

**THIS DOCUMENT AND THE ENCLOSED FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this document or the Form of Proxy, or the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who is authorised under the Financial Services and Markets Act 2000 (as amended) (“FSMA”) if you are resident in the United Kingdom (or, if you are a person outside the UK, from another appropriately qualified independent financial adviser in your jurisdiction).

If you have sold or otherwise transferred all of your Existing Ordinary Shares prior to the date of this document, please immediately send this document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold or transferred only part of your registered holding of Existing Ordinary Shares, you should retain this document and the accompanying Form of Proxy and immediately consult with the stockbroker, bank or other agent through whom the sale or transfer was effected. The distribution of this document and/or any accompanying documents into a jurisdiction other than the United Kingdom may be restricted by law or regulation and therefore such documents should not be distributed, forwarded to or transmitted in or into the United States of America, Canada, Australia, Japan, New Zealand or the Republic of South Africa or into any other jurisdiction where to do so would breach any applicable law or regulation.

The total consideration under the Retail Offer to existing Shareholders will be less than €8 million (or an equivalent amount) in aggregate and it is therefore an exempt offer to the public for the purposes of section 86(1)(e) of FSMA and the Placing Shares will only be available to qualified investors for the purposes of the Prospectus Regulation or otherwise in circumstances not resulting in an offer of transferable securities to the public under section 102B of FSMA. Neither the Placing nor the Retail Offer constitutes an offer to the public requiring an approved prospectus under section 85(1) of FSMA and accordingly this document does not constitute a prospectus for the purposes of the Prospectus Rules made by the Financial Conduct Authority of the United Kingdom (“FCA”) pursuant to sections 73A(1) and (4) of FSMA and has not been pre-approved by the FCA pursuant to sections 85 and 87 of FSMA, the London Stock Exchange, any securities commission or any other authority or regulatory body. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules for Companies. This document has not been approved for issue by any person for the purposes of section 21 of FSMA.

The Company and the Directors, whose names are set out on page 6, accept responsibility, both collectively and individually, for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

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## **Velocity Composites plc**

*(Incorporated and registered in England and Wales with registered no. 06389233)*

**Proposed Placing and Subscription of 15,500,000 New Ordinary Shares to raise £6.20 million**

**Proposed Retail Offer of up to 1,250,000 New Ordinary Shares to raise £0.5 million**

**Recommended proposal for the cancellation of the Share Premium Account**

**and**

**Notice of General Meeting**

***Cenkos Securities plc  
Nominated Adviser and Broker***

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**This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company set out on pages 13 to 23 (inclusive) of this Circular explaining the background to, and reasons for, the Fundraising and the Cancellation and the recommendation by the Directors to the Shareholders to vote in favour of the Resolutions to be proposed at the General Meeting, referred to below.**

The Existing Ordinary Shares are admitted to trading on AIM. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the

FCA. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Subject to certain conditions being satisfied, application will be made for the New Ordinary Shares to be admitted to trading on AIM, a market operated by the London Stock Exchange. It is expected that First Admission will become effective and that dealings in the Firm Placing Shares, the Subscription Shares and the Retail Offer Shares will commence at 8.00 a.m. on 15 August 2023. Conditional on the passing of Resolutions 1, 2 and 6 at the General Meeting and Court approval, it is expected that Second Admission will become effective and that dealings in the EIS/VCT Placing Shares will commence at 8.00 a.m. on 6 October 2023. The New Ordinary Shares will be issued free of expenses and will, on issue, rank *pari passu* in all respects with the Existing Ordinary Shares in issue, including the right to receive all dividends and distributions declared, made or paid after the date of issue.

**Notice of a General Meeting of the Company, to be held at the offices of Velocity Composites plc, AMS Technology Park, Billington Road, Burnley, Lancashire, BB11 5UB at 11.00 a.m. on 29 August 2023, is set out at the end of this document.**

**Enclosed with this document is a Form of Proxy for use in respect of the General Meeting. You are requested to complete, sign and return the Form of Proxy as soon as possible, and in any event, so as to arrive at the offices of the Company's registrars, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, not later than 11.00 a.m. on 24 August 2023. If you hold your Ordinary Shares in CREST, you may appoint a proxy by completing and transmitting a CREST Proxy Instruction so as to be received by the Company's registrars, Equiniti, not later than 11.00 a.m. on 24 August 2023.**

The distribution of this Circular in or into jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any other jurisdiction should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the laws of such jurisdiction. This document does not constitute an offer or invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities pursuant to this document or otherwise in any jurisdiction in which such offer or solicitation is unlawful. For the avoidance of doubt, such restricted jurisdictions include, but are not limited to, the United States, Australia, Canada, Japan, New Zealand and the Republic of South Africa. This document has been prepared to comply with English law and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside the United Kingdom. No person should construe the contents of this document as legal, tax or financial advice and recipients of this document should consult their own advisers as to the matters described in this document.

