital, nor, so far as the Company is aware, are there any persons who at the date of this Document or immediately following Admission, directly or indirectly, jointly or severally, exercise or could exercise control over the Company.
- 6.5 Save as disclosed in this Document, there are no arrangements known to the Company, the operation of which may at a subsequent date result in a change in control of the Company.
- 6.6 The Company's share capital consists of one class of Ordinary Shares with equal voting rights (subject to the Articles). No major Shareholder of the Company has any different voting rights from the other Shareholders.
- 6.7 Save as disclosed in this Document, no Director is or has been interested in any transactions which are or were unusual in their nature or conditions or significant to the business of the Company or the Group during the current or immediately preceding financial year or which were effected during any earlier financial year and remain in any respect outstanding or unperformed.
- 6.8 There are no outstanding loans guarantees provided by the Company or the Group or to or for the benefit of any of the Directors.
- 6.9 Save as set out in:
- (a) paragraph 16 of the notes to the financial information in Section B of Part III of this Document;
 - (b) paragraph 7.1 of this Part IV in relation to Mark Clubb's service contract;
 - (c) paragraph 10(d) of this Part IV in relation to the Mark Clubb Lock-in and Orderly Market Agreement; and
 - (d) paragraph 10(k) of Part IV in relation to each Loan Agreement,
- there are no related party transactions of the kind set out in the Standards adopted according to the Regulation (EC) No 1606/2002 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 which, as a single transaction or in their entirety, are or may be material to the Company and have been entered into by the Company or any other member of the Group during the period covered by the historical financial information set out in Part III of this Document and up to the date of this Document.
- 6.10 There are no actual or potential conflicts of interest between any Director's duties to the Company and any private interests and/or other duties he may have.
- 6.11 No Director nor any member of his immediate family nor any person connected with him (within the meaning of section 252 of the UK Companies Act) has a Related Financial Product (as defined in the AIM Rules for Companies) referenced to Ordinary Shares.

7. Directors' remuneration and service agreements

- 7.1 Mark Clubb is employed as Executive Chairman pursuant to the terms of a service agreement with TEAM Jersey dated 1 March 2021. The agreement is terminable by either party on not less than six months' written notice. Mr Clubb is paid a basic annual salary of £100,000 and is entitled to receive a bonus equal to 350 per cent. of basic salary in the event that the Group achieves certain performance objectives. His basic salary is subject to annual review by the Remuneration Committee. In addition, he is entitled to membership of the Group health plan and receives a contribution of eight per cent. of his basic salary to a personal pension plan of his choice. Mr Clubb is subject to certain non-competition covenants for a period of six months and non-solicitation covenants for a period of nine months' following the termination of his employment. The agreement is governed by English law.
- 7.2 Matthew Moore is employed as Chief Financial Officer and Chief Operating Officer pursuant to the terms of a service agreement with TEAM UK dated 1 March 2021. The agreement is terminable by either party on not less than six months' written notice. Mr Moore is paid a basic annual salary of

£160,000 and is entitled to receive a bonus equal to 200 per cent. of basic salary in the event that the Group achieves certain performance objectives. He is also eligible for a further bonus of £40,000 on Admission. His basic salary is subject to annual review by the Remuneration Committee. In addition, he is entitled to membership of the Group health plan and receives a contribution of eight per cent. of his basic salary to a personal pension plan of his choice. Mr Moore is subject to certain non-competition covenants for a period of six months and non-solicitation covenants for a period of nine months following the termination of his employment. The agreement is governed by English law.

- 7.3 Pursuant to the terms of a letter of engagement with the Company dated 1 March 2021, Michael Gray is employed as a Non-Executive Director for an annual fee of £25,000. This appointment is for a fixed term of one year but will terminate automatically if Mr Gray is removed from office by a resolution of the Shareholders or is not re-elected to office.
- 7.4 Pursuant to the terms of a letter of engagement with the Company dated 1 March 2021, David Turnbull is employed as a Non-Executive Director for an annual fee of £25,000. This appointment is for a fixed term of one year but will terminate automatically if Mr Turnbull is removed from office by a resolution of the Shareholders or is not re-elected to office.
- 7.5 Pursuant to the terms of a letter of engagement with the Company dated 1 March 2021, Philip Taylor is employed as a Non-Executive Director and Senior Independent Director for an annual fee of £25,000. This appointment is for a fixed term of one year but will terminate automatically if Mr Taylor is removed from office by a resolution of the Shareholders or is not re-elected to office.
- 7.6 Save as disclosed in this Document there are no service agreements or agreements for the provision of services existing or proposed between the Directors and the Company or the Group.
- 7.7 In the financial year ended 30 September 2019 (being the last completed financial year of the Company) the aggregate remuneration paid, including pension contributions and benefits in kind granted to the Directors, was £218,787.37.
- 7.8 On the basis of the arrangements in force at the date of this Document it is estimated that the aggregate remuneration payable including pension contributions and benefits in kind granted to the Directors for the year ending 30 September 2021 (being the current financial year of the Company) will be £378,050.00.

8. The Management Incentive Plan

8.1 Overview

The TEAM plc Management Incentive Plan (the “**Management Incentive Plan**”) involves the issue to selected participants, of a new class of shares (or a sub-class of a new class of shares), namely the A Ordinary Shares (the “**A Ords**”) in TEAM Midco Limited (“**Midco**”), a Jersey incorporated intermediary holding company interposed between the Company and its trading subsidiaries. The rights and obligations of the A Ords holders are substantially set out in the Articles of Association of Midco (the “**Midco Articles**”). The Management Incentive Plan has been structured on the basis that the value of Midco will at all material times be the same as the value of the Company.

The A Ords, as a class, will give the participants the opportunity to share in 12.5% of the value of the Company, subject to meeting a hurdle (“**Hurdle**”). The Hurdle will be met if for a continuous period of a specified number of consecutive dealing days within a specified performance period (the “**Performance Period**”), the Company’s ordinary shares are traded on AIM at a pre-determined price (or higher) (the “**Target Share Price**”).

If the Hurdle is met, the A Ords held by a participant will be regarded as vested. Each vested A Ord will accrue value equal to the pro-rated share of 12.5% value of the Company. In that case, following the day within the Performance Period when the Hurdle is determined to have been met, vested A Ords will be acquired by the Company and in consideration, the Company will issue new listed Ordinary Shares equal to the accrued value, pursuant to a ‘put and call’ provision in the Midco Articles.

If the Hurdle is not reached within the Performance Period, the A Ords will convert into deferred shares at the end of the Performance Period. Deferred shares have virtually no rights and are effectively worthless, economically.

8.2 **Administration, eligibility and grant procedure**

The Management Incentive Plan will be administered by the board of directors of Midco, acting on the direction and recommendation of the Board (or the remuneration committee of the Company following Admission), which will make decisions about participation, size and timing of awards.

The award of A Ords to the participants will be made pursuant to a resolution of the Board. It is contemplated that the initial award of A Ords will be made prior to Admission.

Following Admission, awards of A Ords may be made within 42 days of Admission or within 42 days after the announcement of the Company's interim or preliminary results. They may also be granted at other times in exceptional circumstances which the Board considers justify the grant of awards but not during 'closed periods'.

A participant will enter into a share subscription agreement with Midco with regard to the issue and allotment of A Ords to him/her. Participants may be invited to subscribe for A Ords at the nominal value or the market value of the A Ords at the date of subscription, as the Board determines.

Executive directors and the senior members of the management team of the Group (Company and its subsidiaries) may participate in the Management Incentive Plan. They will be invited on a selective basis to participate in the Management Incentive Plan.

8.3 **A Ords**

The A Ords will not be quoted on AIM or any other exchange. They will not have any voting rights or rights to receive dividends.

The Board has will have the power to create and issue one or more sub-classes of the A Ords, from time to time. A Ords cannot be issued more than five years following the date on which the Midco Articles are approved.

The maximum amount of A Ords (i.e. all classes and sub-classes) that can be issued cannot exceed 12.5 per cent. of the issued ordinary shares of Midco.

The dilution limit of 10 per cent. of the Company's issued ordinary share capital over a rolling 10 year period when aggregated with other employee incentive awards granted by the Company shall apply to awards made under the Management Incentive Plan provided that shares bought in the market including those then placed into Treasury shall not count towards this 10 per cent. dilution limit. Awards of A Ords made prior to the admission will not count towards the dilution limit.

On the creation (and issue) of each sub-class of A Ords, the Board will specify the Hurdle, the Target Share Price and the Performance Period.

If the share capital of Midco or the Company is varied and such variation affects the value of the A Ords, the Board has the discretion to adjust the Hurdle for the relevant A Ords, so that the value of the relevant A Ords is not increased or decreased as a result of that variation.

8.4 **Hurdle, Target Share Price and Performance Period**

Hurdle

Target Share Price that needs to be reached or exceeded for a period of at least ten (10) consecutive dealing days during the Performance Period

Performance Period

For awards made prior to Admission - between the day which is ten consecutive dealing days before the third anniversary of the date of Admission and the fifth anniversary of the date of Admission.

For awards post admission – terms to be agreed by the Remuneration Committee.

Target Share Price

The figure **Z**, calculated in accordance with the following formula, being at least 100 per cent. above C:

$$\mathbf{Z} = ((\mathbf{A}+\mathbf{B})/\mathbf{C}) \times \mathbf{C}; \text{ where}$$

A = the closing price of the Company's Ordinary Share on a given day;

B = the total of all dividends paid in respect of one (1) Ordinary Share of the Company between Admission and the Measuring Date (i.e. the day on which whether the Hurdle has been reached is tested), in respect of an award granted on or prior to Admission, or the total of all dividends paid in respect of one (1) Ordinary Share of the Company between the date of an award and the Measuring Date, in respect of an award granted following Admission; and

C = the price per Ordinary Share of the Company on Admission in respect of an award granted on or prior to Admission or the price per Ordinary Share of the Company on the date of the award in respect of an award granted following Admission.

The Board has the discretion to set a different Target Share Price and/or Performance Period in respect of awards.

8.5 **Accrual of value and exchange**

On and following the Hurdle being reached or exceeded within the Performance Period, the A Ords will be regarded as vested and inherently accrue value. The value of the each vested A Ord, on any given day ("**Accrued Value**") will be calculated by the following formula:

$$\mathbf{X} = (12.5 \text{ per cent.} \times \mathbf{T})/\mathbf{M} \text{ where:}$$

T = listed price of an Ordinary Share of the Company on the given day x (multiplied by) the total number of issued shares of the Company on that day; and

M = 12.5 per cent. of the authorised share capital of Midco.

Following the day within the Performance Period when the Hurdle is determined to have been met, the vested A Ords will be acquired by the Company and in exchange, the Company will issue a number of Ordinary Shares equal to the aggregate Accrued Value pursuant to a put and call option provision in the Midco Articles.

If the Hurdle is not met by the end of the Performance Period, all of the A Ords under the award will be converted to deferred shares. Midco will have the right to redeem/repurchase all of the deferred shares from a holder of such shares for £1 in aggregate.

8.6 **Cessation of employment**

The award of A Ords will be subject to leaver provisions.

All of the A Ords of a Bad Leaver and the forfeited A Ords of a Good Leaver ("**Forfeiture Shares**") will be subject to the compulsory transfer provisions (see below).

A portion of the shares held by a Good Leaver will be treated as Forfeiture Shares in accordance with the schedule, below:

<i>Leaving Date</i>	<i>Percentage of each tranche that would be treated as Forfeiture Shares</i>
Any day prior to the first anniversary of the date of the award	100
Between the first anniversary of the date of the award and the day prior to the second anniversary of the date of the award	66.66
Between the second anniversary of the date of the award and the day prior to the third anniversary of the date of the award	33.33
On or after the third anniversary of the date of the award	0

A “**Good Leaver**” is an employee who ceases to be employed by reason of death, redundancy, injury or permanent disability, retirement or the transfer or sale of the subsidiary company or part of the business or undertaking in which the employee was employed. A “**Bad Leaver**” is an employee who ceases to be employed in circumstances where he is not a Good Leaver.

Compulsory transfer provisions

In respect of the A Ords of a Bad Leaver or the forfeited A Ords of a Good Leaver, the participant shall be deemed to have given a transfer notice to Midco for the transfer of such shares to Midco (or such person nominated by Midco) on the day the participant ceases to be an employee for a price per share that is the lower of (a) the Cost per A Ord, and (b) the Market Value per A Ord on the date of the participant ceases to be an employee of any member of its group.

“**Cost**” means the amount paid (by way of purchase or subscription price) and/or any income tax (and national insurance contributions or social security contributions liabilities) paid which arose on the acquisition of each of the A Ords.

“**Market Value**” means the value of the shares determined by the Board, in accordance with Part VIII of the UK Taxation of Capital Gains Act 1992.

8.7 **Corporate events**

Except in the case of a reorganisation, in the event of a (i) change of control of the Company, or (ii) sale of the entire shareholding in Midco by the Company, or (iii) sale of the entire shareholding by the Company of all the trading subsidiaries, or (iv) sale of substantially the whole or substantially the whole of the business, assets and undertaking of the Group, at any time between the date of grant of the Award and the expiry of the Performance Period, whether or not the A Ords will vest would depend on whether the offer price (or the Ordinary Share price of the Company, where applicable) (“**Offer Price**”) is greater than the Target Share Price.

If the Offer Price is lower than the Target Share Price, all of the A Ords will be converted to deferred shares.

If the Offer Price is equal to or higher than the Target Share Price, all of the vested A Ords will be acquired by the Company and in exchange, it will issue Ordinary Shares equal to the aggregate Accrued Value.

On the winding up of Midco, in respect of a tranche of A Ords, if the Hurdle is not achieved, there would be no entitlement to any distribution. If the Hurdle is reached, then each such A Ord will receive the pro-rated share of Surplus Assets.

8.8 **Transfer Restrictions**

A Ords may not be assigned or transferred except in certain circumstances such as transfer to certain permitted transferees (spouse, children, grandchildren, the trustees of a family trust or such other person as the Board deems to be a permitted transferee) or on death, compulsory transfer provisions, or conversion following the reaching of the Hurdle.

8.9 **Taxation**

A participant will be responsible for all tax liabilities arising as a result of the acquisition, holding, or disposal of the A Ords. The participant will be required to indemnify Midco and any relevant Group member who is his/her employer against all tax that Midco or the relevant Group member may be required to bear but which are the primary liabilities of the participant.

A participant together with his/her employer will be required to enter into a valid election under section 431 of the UK Income Tax (Earnings and Pensions) Act 2003.

8.10 **Malus and Clawback**

The terms on which the A Ords will be issued will include malus and clawback provisions that may reduce or withhold some or all of the value that would otherwise accrue prior to vesting/exchange or after vesting/exchange in certain circumstances including material misstatement of the Group's results or fraud or gross misconduct of the participant.

8.11 **Contractual obligations**

An award of the A Ords will not form part of the participant's employment contract.

The participant has no rights to compensation or damages on account of any loss in respect of the A Ords where such loss arises from termination of office or employment.

The A Ords shall not (except as may be required by taxation law) form part of the earnings of individual or count as wages or remuneration for pension or other purposes.

Midco or a relevant Group member may process and transfer a participant's personal data in accordance with its policies on data protection.

8.12 **Governing law**

The Management Incentive Plan will be governed by the laws of the Island of Jersey and Jersey courts will have exclusive jurisdiction.

9. **Taxation**

The following statements are intended only as a general guide to certain UK and Jersey tax considerations and do not purport to be a complete analysis or advice in relation of all potential UK tax consequences of acquiring, holding or disposing of new Ordinary Shares. They are based on current or announced UK legislation and what is understood to be the current practice of HMRC and Revenue Jersey as at the date of this Document, both of which may change, possibly with retroactive effect. They apply only to Shareholders who are resident and, in the case of individuals, domiciled for tax purposes in (and only in) the United Kingdom (except insofar as express reference is made to the treatment of non-UK residents), who hold their new Ordinary Shares as an investment (other than in an individual savings account or exempt pension arrangement) and who are the absolute beneficial owner of both the new Ordinary Shares and any dividends paid on them. The tax position of certain categories of Shareholders who are subject to special rules (such as persons acquiring their Ordinary Shares in connection with employment, dealers in securities, insurance companies and collective investment schemes) is not considered.

The statements summarise the current position and are intended as a general guide only. Prospective investors who are in any doubt as to their tax position or who may be subject to tax

whether in the United Kingdom, Jersey or in any other jurisdiction are strongly recommended to consult their own professional advisers.

9.1 **United Kingdom**

(a) *Stamp Duty and Stamp Duty Reserve Tax*

No charge to stamp duty or stamp duty reserve tax (“**SDRT**”) will arise on the issue or allocation of new Ordinary Shares pursuant to the Fundraising. Following Admission, the Ordinary Shares will be eligible securities traded on a recognised growth market (and not listed on any other recognised stock exchange) and accordingly no stamp duty or SDRT will be charged on the transfer of Ordinary Shares.

(b) *Dividends*

The United Kingdom taxation implications relevant to the receipt of dividends on the new Ordinary Shares are as follows:

The Company is not required to withhold tax when paying a dividend. Liability to tax on dividends will depend upon the individual circumstances of a Shareholder.

(i) UK resident individual Shareholders

UK resident individuals are entitled to a nil rate of income tax on the first £2,000 of dividend income in the tax year 2020/2021 (the nil rate band). Any dividend income received by a UK resident individual Shareholder in respect of the new Ordinary Shares in excess of the nil rate band will be subject to income tax at a rate of 7.5 per cent. to the extent that it is within the basic rate band, 32.5 per cent. to the extent that it is within the higher rate band and 38.1 per cent. to the extent that it is within the additional rate band.

For the purposes of determining which of the taxable bands dividend income falls into, dividend income is treated as the highest part of a Shareholder’s income. In addition, dividends within the nil rate band which (in the absence of the nil rate band exemption) would otherwise have fallen within the basic or higher rate bands will use up those bands respectively and so will be taken into account in determining whether the threshold for higher rate or additional rate income tax is exceeded.

(ii) UK resident corporate Shareholders

It is likely that most dividends paid on the new Ordinary Shares to UK resident corporate shareholders would fall within one or more of the classes of dividend qualifying for exemption from corporation tax. However, it should be noted that the exemptions are not comprehensive and are also subject to anti-avoidance rules.

(iii) Non-UK resident Shareholders

No tax credit will attach to any dividend paid by the Company. A Shareholder resident outside the United Kingdom may also be subject to non-UK taxation on dividend income under local law. A Shareholder who is resident outside the United Kingdom for tax purposes should consult its, his or her own tax adviser concerning its, his or her tax position on dividends received from the Company.

(c) *Disposal of shares acquired under the Fundraising*

A disposal or deemed disposal of new Ordinary Shares by a Shareholder who is resident in the United Kingdom for tax purposes may, depending upon the Shareholder’s circumstances and subject to any available exemption or relief (such as the annual exempt amount for individuals and indexation allowance for corporate shareholders), give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of capital gains.

For such individual Shareholders, any chargeable gain on their disposal of shares will be subject to capital gains tax at 10 per cent. to the extent it is within the basic rate band and 20 per

cent. to the extent it is within the higher or additional rate bands. For such corporate Shareholders, any chargeable gain will be subject to corporation tax.

Shareholders who are not resident in the United Kingdom will not generally be subject to UK taxation of capital gains on the disposal or deemed disposal of shares unless they are carrying on a trade, profession or vocation in the United Kingdom through a branch or agency (or, in the case of a corporate Shareholder, a permanent establishment) in connection with which the shares are used, held or acquired. Non-UK tax resident Shareholders may be subject to non-UK taxation on any gain under local law.

An individual Shareholder who acquires shares whilst resident for tax purposes in the United Kingdom but subsequently ceases to be so resident or is subsequently treated as resident outside the United Kingdom for the purposes of a double tax treaty for a period of five years or less and who disposes of all or part of his or her shares during that period may be liable to capital gains tax on his or her return to the United Kingdom, subject to any available exemptions or reliefs.