The New Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the US and may not be offered or sold within the US or to, or for the account or benefit of, any US Person as that term is defined in Regulation S under the US Securities Act. The Company has not been registered and will not be registered under the United States Investment Company Act of 1940, as amended. The relevant clearances have not been, and will not be, obtained from the securities commission of any province or territory of Canada and no registration statement has been, or will be, filed with the Japanese Ministry of Finance in relation to the Placing. Accordingly, subject to certain exceptions, the New Ordinary Shares may not, directly or indirectly, be offered or sold in or into the US, Canada, Australia, the Republic of South Africa or Japan or to any resident of Canada, Australia, the Republic of South Africa or Japan. Any prospective purchaser of New Ordinary Shares is recommended to seek their own independent professional advice.

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

Centkos, which is authorised and regulated in the United Kingdom by the FCA and is a member of the London Stock Exchange, is acting as nominated adviser and broker to the Company and for no

one else in connection with the Fundraising and Admission and accordingly will not be responsible to any person other than the Company for providing the protections afforded to customers of Cenkos or for providing advice in relation to such matters. Cenkos' responsibilities as the Company's nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any director of the Company (existing or proposed) or to any other person. No representation or warranty, expressed or implied, is made or deemed to be made by Cenkos or any of its directors as to any of the contents of this document and Cenkos has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by Cenkos for the accuracy of any information or opinions contained in this document or for the omission of any information.

### **Forward looking statements**

This document contains statements about the Company that may be deemed to be "forward-looking statements". All statements, other than statements of historical facts, included in this document may be forward-looking statements. Without limitation, any statements preceded or followed by, or that include, the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "should", "anticipates", "estimates", "projects", or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements may include, without limitation, statements relating to future capital expenditures, expenses, revenues, earnings, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects, etc. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors which may cause the actual result, performance or achievements of any person, or industry, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. Investors should not place undue reliance on such forward-looking statements and, save as is required by law or regulation (including to meet the requirements of the AIM Rules, the City Code on Takeovers and Mergers, the Prospectus Regulation Rules and/or FSMA), the Company does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to the Company or any persons acting on its behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements contained in this document are based on information available to the Directors at the date of this document, unless some other time is specified in relation to them, and the posting or receipt of this document shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

### **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, each as they form part of the law of England and Wales by virtue of EUWA (together, the "**Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the New Ordinary Shares have been subject to a product approval process, which has determined that the New Ordinary Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and 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 New Ordinary Shares may decline and investors could lose all or part of their investment; the New Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the New Ordinary 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, Cenkos 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 Company of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Ordinary Shares.

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

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## **DIRECTORS, SECRETARY AND ADVISERS**

<b>Directors</b>	Andrew Michael Beaden (Non-Executive Chairman) Jonathan Karl Bridges (Chief Executive Officer) Adam John Holden (Group Finance Director) Annette Rothwell (Non-Executive Director) Dr David Warren Bailey (Non-Executive Director)
<b>Company Secretary</b>	Adam Holden
<b>Registered office</b>	AMS Technology Park Billington Road Burnley Lancashire BB11 5UB
<b>Nominated Adviser and Broker</b>	<b>Cenkos Securities plc</b> 6.7.8 Tokenhouse Yard London EC2R 7AS
<b>Legal advisers to the Company</b>	<b>Fieldfisher LLP</b> 17 <sup>th</sup> Floor No 1 Spinningfields 1 Hardman Street Manchester M3 3EB
<b>Legal advisers to the Nominated Adviser and Broker</b>	<b>Gowling WLG (UK) LLP</b> 4 More London Riverside London SE1 2AU
<b>Registrar</b>	<b>Equiniti Limited</b> Aspect House Spencer Road Lancing West Sussex BN99 6DA