(d) *Tax reliefs*

Business Asset Disposal Relief may be available to reduce the capital gain liable to tax on a disposal of Ordinary Shares by a Shareholder who is an officer or employee of the Company and who meets certain other conditions, including holding at least 5 per cent. of the ordinary share capital and voting power of the Company. A holding in the shares of the Company may qualify for other reliefs. However, individuals should seek confirmation as to whether any relief is available in their own particular circumstances at the relevant time.

9.2 **Jersey**

(a) *The Company*

The Company will not be regarded as resident for tax purposes in Jersey. On the basis that the Company is not a financial services company, specified utility company or a large corporate retailer, it does not import into, and supply in, Jersey hydrocarbon oil or own land in Jersey for the purposes of the Income Tax (Jersey) Law 1961, as amended and does not own land in Jersey from which it receives income, the Company will be subject to income tax in Jersey at a rate of zero per cent.

A company will be taxed at 10 per cent. in Jersey if it is registered under the FSJL or under the Banking Business (Jersey) Law 1991, or holds either a Category A or Category B permit under the Insurance Business (Jersey) Law 1996, or if it holds a permit under the Collective Investment Funds (Jersey) Law 1988, or is a company trading in the provision of credit facilities to customers by way of making any advance or granting of any credit. As such, the profits of most entities in the Group (including TEAM Jersey) are likely to be subject to tax in Jersey at the rate of 10 per cent.

(b) *Shareholders*

There is no capital gains tax, estate duty or inheritance tax in Jersey.

Dividends on Ordinary Shares and redemption proceeds may be paid by the Company without withholding or deduction for or on account of Jersey income tax.

Non-Jersey resident Shareholders will be exempt from Jersey income tax on receipt of any distributions from the Company.

Shareholders who are resident in Jersey for income tax purposes may be liable to pay income tax on distributions (including redemption proceeds) received from the Company. Depending out of which profits or reserves the distribution is made, part or all of the distributions payable to Jersey resident Shareholders may carry a 10 per cent. tax credit which may be used to set against the Jersey resident Shareholders' liability to Jersey income tax on the gross taxable distribution.

No stamp duties are payable in Jersey on the acquisition, ownership, exchange, sale or other disposition between living persons of interests. Stamp duty of up to 0.75 per cent. is payable on the grant of probate or letters of administration in Jersey in respect of a deceased natural person:

- (i) who died domiciled in Jersey, on the value of the entire estate (including any interests in that estate); and
- (ii) otherwise, on the value of so much of the estate (including any interests in that estate), if any, as is situated in Jersey.

The duty is capped at £100,000.

10. Material contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Group (i) within the period of two years immediately preceding the date of this Document and which are, or may be, material or (ii) which contain any provision under which any member of the Group has an obligation or entitlement to the Group as at the date of this Document:

The Fundraising and Admission

(a) *Placing Agreement*

A placing agreement dated 2 March 2021 and made between (1) the Company (2) the Directors and (3) Canaccord pursuant to which Canaccord has agreed, subject to certain conditions, to act as agent for the Company and to use its reasonable endeavours to procure placees to subscribe for the New Ordinary Shares at the Placing Price.

The Placing Agreement is conditional upon, *inter alia*, Admission occurring on or before 8.00 a.m. on 8 March 2021 (or such later date as the Company and Canaccord may agree, being not later than 8.00 a.m. on 30 March 2021). The Placing Agreement contains warranties from the Company and the Directors in favour of Canaccord in relation to, *inter alia*, the accuracy of the information in this Document and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify Canaccord in respect of certain liabilities it may incur in respect of the Fundraising. Canaccord has the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, in the event of a material breach of the warranties or a *force majeure* event.

(b) *Selling Shareholder Agreements*

Selling shareholder agreements dated 2 March 2021 and made between (1) the Company (2) each Selling Shareholder and (3) Canaccord pursuant to which Canaccord has agreed, subject to certain conditions, to act as agent for the Selling Shareholder and to use its reasonable endeavours to procure placees to subscribe for the Sale Shares at the Placing Price.

The Selling Shareholder Agreements are conditional upon, *inter alia*, Admission occurring on or before 8.00 a.m. on 8 March 2021 (or such later date as the Company and Canaccord may agree, being not later than 8.00 a.m. on 30 March 2021). The Selling Shareholder Agreements contain warranties from each of the Selling Shareholder in favour of Canaccord in relation to, amongst other things, title to the Sale Shares. In addition, each Selling Shareholder has agreed to indemnify Canaccord in respect of certain liabilities it may incur in respect of the Fundraising. Canaccord has the right to terminate each of the Selling Shareholder Agreements in certain circumstances prior to Admission, in particular, in the event of a material breach of the warranties or a *force majeure* event.

(c) *General Lock-In and Orderly Market Agreements*

Lock-in and orderly market agreements dated 2 March 2021 and made between (1) the Company (2) each Covenantor and (3) Canaccord pursuant to which each of the Covenantors have undertaken to the Company and Canaccord (subject to certain limited exceptions including transfers to family members or to trustees for their benefit and disposals by way of acceptance of a recommended takeover offer for the entire issued share capital of the Company or otherwise with the prior consent of Canaccord), not to dispose of the Ordinary Shares held by each of them following Admission or

any other securities in exchange for or convertible into, or substantially similar to, Ordinary shares (or any interest in them or in respect of them) at any time during the Lock-in Period without the prior written consent of Canaccord and the Company.

Furthermore, each of the Covenantors has also undertaken to the Company and Canaccord not to dispose of their Ordinary Shares for the period of 12 months following the expiry of the Lock-in Period otherwise than through Canaccord.

(d) *Mark Clubb Lock-In and Orderly Market Agreement*

A lock-in and orderly market agreement dated 2 March 2021 and made between (1) the Company (2) Mark Clubb and (3) Canaccord pursuant to which Mark Clubb has undertaken to the Company and Canaccord (subject to certain limited exceptions including transfers to family members or to trustees for their benefit and disposals by way of acceptance of a recommended takeover offer for the entire issued share capital of the Company or otherwise with the prior consent of Canaccord), not to dispose of the Ordinary Shares held by him following Admission or any other securities in exchange for or convertible into, or substantially similar to, Ordinary shares (or any interest in them or in respect of them) at any time prior to the second anniversary of Admission without the prior written consent of Canaccord and the Company.

(e) *Nominated Adviser and Broker Agreement*

A nominated adviser and broker agreement dated 2 March 2021 and made between (1) the Company (2) the Directors and (3) Canaccord pursuant to which the Company has appointed Canaccord to act as nominated adviser and broker to the Company for the purposes of the AIM Rules for Companies. The agreement contains certain undertakings, warranties and indemnities given by the Company and the Directors to Canaccord. The agreement is terminable upon not less than three months prior written notice by either the Company or Canaccord.

(f) *Relationship Agreement*

A relationship agreement dated 2 March 2021 and made between (1) the Company (2) Mark Clubb and (3) Canaccord to regulate the relationship between the Company and Mark Clubb after Admission. The Relationship Agreement, which provides for the autonomous operation of the Company by the Board independently of Mark Clubb (noting that he is currently a Director), will take effect on Admission and will be binding on Mark Clubb until he ceases, directly or indirectly, to exercise control over at least 10 per cent. of the voting rights in respect of the entire issued share capital of the Company. Pursuant to the Relationship Agreement, Mark Clubb also undertakes, amongst other things, that he will (and, in relation to his associates, will procure that each of his associates will): (i) conduct all transactions, agreements, relationships and arrangements with the Group on an arm's length basis and on normal commercial terms; (ii) ensure that no contract or arrangement between him and any member of the Group is entered into or varied without the prior approval of a majority of independent Directors; and (iii) exercise his voting rights to procure in so far as he is able that the Company is able at all times to carry on its business independently of Mark Clubb (noting that he is currently a Director). The relationship agreement also provides that, in circumstances where Mark Clubb is no longer a Director and holds 20 per cent. or more of the voting rights in respect of the entire issued share capital of the Company, he has the right to appoint a Director to the Board.

(g) *Subscription Letters*

Subscription letters dated various dates and made between (1) the Company and (2) each Subscriber pursuant to which the Subscribers shall subscribe for, in aggregate 3,595,445 new Ordinary Shares at the Placing Price.

The Subscription Letters are conditional upon, *inter alia*, Admission occurring on or before 8.00 a.m. on 30 March 2021.

(h) *Financial Adviser Engagement Letter*

An engagement letter between H&P Advisory Limited ("**H&P**") and the Company dated 10 December 2020 (the "**Financial Adviser Engagement Letter**") pursuant to which H&P was appointed as

financial adviser to the Company in connection with, amongst other things, Admission and future M&A opportunities. The Financial Adviser Engagement Letter provides for advisory fees to be payable to H&P on the occurrence of certain events mentioned therein.

General

(i) *TEAM SPA*

On 31 December 2019, the Company entered into a sale and purchase agreement relating to the acquisition of 325,000 shares of £1.00 each in TEAM Jersey from Alan Corbin, Lance Trevelyan, John Wetherall, Allan Gibbins, Jérôme Thérèse and Dusty Carpet Pension Limited for an initial total consideration of £1,060,000 (the “**Primary SPA**”). The Primary SPA contains typical representations and warranties for the purchase of shares in a limited company.

(j) *Trico SPA*

On 31 December 2019, the Company entered into a sale and purchase agreement relating to the acquisition of 150,000 shares of £1.00 each in TEAM Jersey from Trico Limited for £439,500 (the “**Trico SPA**”). The Trico SPA contains a transfer restriction which requires the Company to seek consent from Trico Limited to transfer shares to certain parties named in the Trico SPA.

The combined effect of the Primary SPA and the Trico SPA was that the Company acquired the entire issued share capital in TEAM Jersey.

(k) *Shareholders' Agreement*

A shareholders' agreement dated 6 December 2019 and made between (1) the Company and (2) certain shareholders of the Company (the “**Shareholders' Agreement**”). The Shareholders' Agreement contains provisions typical of an agreement of its nature including provisions governing the decision-making functions of the Company as between its shareholders. The Shareholders' Agreement will be terminated immediately prior to Admission.

(l) *Loan Agreements*

Under loan agreements dated 14 December 2020 and 21 January 2021 (each, a “**Loan Agreement**”) both between Mark Clubb (as lender) and the Company (as borrower), Mr Clubb has provided an aggregate of £400,000 (comprising of two £200,000 term loans) to the Company to be used for its general corporate purposes. The Company has used the loan to pay amounts incurred in relation to Admission.

Interest on each loan accrues at the rate of 3.0 per cent. per annum (or any other rate agreed) and is payable at the end of each three month interest period (unless agreed otherwise). The Company must pay all accrued but unpaid interest, and repay each loan, in full on the date falling 1 month after the third anniversary of the respective date of each Loan Agreement (or any other date agreed) or on demand from Mr Clubb if an ‘Event of Default’ (which is limited to payment defaults and insolvency events) is continuing. The Company may prepay each loan (in whole or part) by giving Mr Clubb at least two business days’ notice (or any shorter period agreed).

Each Loan Agreement is governed by Jersey law.

(m) *Custody Agreement*

On 6 August 2020 TEAM Jersey entered into a contract with Pershing Channel Islands Limited (“**Pershing**”) pursuant to which Pershing agreed to provide custody and settlement services to TEAM Jersey and to TEAM Jersey’s clients.

The term of the Custody Agreement is 7 years subject to the termination provisions contained in it. The Custody Agreement includes provisions whereby TEAM Jersey agrees to provide a summary of the terms of the Custody Agreement to its clients and to enter the agreement with Pershing as agent for those clients with certain restrictions and certain restrictions on the ability for TEAM Jersey to use other service providers to provide custody and settlement services. Accordingly it is anticipated that in due course Pershing will become the principal custodian and settlement agent used by TEAM Jersey. Pershing's liability to TEAM Jersey and to TEAM Jersey clients pursuant to the Custody Agreement is limited to liabilities (other than indirect, special consequential losses of profit or losses

or damages to reputation) arising from the negligence, fraud or wilful misconduct of Pershing or breaches of the relevant Jersey regulatory framework requirements.

Pursuant to the Custody Agreement, TEAM Jersey provides certain indemnities to Pershing in respect of losses which Pershing might incur in relation to the carrying out of its obligations in respect of the services provided under the Custody Agreement.

11. Working capital

In the opinion of the Directors having made due and careful enquiry, taking into account the net proceeds of the Fundraising, the working capital available to the Group will be sufficient for its present requirements, that is for at least the next 12 months from the date of Admission.

12. Litigation

Save as referred to below, no member of the Group is or has been involved in any governmental, legal or arbitration proceedings which may have or have had during the last 12 months preceding the date of this Document, a significant effect on the financial position or profitability of the Company and/or the Group nor, so far as the Company is aware, are any such proceedings pending or threatened.

The Group has received two complaints from former clients where legal proceedings have been threatened. These complaints, which have been received by TEAM Jersey, relate to events in 2015 and 2018 (and so prior to the acquisition of TEAM Jersey by TEAM plc). The total amounts subject to such claims are £1,000,000 and £120,000. At this stage no claims have actually been brought. In both cases management believes it has robust defences to any such claims, if made. Relevant notifications have been made to professional indemnity insurers and the JFSC.

13. Significant change

There has been no significant change in the financial or trading position of the Group since 30 June 2020, being the end of the period to which the latest audited consolidated interim financial information of the Group relate.

14. Jersey Companies Law

14.1 There are a number of differences between the UK Companies Act 2006 (the “**UK Companies Act**”) and the Jersey Companies Law which may impact upon the rights of holders of Ordinary Shares. However, where it was thought appropriate to confer similar rights on and protections to holders of Ordinary Shares, and where permitted under the Jersey Companies Law, provisions replicating in whole or in part the position under English law have been incorporated into the Articles. A fuller description of the Articles is set out in paragraph 4.2 of this Part IV.

14.2 Salient differences between the UK Companies Act and the Jersey Companies Law include (without limitation) the following:

- (a) the Jersey Companies Law does not confer statutory pre-emption rights on Shareholders relating to new share issues. However, pre-emption rights which are similar to those set out in the UK Companies Act are contained in the Articles;
- (b) the Jersey Companies Law does not impose any requirement for the Directors to obtain the approval of the shareholders to issue and allot shares. However, the Articles do impose such requirement on terms similar to the English Law provisions;
- (c) the Jersey Companies Law permits the incorporation of companies with no par value shares;
- (d) the Jersey Companies Law does not require shares in public companies to be paid up to at least one quarter of the nominal value and the whole of any premium paid on such shares;
- (e) the Jersey Companies Law does not contain net asset restrictions on distributions made by public companies;

- (f) the statutory prohibition on issuing shares at a discount to their nominal value has been abolished in the Jersey Companies Law;
- (g) a special resolution is required to be passed by two-thirds of the votes cast by shareholders present (in person or by proxy) at the relevant meeting although this two-thirds threshold can be increased by inclusion of a suitable provision in a company's articles of association. The Articles include a provision increasing this threshold to three-quarters of the votes cast by Shareholders present (in person or by proxy);
- (h) the circumstances in which the Jersey Companies Law permits a Jersey company to indemnify its directors in respect of liabilities incurred by the directors in carrying out their duties are limited, albeit in a slightly different manner to English companies. In particular, there is no express right for a Jersey company to pre-fund a director's defence costs;
- (i) the Jersey Companies Law does not require the directors of a Jersey company to disclose to the company their beneficial ownership of any shares in the company (although they must disclose to the company the nature and extent of any direct or indirect interest in a transaction entered into or proposed to be entered into by the company or by any subsidiary of the company which, to a material extent, conflicts with, or may conflict with, the interests of the company and of which such director is aware). Similarly, the Jersey Companies Law does not grant the directors of a Jersey company a statutory power to request information concerning the beneficial ownership of shares. However, the Articles confer on the Company power to investigate interests in Ordinary Shares;
- (j) under the Jersey Companies Law, shareholders holding not less than one-tenth of the total voting rights of the shareholders of a company who have the right to vote at the meeting requisitioned may requisition a meeting of shareholders;
- (k) contrary to the position under the UK Companies Act where directors must disclose any interest they may have in a contract to be entered into by the company or by a subsidiary of the company, the director of a Jersey company need only make a disclosure where his interest materially conflicts with that of the company and of which such director is aware. However, the Articles restrict the Directors' ability to vote or count in the quorum in relation to such contracts or arrangements;
- (l) the Jersey Companies Law does not contain a provision which would require prior shareholder approval of transactions with directors of the company;
- (m) the Jersey Companies Law does not confer power on the shareholders to remove directors from office and any such power has to be expressly provided for in the articles of the Jersey company. The Articles do confer power on the shareholders to remove directors from office;
- (n) under the Jersey Companies Law, at a meeting of shareholders, a poll may be demanded in respect of any question by: (i) not less than five shareholders having the right to vote on the question; or (ii) a shareholder or shareholders representing not less than one-tenth of the total voting rights of all shareholders having the right to vote on the question. The Articles also provide that a poll may be demanded by (i) the chairman of the meeting and (ii) a member or members holding a right to vote on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right;
- (o) there is no requirement under the Jersey Companies Law to post the results of a poll taken at general meetings of a company on the company's website and no power is conferred upon the shareholders to require an independent report on a poll. The Articles do, however, confer a power on members to require the Directors to obtain an independent report on any poll taken;
- (p) there is no requirement under the Jersey Companies Law that annual accounts and reports and preliminary statements of listed companies be posted on a website, nor is there a requirement that shareholders' concerns about an audit of the company's annual accounts be published on the company's website;
- (q) there is no requirement under the Jersey Companies Law that a director's report contain a business review (which under the UK Companies Act needs to contain information about environmental matters, employees, social and community issues and persons with whom the company has contractual or other arrangements which are essential to the business);

- (r) there are no provisions in the Jersey Companies Law requiring the production of directors' remuneration reports;
- (s) there is no express restriction on donations by a company to political organisations under Jersey law;
- (t) there is no express power under the Jersey Companies Law for directors to make provisions for the benefit of employees of the company in connection with the cessation or transfer of the undertaking of the company;
- (u) while under the Jersey Companies Law the directors of a Jersey company are required to act honestly and in good faith with a view to the best interests of the company and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, under the UK Companies Act a director, while promoting the success of the company, is also required to have regard to, amongst other things, the interests of the company's employees, and to the need to foster business relationships with suppliers and customers and the impact of the company's operations on the environment; and
- (v) under Jersey law, the two principal procedures for dissolving a Jersey company are winding-up and désastre. The concept of a winding up is broadly similar to that under English law, except that under Jersey law, a winding-up may only be commenced by the Jersey company and not by one of its creditors. If the company is solvent the winding up will be a summary winding-up. If the company is insolvent, the winding-up will be a creditors' winding-up. A creditor wishing to dissolve a Jersey company would seek to have the company's property declared en désastre under the Bankruptcy (Désastre) (Jersey) Law 1990, as amended. If the company's property is declared en désastre, all of the powers and property of the company (belonging to or vested in the company at the date of the declaration and all powers in or over or in respect of such property exercisable by the company at the date of the declaration and whether situated in Jersey or elsewhere) are vested in the Viscount (an officer of the court). The role of the Viscount is similar to that of a liquidator. The Viscount's principal duty is to distribute the assets of the company among the persons entitled to receive them in accordance with their respective claims as provided by the law and he is not under an obligation to call any creditors' meetings (although he may do so).

14.3 This list is intended to be illustrative only and does not purport to be exhaustive or to constitute legal advice. Any holder, or prospective holder, of Ordinary Shares wishing to obtain further information regarding their rights as a shareholder under Jersey law should consult their Jersey legal advisers.

15. Consents

- 15.1 Canaccord Genuity Limited, of 88 Wood Street, London EC2V 7QR, is authorised and regulated in the United Kingdom by the FCA, and has given and has not withdrawn its written consent to the issue of this Document with the inclusion of its name and the references to it in the form and context in which it appears.
- 15.2 Crowe U.K. LLP, chartered accountants and registered auditors, of 55 Ludgate Hill, London EC4M 7JW has given and not withdrawn its written consent to the inclusion of its report in Part III of this Document in the form and context in which it appears.

16. General

- 16.1 The net proceeds of the Fundraising are expected to be approximately £6.4 million net of expenses of the Fundraising which are estimated at £1.1 million, excluding VAT, and are payable by the Company.
- 16.2 Save as disclosed in this Document, no person (excluding professional advisers otherwise disclosed in this Document and trade suppliers) has received, directly or indirectly, within the 12 months preceding the date of this Document or entered into contractual arrangements to receive, directly or indirectly, from the Company on or after Admission:
 - (a) fees totalling £10,000 or more;

- (b) securities where these have a value of £10,000 or more calculated by reference to the Placing Price; or
 - (c) any other benefit with a value of £10,000 or more at the date of Admission.
- 16.3 Information in this Document which has been sourced from third parties has been accurately reproduced and so far as the Company is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 16.4 Save as disclosed in this Document, the Directors are unaware of any exceptional factors which have influenced the Company's activities.
- 16.5 Save as disclosed in this Document, the Directors are unaware of any environmental issues that may affect the Group's utilisation of its tangible fixed assets.
- 16.6 Save as disclosed in this Document, the Directors are unaware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for the current financial year.
- 16.7 Save as disclosed in this Document, there are no investments in progress and there are no future investments on which the Directors have already made firm commitments which are significant to the Group.
- 16.8 Save as disclosed in this Document, the Directors believe that the Company is not dependent on patents or licences, industrial, commercial or financial contracts or new manufacturing processes which are material to the Company's business or profitability.
- 16.9 The Company will be subject to the provisions of the Takeover Code, including the rules regarding mandatory takeover offers set out in the Takeover Code. Brief details of the Panel, the Takeover Code and the protections they afford are described below. The Takeover Code is issued and administered by the Panel. The Takeover Code applies to all takeover and merger transactions, however effected, where the offeree company is, *inter alia*, a listed public company resident in the Channel Islands. The Company is a public company resident in Jersey and its Shareholders are therefore entitled to the protections afforded by the Takeover Code. Under Rule 9 of the Takeover Code, when (i) a person acquires, whether by a series of transactions over a period of time or not, an interest in shares (as defined in the Takeover Code) which, when taken together with shares already held by him or persons acting in concert with him (as defined in the Takeover Code), carry 30 per cent. or more of the voting rights of a company subject to the Takeover Code or (ii) any person who, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. but not more than 50 per cent. of the voting rights of a company subject to the Takeover Code, and such person, or any person acting in concert with him, acquires additional shares which increases his percentage of the voting rights in the company, then, in either case, that person, together with the persons acting in concert with him, is normally required to make a general offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights of that company to acquire the balance of their interests in the company.

An offer under Rule 9 of the Takeover Code must be in cash (or with a cash alternative) and at not less than the highest price paid within the preceding 12 months for any shares in the company by the person required to make the offer or any person acting in concert with him. Rule 9 of the Takeover Code further provides, among other things, that where any person who, together with persons acting in concert with him holds over 50 per cent. of the voting rights of a company, acquires an interest in shares which carry additional voting rights, then they will not generally be required to make a general offer to the other shareholders to acquire the balance of their shares. However, individual members of a concert party will not be able to increase their percentage interest in shares through or between a Rule 9 threshold without Panel consent. For the purposes of the Takeover Code, persons acting in concert comprise persons who, pursuant to an agreement or understanding (whether formal or informal), cooperate to obtain or consolidate control of a company. Paragraph (9) of the definition of 'acting in concert' also deems any shareholders in a private company who sell their shares in that

company in consideration for the issue of new shares in a company to which the Takeover Code applies to be acting in concert for the purposes of the Takeover Code unless the contrary is established.

- 16.10 Under the Jersey Companies Law, if a takeover offer (as defined in article 116 of the Jersey Companies Law) is made for the Ordinary Shares and the offeror were to acquire, or unconditionally contract to acquire, not less than 90 per cent. in value (or in number in the case of a no par value company) of the Ordinary Shares to which the takeover offer relates (the “**Takeover Offer Shares**”) and not less than 90 per cent. of the voting rights attached to the Takeover Offer Shares within four months of the last day on which its offer can be accepted, it could acquire compulsorily the remaining 10 per cent. It would do so by sending a notice to outstanding Shareholders telling them that it will acquire compulsorily their Takeover Offer Shares and then, six weeks later, it would execute a transfer of the outstanding Takeover Offer Shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for the outstanding Shareholders. The consideration offered to the Shareholders whose Takeover Offer Shares are acquired compulsorily under the Jersey Companies Law must, in general, be the same as the consideration that was available under the takeover offer.
- 16.11 The Jersey Companies Law also gives minority Shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer relates to all the Ordinary Shares and at any time before the end of the period within which the offer could be accepted the offeror holds or has agreed to acquire not less than 90 per cent. of the Ordinary Shares (being voting shares that carry voting rights in the Company), any holder of Ordinary Shares to which the offer relates who has not accepted the offer is entitled by a written communication to the offeror to require it to acquire its Ordinary Shares. The offeror is required to give any Shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of the minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a Shareholder exercises his other rights, the offeror is bound to acquire those Ordinary Shares on the terms of the offer or on such other terms as may be agreed.
- 16.12 Since 30 June 2020, there has been no takeover offer (within the meaning of article 116 of the Jersey Companies Law) for any Ordinary Shares.
- 16.13 The current accounting reference period of the Group will end on 30 September 2021.
- 16.14 The financial information contained in Part III of this Document does not constitute statutory accounts within the meaning of section 434 of the UK Companies Act. The independent statutory auditors of TEAM for each of the periods ended 30 September 2017, 30 September 2018 and 30 September 2019 were Mazars Channel Islands Ltd, Chartered Accountants and registered auditors, of Mielles House, La Rue des Mielles, St Helier, Jersey JE2 3QD.
- 16.15 Grant Thornton Channel Islands, Chartered Accountants and registered auditors, of Kensington Chambers, 46/50 Kensington Place, St. Helier, Jersey JE1 1ET were appointed statutory auditors of the Group for the year ended 30 September 2020.

17. The Concert Party

The Existing Shareholders as at the date of this Document are considered to be a Concert Party following Admission (the “**Concert Party**”). Immediately following Admission and assuming the placing of or the subscription for all of the New Ordinary Shares and the sale of all of the Sale Shares, members of the Concert Party will hold, in aggregate, 8,496,851 Ordinary Shares, representing approximately 51.3 per cent. of the Enlarged Share Capital. The Concert Party members and their respective holdings are detailed below:

<i>Existing Shareholders</i>	<i>No. of Ordinary Shares held in the Company immediately following admission</i>	<i>Percentage of Enlarged Share Capital immediately following admission</i>
Jonathan Mark Gordon Clubb	3,353,083	20.25
Sally Mears	495,428	2.99
Go West Holdings Limited	404,027	2.44
RIS Holdings Limited	76,260	0.46
Nestegg Investments Limited	135,000	0.82
John Dixon	381,792	2.31
Purpose Venture Capital Limited	63,254	0.38
Carl Richard Penny	76,342	0.46
Simon Shaw	152,684	0.92
Metropolitan Guarantee Limited	763,502	4.61
Quantum Field Dynamics Limited	534,476	3.23
Bubbles Investments Limited	229,026	1.38
Lance Trevellyan	839,844	5.07
Alethea Steven	60,857	0.37
Rachel Husbands	110,432	0.67
Craig Farley	410,844	2.48
Jason Jones	262,400	1.58
Simon O’Donoghue	61,500	0.37
Andrew Gillham	57,400	0.35
Matthew Boxall	20,500	0.12
Nigel Cuming	8,200	0.05
Total shares held	<u>8,496,851</u>	<u>51.31</u>

18. Selling Shareholder

The names and business address of each of the Selling Shareholders are set out below:

<i>Name</i>	<i>Address</i>	<i>Number of Sale Shares</i>	<i>Number of Ordinary Shares as at the date of this Document</i>	<i>Number of Ordinary Shares immediately following Admission</i>
Purpose Venture Capital Limited ¹	c/o Royal Court Chambers, 10 Hill Street, St Helier, Jersey JE2 4UA	51,136	114,390	63,254
Jérôme Thérèse ²	c/o Royal Court Chambers, 10 Hill Street, St Helier, Jersey JE2 4UA	239,850	239,850	0

Notes:

1. Purpose Venture Capital Limited had an appointee on the Board until 1 March 2021. This arrangement has now ended.
2. Jérôme Thérèse was employed by the Group until 21 April 2020. During that time he undertook various roles including Chief Investment Officer of the Group and Portfolio Manager – Business Development.

19. Availability of this Document

A copy of this Document is available at the Company's website www.teamassetmanagement.com.

Dated 2 March 2021

PART V

TERMS AND CONDITIONS OF THE PLACING

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THESE TERMS AND CONDITIONS ARE FOR INFORMATION PURPOSES ONLY AND ARE DIRECTED ONLY AT: (A) PERSONS IN THE UNITED KINGDOM, JERSEY OR MEMBER STATES OF THE EUROPEAN ECONOMIC AREA (EACH A “RELEVANT STATE”) WHO ARE QUALIFIED INVESTORS AS DEFINED IN ARTICLE 2(E) OF THE EU PROSPECTUS REGULATION (WHICH MEANS REGULATION (EU) 2017/1129 (THE “EU PROSPECTUS REGULATION”) OR, IN RELATION TO PERSONS IN THE UNITED KINGDOM ONLY, THE EU PROSPECTUS REGULATION AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE “UK PROSPECTUS REGULATION” AND, TOGETHER WITH THE EU PROSPECTUS REGULATION, THE “PROSPECTUS REGULATION”); (B) IN THE UNITED KINGDOM OR JERSEY, QUALIFIED INVESTORS WHO ARE PERSONS WHO (I) FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE “ORDER”); (II) FALL WITHIN ARTICLE 49(2)(A) TO (D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER; OR (III) ARE PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “RELEVANT PERSONS”). THESE TERMS AND CONDITIONS MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THESE TERMS AND CONDITIONS RELATE IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. PERSONS INTO WHOSE POSSESSION THESE TERMS AND CONDITIONS COMES ARE REQUIRED BY THE COMPANY AND CANACCORD TO INFORM THEMSELVES AND TO OBSERVE ANY SUCH RESTRICTIONS.

1. Introduction

These terms and conditions (“**Terms and Conditions**”) apply to persons making an offer to acquire Placing Shares under the Placing.

Each person to whom these Terms and Conditions apply, as described above, who confirms its agreement to Canaccord and the Company to acquire Placing Shares (which may include Canaccord or its nominee(s)) (each an “**Investor**”) hereby agrees with Canaccord and the Company to be bound by these Terms and Conditions as being the terms and conditions upon which the Placing Shares will be issued and sold under the Placing. An Investor shall, without limitation, become so bound if Canaccord confirms to the Investor (i) the Placing Price and (ii) its allocation of Placing Shares.

The Company and/or Canaccord may require any Investor to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it (in its absolute discretion) considers necessary and/or may require any such Investor to execute a separate investor letter (an “**Investor Letter**”).

2. Agreement to acquire Placing Shares

Conditional upon: (i) Admission occurring and becoming effective by no later than 8.00 a.m. on 8 March 2021 (or such other date and/or time as Canaccord may notify to the Company but, in any event, no later than 8.00 a.m. on 30 March 2021); (ii) the Placing Agreement becoming otherwise unconditional in all respects and not having been terminated in accordance with its terms; and (iii) Canaccord confirming to the Investors their allocation of Placing Shares, each Investor agrees to become a member of the Company and agrees to acquire at the Placing Price those Placing Shares allocated to it by Canaccord. To the fullest extent permitted by law, each Investor acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Investor may have.

3. Payment for Placing Shares

Each Investor undertakes to pay the Placing Price for the Placing Shares acquired by such Investor in the manner and by the time directed by Canaccord.

Each Investor is deemed to agree that, if it fails to pay the Placing Price for the Placing Shares acquired by such Investor, Canaccord may sell any or all of the Placing Shares allocated to that Investor and which have not been paid for on such Investor's behalf and retain from the proceeds, for Canaccord's account and benefit (as agent for the Company and the Selling Shareholders (as the case may be)), an amount equal to the aggregate amount owed by the Investor plus any interest due. Any excess proceeds will be paid to the relevant Investor at its risk. The relevant Investor will, however, remain liable and shall indemnify Canaccord, the Company and the Selling Shareholders on demand for any shortfall below the aggregate amount owed by it. By agreeing to acquire Placing Shares, each Investor confers on Canaccord all such authorities and powers necessary to carry out any such sale and agrees to ratify and confirm all actions which Canaccord lawfully takes in pursuance of such sale.

4. Representations and warranties

By agreeing to acquire Placing Shares under the Placing, each Investor which enters into a commitment to acquire Placing Shares will (for itself and any person(s) procured by it to acquire Placing Shares and any nominee(s) for any such person(s)) be deemed to agree, represent and warrant to each of the Company, the Selling Shareholders, the Registrar and Canaccord that:

- 4.1 it has read this Document in its entirety and it is relying solely on this Document (and any supplementary admission document published by the Company subsequent to the date of this Document) and not on any other information given, or representation or statement made at any time, by any person concerning the Group or the Placing. It acknowledges that its participation in the Placing shall be made solely on the terms and conditions set out in these Terms and Conditions, the Placing Agreement and the Articles. It agrees that these Terms and Conditions and the contract note issued by Canaccord to such Investor represent the whole and only agreement between the Investor, Canaccord, the Selling Shareholders and the Company in relation to the Investor's participation in the Placing and supersedes any previous agreement between any such parties in relation to such participation. It agrees that none of the Company, the Selling Shareholders, Canaccord or the Registrar, nor any of their respective directors, officers, partners, agents, consultants, advisers, affiliates, representatives or employees (each an "affiliate"), will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation. This paragraph 4.1 shall not exclude any liability for fraudulent misrepresentation;
- 4.2 it has the funds available to pay the Placing Price in respect of the Placing Shares for which it has given a commitment under the Placing;
- 4.3 the contents of this Document (and any supplementary admission document published by the Company subsequent to the date of this Document) are exclusively the responsibility of the Company and its Directors and apart from the responsibilities and liabilities, if any, which may be imposed on Canaccord by the FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Canaccord nor any person acting on its behalf nor any of their respective affiliates accept any responsibility whatsoever for and makes no representation or warranty, express or implied, as to the contents of this Document (or any supplementary admission document published by the Company subsequent to the date of this document) or for any other statement made or purported to be made by it, or on its behalf, in connection with the Group, the Placing Shares or the Placing and nothing in this Document (and any supplementary admission document published by the Company subsequent to the date of this Document) will be relied upon as a promise or representation in this respect, whether or not to the past or future. Canaccord accordingly disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this Document (or any supplementary admission document published by the Company subsequent to the date of this Document) or any such statement;
- 4.4 if the laws of any territory or jurisdiction outside the United Kingdom or Jersey are applicable to its agreement to acquire Placing Shares under the Placing, it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its offer commitment in any territory and that it has not taken any action or omitted to take any action which will result in the Company, the Selling Shareholders, Canaccord, the Registrar or any of their respective affiliates acting in breach

of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Placing;

- 4.5 it does not have a registered address in and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Placing Shares and it is not acting on a non-discretionary basis for any such person;
- 4.6 it agrees that, having had the opportunity to read this Document, it shall be deemed to have had notice of all information and representations contained in this Document, that it is acquiring Placing Shares solely on the basis of this Document (and any supplementary admission document published by the Company subsequent to the date of this Document) and no other information and that in accepting a participation in the Placing it has had access to all information it believes necessary or appropriate in connection with its decision to acquire Placing Shares;
- 4.7 it acknowledges that no person is authorised in connection with the Placing to give any information or make any representation other than as contained in this Document (and any supplementary admission Document published by the Company subsequent to the date of this Document) and, if given or made, any information or representation must not be relied upon as having been authorised by Canaccord, or the Company or the Selling Shareholders;
- 4.8 it accepts that none of the Placing Shares have been or will be registered under the laws of any Restricted Jurisdiction. Accordingly, the Placing Shares may not be offered, sold, issued or delivered, directly or indirectly, within any Restricted Jurisdiction unless an exemption from any registration requirement is available;
- 4.9 if it is receiving the details of the Placing in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom or Jersey would apply, that it is a person to whom the Placing Shares may be lawfully offered under that other jurisdiction's laws and regulations;
- 4.10 it is a Relevant Person and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
- 4.11 if it is outside the United Kingdom or Jersey, neither this Document nor any other offering, marketing or other material in connection with the Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to acquire Placing Shares pursuant to the Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Placing Shares could lawfully be distributed to and acquired by and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;
- 4.12 it acknowledges that neither Canaccord nor any of its affiliates nor any person acting on its behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing or providing any advice in relation to the Placing and that participation in the Placing is on the basis that it is not and will not be a client of Canaccord or any of its affiliates, that Canaccord is acting for the Company and no-one else and that none of Canaccord nor any of its affiliates have any duties or responsibilities to it for providing protections afforded to its or their respective clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in these Terms and Conditions or in any Investor Letter, where relevant;
- 4.13 it acknowledges that it is not located within the United States, it is acquiring Placing Shares in an "offshore transaction" as defined in Regulation S promulgated under the US Securities Act ("**Regulation S**") and where it is acquiring Placing Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to acquire the Placing Shares for each such account; (ii) to make on each such account's behalf the representations, warranties and agreements set out in this Document or in any Investor Letter, where relevant; and (iii) to receive on behalf of each such account any documentation relating to the Placing in the form provided by the Company and/or Canaccord. It agrees that the provisions of this paragraph shall survive any resale of the Placing Shares by or on behalf of any such account;
- 4.14 it is acting as principal only in respect of the Placing, or, if it is acting for any other person (i) it is and will remain liable to the Company and/or Canaccord and/or the Selling Shareholders for the performance of all its obligations as an Investor in respect of the Placing (regardless of the fact that it is acting for another person) (ii) it is both an "authorised person" for the purposes of the FSMA and

- a Qualified Investor acting as agent for such person and (iii) such person is either (1) a Qualified Investor or (2) its “client” (as defined in section 86(2) of the FSMA) that has engaged it to act as his agent on terms which enable it to make decisions concerning the Placing or any other offers of transferable securities on his behalf without reference to him;
- 4.15 it confirms that any of its clients, whether or not identified to Canaccord or any of its affiliates, will remain its sole responsibility and will not become clients of Canaccord or any of its affiliates for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;
 - 4.16 where it or any person acting on its behalf is dealing with Canaccord, any money held in an account with Canaccord on its behalf and/or any person acting on its behalf will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require Canaccord to segregate such money as that money will be held by Canaccord under a banking relationship and not as trustee;
 - 4.17 it has not and will not offer or sell any Placing Shares to persons in the United Kingdom, except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 102B of the FSMA;
 - 4.18 it is an “eligible counterparty” or a “professional investor” within the meaning of Chapter 3 of the FCA’s Conduct of Business Sourcebook and it is subscribing for or purchasing the Placing Shares for investment only and not for resale or distribution;
 - 4.19 it irrevocably appoints any Director and any director of Canaccord to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its acquisition of all or any of the Placing Shares for which it has given a commitment under the Placing, in the event of its own failure to do so;
 - 4.20 it accepts that if the Placing does not proceed or the conditions to Canaccord’s obligations in respect of such Placing under the Placing Agreement or the Selling Shareholder Agreements are not satisfied or the Placing Agreement or the Selling Shareholder Agreements is terminated prior to Admission for any reason whatsoever or such Placing Shares are not admitted to trading on AIM for any reason whatsoever, then neither Canaccord nor the Company nor the Selling Shareholders nor any of their respective affiliates, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;
 - 4.21 it has not taken any action or omitted to take any action which will or may result in Canaccord, the Company, the Selling Shareholders or any of their respective affiliates being in breach of the legal or regulatory requirements of any territory in connection with the Placing or its acquisition of Placing Shares pursuant to the Placing;
 - 4.22 in connection with its participation in the Placing, it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and countering terrorist financing including under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and that its offer commitment is only made on the basis that it accepts full responsibility for any requirement to identify and verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person: (i) subject to the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended) in force in the United Kingdom; or (ii) subject to the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing) (the “**Money Laundering Directive**”); or (iii) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Directive;
 - 4.23 due to anti-money laundering and the countering of terrorist financing requirements, Canaccord, and/or the Company and/or the Selling Shareholders may require proof of identity of the Investor and related parties and verification of the source of the payment before the placing commitment can be

processed and that, in the event of delay or failure by the Investor to produce any information required for verification purposes Canaccord, and/or the Company and/or the Selling Shareholders may refuse to accept the placing commitment and the subscription and/or purchase moneys relating thereto. It holds harmless and will indemnify Canaccord, and/or the Company and/or the Selling Shareholders against any liability, loss or cost ensuing due to the failure to process the placing commitment, if such information as has been required has not been provided by it or has not been provided on a timely basis;

- 4.24 it is aware of the obligations regarding insider dealing in the Criminal Justice Act 1993, the MAR and the Proceeds of Crime Act 2002 and confirms that it has complied and will continue to comply with those obligations;
- 4.25 it and each person or body (including, without limitation, any local authority or the managers of any pension fund) on whose behalf it accepts Placing Shares pursuant to the Placing or to whom it allocates such Placing Shares have the capacity and authority to enter into and to perform their obligations as an Investor of the Placing Shares and will honour those obligations;
- 4.26 as far as it is aware it is not acting in concert (within the meaning given in the Takeover Code) with any other person in relation to the Company and it is not a related party of the Company for the purposes of the AIM Rules for Companies;
- 4.27 Canaccord is entitled to exercise any of its rights under the Placing Agreement or any other right in its absolute discretion, including the right to terminate the Placing Agreement, without any liability whatsoever to it (or any agent acting on their behalf) and Canaccord shall not have any obligation to consult or notify Investors in relation to any right or discretion given to it or which it is entitled to exercise;
- 4.28 Canaccord expressly reserves the right to determine, at any time prior to Admission, not to proceed with the Placing. If such right is exercised, the Placing (and the arrangements associated with it) will lapse and any monies received in respect of the Placing will be returned to Investors without interest;
- 4.29 the representations, undertakings and warranties given by an Investor as contained in this Document or in any Investor Letter, where relevant, are irrevocable. It acknowledges that Canaccord, the Selling Shareholders and the Company and their respective affiliates will rely upon the truth and accuracy of such representations, undertakings and warranties and it agrees that if any of the representations, undertakings or warranties made or deemed to have been made by its application for Placing Shares are no longer accurate, it shall promptly notify Canaccord and the Company;
- 4.30 it confirms that it is not and at Admission will not be, an affiliate of the Company or a person acting on behalf of such affiliate and it is not acquiring Placing Shares for the account or benefit of an affiliate of the Company or of a person acting on behalf of such an affiliate;
- 4.31 nothing has been done or will be done by it in relation to the Placing that has resulted or could result in any person being required to publish a prospectus in relation to the Company or to any Ordinary Shares in accordance with the Jersey Companies Law or any order made under it, the FSMA or the Prospectus Regulation Rules or in accordance with any other laws applicable in any part of the European Union or the European Economic Area;
- 4.32 it will (or will procure that its nominee will) if applicable, make notification to the Company of the interest in its Ordinary Shares in accordance with Rule 5 of the Disclosure Guidance and Transparency Rules as they apply to the Company pursuant to the Articles;
- 4.33 it accepts that the allocation of Placing Shares shall be determined by Canaccord following consultation with the Company and that Canaccord may scale down any placing commitments on such basis as it may determine; and
- 4.34 time shall be of the essence as regards its obligations to settle payment for the Placing Shares and to comply with its other obligations under the Placing.

5. Indemnity

Each Investor irrevocably agrees, on its own behalf and on behalf of any person on whose behalf it is acting, to indemnify and hold the Company, the Selling Shareholders and Canaccord and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising

out of any breach by it or any person on whose behalf it is acting of the representations, warranties, undertakings, agreements and acknowledgements in these Terms and Conditions.

6. Supply and disclosure of information

If Canaccord, the Selling Shareholders, the Registrar or the Company or any of their agents request any information in connection with an Investor's agreement to acquire Placing Shares under the Placing or to comply with any relevant legislation, such Investor must promptly disclose it to them.

7. Miscellaneous

- 7.1 The rights and remedies of the Company, the Selling Shareholders, Canaccord and the Registrar under these Terms and Conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 7.2 On the acceptance of its placing commitment, if an Investor is a discretionary fund manager, that Investor may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Placing will be sent at the Investor's risk. They may be returned by post to such Investor at the address notified by such Investor.
- 7.3 Each Investor agrees to be bound by the Articles (as amended from time to time) once the Placing Shares, which the Investor has agreed to acquire pursuant to the Placing, have been acquired by the Investor. The contract to acquire Placing Shares under the Placing and the appointments and authorities mentioned in this Document will be governed by and construed in accordance with, the laws of England. For the exclusive benefit of the Company, the Selling Shareholders, Canaccord and the Registrar, each Investor irrevocably submits to the jurisdiction of the courts of England and Wales and waives 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. This does not prevent an action being taken against an Investor in any other jurisdiction.
- 7.4 In the case of a joint agreement to acquire Placing Shares under the Placing, references to an "Investor" in these terms and conditions are to each of the Investors who are a party to that joint agreement and their liability is joint and several.
- 7.5 Canaccord, the Selling Shareholders and the Company expressly reserve the right to modify the Placing (including, without limitation, its timetable and settlement) at any time before allocations are determined including the right of Canaccord to notify to the Company and/or the Selling Shareholders the extension for the dates and times for satisfaction of any or all of the conditions in the Placing Agreement and/or the Selling Shareholder Agreements (provided that such conditions are not extended beyond 8.00 a.m. on 30 March 2021).
- 7.6 The Placing is subject to the satisfaction of the conditions contained in the Placing Agreement and the Placing Agreement not having been terminated in accordance with its terms. For further details of the terms of the Placing Agreement and the Selling Shareholder Agreements please refer to paragraphs 10(a) and 10(b) of Part IV of this Document.
- 7.7 Canaccord may, and its affiliates acting as an investor for its or their own account(s) may, acquire Placing Shares and, in that capacity may retain, purchase, offer to sell or otherwise deal for its or their own account(s) in the Placing Shares, any other securities of the Company or other related investments in connection with the Placing or otherwise. Accordingly, references in these Terms and Conditions to the Placing Shares being offered, subscribed, sold, acquired or otherwise dealt with should be read as including any offer to, or subscription, acquisition or dealing by, Canaccord and/or any of their respective affiliates acting as an investor for its or their own account(s). Neither Canaccord nor the Company intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so.
- 7.8 Each Investor which acquires Placing Shares will be deemed to undertake that it agrees that it is liable for any capital duty, stamp duty, stamp duty reserve tax and all other stamp, issue, securities, transfer registration, documentary or other duties or taxes (including any interest, fines or penalties

relating thereto) payable outside the United Kingdom or Jersey by such Investor or any other person on the acquisition by such Investor of any Placing Shares or the agreement by such Investor to acquire any Placing Shares.

8. Sales outside the United States

Each acquirer of the Placing Shares offered in reliance on Regulation S will be deemed to represent, warrant and agree as follows:

- 8.1 it and any person, if any, for whose account it is acquiring the Placing Shares, is acquiring the Placing Shares outside the United States in an offshore transaction meeting the requirements of Regulation S and the transaction was not pre-arranged with a buyer in the United States;
- 8.2 it is not in any jurisdiction in which it is unlawful to make or accept an offer to acquire the Placing Shares;
- 8.3 it is aware that the Placing Shares have not been and will not be registered under the US Securities Act and are being offered and sold only in “offshore transactions” outside the United States in reliance on Regulation S;
- 8.4 it is not acquiring the Placing Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Placing Shares into the United States or any jurisdiction referred to above;
- 8.5 if in the future it decides to offer, sell, transfer, assign or otherwise dispose of the Ordinary Shares, it will do so only pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act;
- 8.6 it has received, carefully read and understands this Document and has not distributed, forwarded, transferred or otherwise transmitted this Document or any other presentation or offering materials concerning the Placing Shares to any persons within the United States, nor will it do any of the foregoing; and
- 8.7 that the Company, Canaccord and the Selling Shareholders, their affiliates and others, will rely upon the truth and accuracy of the foregoing acknowledgements, representations or agreements made by it, if it becomes aware that the foregoing acknowledgements, representations or agreements are no longer accurate or have not been complied with, it will immediately notify the Company and Canaccord and, if it is acquiring any Placing Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make such foregoing acknowledgements, representations and agreements on behalf of each such account.

9. Selling restrictions

- 9.1 The distribution of this Document and the offer of Ordinary Shares pursuant to the Placing in certain jurisdictions may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any restrictions, including those set out in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.
- 9.2 The Ordinary Shares may not be offered or sold, directly or indirectly, and neither this Document nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Persons into whose possession this Document comes should inform themselves about and observe any restrictions on the distribution of this Document and the offer of the Ordinary Shares pursuant to the Placing contained in this Document. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Document does not constitute an offer to subscribe for or acquire any of the Ordinary Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer of solicitation in such jurisdiction.
- 9.3 In addition, no person may buy Ordinary Shares in the Placing if, as a result of the purchase, that person would become a “Controller” or exceed a “Control Threshold”. For this purpose:

- (a) **“Controller”** means “controller” within the meaning of FSMA and/or the Handbook for the Prevention and Detection of Money Laundering and the Financing of Terrorism published by the JFSC, and/or a “shareholder controller” or “principal person” within the meaning of the FSJL; and
- (b) **“Control Threshold”** means the beneficial ownership and control thresholds published by the FCA and the JFSC, and as set out in FSMA and FSJL (as applicable).

9.4 **Relevant States**

In relation to each Relevant State, no Ordinary Shares have been offered or will be offered pursuant to the Placing to the public in that Relevant State, except that an offer to the public in that Relevant State of any Ordinary Shares may be made at any time under the following exemptions under the Prospectus Regulation:

- (a) to any legal entity which is a Qualified Investor;
- (b) to fewer than 150, natural or legal persons (other than Qualified Investors) per Relevant State, subject to obtaining the prior consent of Canaccord for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Ordinary Shares shall result in a requirement for the Company or Canaccord to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or a supplemental prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to any Ordinary Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the Placing and any Ordinary Shares so as to enable an investor to decide to acquire any Ordinary Shares.

In the case of any Ordinary Shares being offered to a “financial intermediary” as that term is used in Article 5(1) of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Ordinary Shares acquired by it in the Placing have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Ordinary Shares to the public other than their offer or resale in a Relevant State to Qualified Investors as so defined or in circumstances in which the prior consent of the Company and Canaccord has been obtained to each such proposed offer or resale.

The Company, the Selling Shareholders, Canaccord and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representation, warranty, acknowledgement and agreement. Notwithstanding the above, a person who is not a Qualified Investor and who has notified Canaccord of such fact in writing may, with the consent of Canaccord, be permitted to acquire Ordinary Shares in the Placing.

In no event may any action, whether directly or indirectly, be taken that would constitute an invitation to the public to become a member of the Company or to acquire or apply for any Ordinary Shares or which would result in any Placing Document (as defined in the Placing Agreement) constituting a “prospectus” under the Jersey Companies Law.

9.5 **United States of America**

The Ordinary Shares have not been and will not be registered under the US Securities Act or under the securities laws or regulations of any state or other jurisdiction of the United States and may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into or from the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no offer of the Ordinary Shares in the United States. The Ordinary Shares are being offered and sold only outside the United States in “offshore transactions” in reliance on Regulation S.

In addition, until 40 days after the commencement of the Placing, an offer or sale of Ordinary Shares within the United States by any dealer (whether or not participating in the Placing) may violate the registration requirements of the US Securities Act if such offer or sale is made otherwise than in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

9.6 **Australia**

This Document has not been and will not be lodged with the Australian Securities and Investments Commission or the Australian Stock Exchange and is not a disclosure document for purposes of Australian law. This Document (whether in preliminary or definitive form) may not be issued or distributed in Australia and no offer or invitation may be made in relation to the issue, sale or purchase of any Ordinary Shares in Australia (including an offer or invitation received by a person in Australia) and no shares may be sold in Australia, unless the offer or invitation does not need disclosure to investors under Part 6D.2 of the Corporations Act 2001.

Each acquirer of Ordinary Shares will be deemed to have acknowledged the above and, by applying for Ordinary Shares under this Document, gives an undertaking to the Company not to offer, sell, transfer, assign or otherwise alienate those securities to persons in Australia (except in the circumstances referred to above) for 12 months after their issue.

9.7 **Canada**

The relevant clearances have not been and will not be, obtained from the Securities Commission of any province or territory of Canada. Accordingly, subject to certain exceptions the Ordinary Shares may not, directly or indirectly, be offered or sold within Canada, or offered or sold to a resident of Canada.

9.8 **Republic of South Africa**

The relevant clearances have not been and will not be, obtained from the South African Reserve Bank nor any other applicable body in the Republic of South Africa. Accordingly, the Placing Shares will not, directly or indirectly, be offered or sold within the Republic of South Africa.

9.9 **Japan**

The Placing Shares have not been and will not be registered under the Securities and Exchange Law of Japan and may not be offered or sold directly or indirectly in Japan except under circumstances that result in compliance of all applicable laws, regulations and guidelines promulgated by the relevant governmental and regulatory authorised in effect at the relevant time.

10. **Allocation**

10.1 Canaccord has solicited indications of interest from prospective Investors to acquire Ordinary Shares in the Placing. On this basis, prospective Investors have been asked to specify the number of Ordinary Shares that they are prepared to acquire at different prices. Multiple applications under the Placing are permitted.

10.2 A number of factors have been considered in deciding the Placing Price and the bases of allocation, including prevailing market conditions, the level and the nature of the demand for Ordinary Shares and the objective of encouraging long-term ownership of the Ordinary Shares. The Placing Price has been established at a level determined in accordance with these arrangements, taking into account indications of interest received from persons (including market-makers and fund managers) connected with Canaccord. Accordingly, the Placing Price may be lower than the highest price at which all of the Ordinary Shares, in respect of which indications of interest have been received or which are available for subscription or sale in the Placing, could have been accepted.

10.3 Investors will be advised verbally or by electronic mail of their allocation as soon as practicable following allocation.

- 10.4 Investors will be contractually committed to acquire the number of Placing Shares allocated to them at the Placing Price and, to the fullest extent permitted by law, will be deemed to have agreed not to exercise any rights to rescind or terminate, or otherwise withdraw from, such commitment. Dealing with the Placing Shares may not begin before notification is made.
- 10.5 All Ordinary Shares to be issued or sold pursuant to the Placing will be issued or sold, payable in full, at the Placing Price.
- 10.6 The rights attaching to the Ordinary Shares are uniform in all respects and they form a single class for all purposes.
- 10.7 Each Ordinary Share ranks equally in all respects with each other Ordinary Share and has the same rights (including voting and dividend rights and rights to a return of capital) and restrictions as each other Ordinary Share, as set out in the Articles.
- 10.8 Subject to the provisions of the Articles, any equity securities issued by the Company for cash must first be offered to Shareholders in proportion to their holdings of Ordinary Shares. The Articles allows for the disapplication of pre-emption rights which may be waived by special resolution of the Shareholders, either generally or specifically, for a maximum period not exceeding five years.
- 10.9 Except in relation to dividends which have been declared and rights on a liquidation of the Company, the Shareholders have no rights to share in the profit of the Company.
- 10.10 The Ordinary Shares are not redeemable. However, the Company may purchase or contract to purchase any of the Ordinary Shares, subject to the Jersey Companies Law.
- 10.11 Further details of the rights attached to the Ordinary Shares are set out in paragraph 4 of Part IV of this Document.

11. ***Dealing arrangements***

- 11.1 The Placing is subject to the satisfaction of certain conditions contained in the Placing Agreement, which are typical for an agreement of this nature, including the Selling Shareholder Agreements having become unconditional and Admission occurring and becoming effective by 8.00 a.m. on 8 March 2021 or such later date as may be determined in accordance with such agreement and neither the Placing Agreement nor the Selling Shareholder Agreements having been terminated in accordance with their terms. Certain conditions are related to events which are outside the control of the Company, the Directors, and Canaccord. Further details of the Placing Agreement and the Selling Shareholder Agreements are described in paragraphs 10(a) and 10(b) of Part IV of this Document.
- 11.2 Application will be made to the London Stock Exchange for all of the Ordinary Shares, issued and to be issued, to be admitted to trading on AIM. Admission of the Ordinary Shares is not being sought on any market other than AIM.
- 11.3 It is expected that Admission will take place and dealings in the Ordinary Shares will commence on AIM at 8.00 a.m. on 8 March 2021.
- 11.4 Each Investor will be required to undertake to pay the Placing Price for the Ordinary Shares acquired by such Investor in such manner as shall be directed by Canaccord.
- 11.5 The Ordinary Shares are in registered form and can be held in certificated or uncertificated form. Title to certificated Ordinary Shares (if any) will be evidenced in the register of members of the Company and title to uncertificated Ordinary Shares will be evidenced by entry into the operator register maintained by the Registrar (which will form part of the register of members of the Company).
- 11.6 It is intended that allocations of Placing Shares to Investors who wish to hold Placing Shares in uncertificated form will take place through CREST on Admission. It is intended that, where applicable, definitive share certificates in respect of the Placing Shares will be posted by first class post as soon as is practicable following Admission. Dealings in advance of the crediting of the relevant CREST stock account shall be at the risk of the person concerned. Prior to the despatch of definitive share certificates in respect of any Placing Shares which are not settled in CREST, transfers of those Placing

Shares will be certified against the register of members of the Company. No temporary documents of title will be issued.

12. **CREST**

12.1 With effect from Admission, the Articles will permit the holding of Ordinary Shares under the CREST system. CREST is a paperless settlement system allowing securities to be transferred from one person's CREST account to another's without the need to use share certificates or written instruments of transfer. The Company has applied for the Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if any Shareholder so wishes. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

12.2 Each Investor allocated Placing Shares in the Placing will be sent a trade confirmation stating the number of Placing Shares allocated to it, the Placing Price, the aggregate amount owed by each Investor to Canaccord and settlement instructions. Investors should settle against CREST ID: 805. Each Investor agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with either the standing CREST or certificated settlement instructions which it has in place with Canaccord.

13. **Placing arrangements**

13.1 The Company, the Directors and Canaccord have entered into the Placing Agreement, pursuant to which Canaccord has agreed, subject to certain conditions, to use its reasonable endeavours to procure subscribers for the New Ordinary Shares at the Placing Price. The Company, Canaccord and the Selling Shareholders have entered into the Selling Shareholder Agreements, pursuant to which Canaccord has agreed, as agent for the Selling Shareholders, to use its reasonable endeavours to procure purchasers for the Sale Shares at the Placing Price.

13.2 The Placing Agreement contains provisions entitling Canaccord to terminate the Placing (and the arrangements associated with, including the Selling Shareholder Agreements at any time prior to Admission in certain circumstances. If this right is exercised, the Placing and these arrangements will lapse and any monies received in respect of the Placing will be returned to Investors without interest. The Placing Agreement and the Selling Shareholder Agreements provide for Canaccord to be paid a commission in respect of the Placing Shares acquired by Investors. Any commission received by Canaccord may be retained and any Placing Shares acquired by them may be retained or dealt in, by it, for its own benefit.

13.3 Further details of the terms of the Placing Agreement and the Selling Shareholder Agreements are set out in paragraphs 10(a) and 10(b) of Part IV of this Document.

14. **MiFID II Product Governance Requirements**

14.1 Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of (a) retail investors, (b) investors who meet the criteria of professional clients and (c) eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is

without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Canaccord will only procure investors who meet the criteria of professional clients and eligible counterparties.

- 14.2 For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares.
- 14.3 Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