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2023

Announcement of the Placing and Subscription, and publication and posting of this document and the Form of Proxy	7.00 a.m. on 9 August
Announcement of the REX Retail Offer	7.01 a.m. on 9 August
Announcement of the results of the Retail Offer	14 August
<b>First Admission effective and dealings in the Firm Placing Shares, Subscription Shares and Retail Offer Shares expected to commence on AIM</b>	<b>8.00 a.m. on 15 August</b>
CREST accounts credited in respect of the Firm Placing Shares, Subscription Shares and Retail Offer Shares to be held in uncertificated form (subject to First Admission)	15 August
Where applicable, expected date for dispatch of definitive share certificates for Firm Placing Shares, Subscription Shares and Retail Offer Shares to be held in certificated form	within 10 Business Days following First Admission
Latest time and date for receipt of completed Forms of Proxy and receipt of electronic proxy appointments via the CREST system	11.00 a.m. on 24 August
<b>General Meeting</b>	11.00 a.m. on 29 August
Announcement of result of General Meeting	29 August
Expected date for final hearing and confirmation of the Cancellation by the Court	20 September
Expected date that the Cancellation become effective	29 September
<b>Second Admission effective and dealings in the EIS/VCT Placing Shares expected to commence on AIM</b>	<b>8.00 a.m. on 6 October</b>
CREST accounts credited in respect of the EIS/VCT Placing Shares to be held in uncertificated form (subject to Second Admission)	6 October
Where applicable, expected date for dispatch of definitive share certificates for EIS/VCT Placing Shares to be held in certificated form	within 10 Business Days following Second Admission

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

***Certain of the events in the above timetable are conditional upon, inter alia, the approval of Resolutions 1, 2 and 6 to be proposed at the General Meeting. The expected dates for the confirmation of the Cancellation by the Court and the Cancellation becoming effective are based on provisional dates that have been obtained for the required Court hearings of the Company's application. These provisional hearing dates are subject to change and dependent on the Court's timetable.***

*The timetable assumes that there is no adjournment of the General Meeting. If there is an adjournment, all subsequent dates are likely to be later than those shown.*

*All references to time and dates in this document are to time and dates in London.*

## KEY STATISTICS

Number of Existing Ordinary Shares	36,920,785
Number of Firm Placing Shares	1,900,000
Number of Subscription Shares	1,100,000
Number of EIS/VCT Placing Shares	12,500,000
Maximum number of REX Retail Offer Shares	1,250,000
Issue Price	40 pence
Percentage of the Enlarged Share Capital represented by the New Ordinary Shares*	31.2 per cent.
Gross proceeds of the Placing and the Subscription	£6.20 million
Maximum gross proceeds of the REX Retail Offer	£0.5 million
Estimated net proceeds of the Fundraising*	up to £6.21 million
Enlarged Share Capital immediately following the Fundraising*	53,670,785
ISIN of the Ordinary Shares	GB00BF339H01
SEDOL of the Ordinary Shares	BF339H0

*\*Assuming full take up under the REX Retail Offer*



## DEFINITIONS AND GLOSSARY

The following definitions and glossary apply throughout this document (including the Notice of General Meeting) and the Form of Proxy unless the context otherwise requires:

<b>“Act”</b>	the Companies Act 2006 (as amended);
<b>“Admission”</b>	means First Admission and Second Admission;
<b>“AIM”</b>	the market of that name operated by the London Stock Exchange;
<b>“AIM Rules for Companies”</b>	the AIM Rules for Companies, as published and amended from time to time by the London Stock Exchange;
<b>“Australia”</b>	the Commonwealth of Australia, its states, territories and possessions;
<b>“Board” or “Directors”</b>	the directors of the Company as at the date of this document, whose names are set out on page 6 of this document;
<b>“Business Day”</b>	any day (excluding Saturdays and Sundays) on which banks are open in London for normal banking business and the London Stock Exchange is open for trading;
<b>“Canada”</b>	Canada, its provinces, territories and all areas subject to its jurisdiction and any political sub-division thereof;
<b>“Cancellation”</b>	the proposed cancellation of the Company’s capital by the cancellation of the Share Premium Account, as described in this document;
<b>“Cenkos Securities”</b>	Cenkos Securities plc, a public limited company incorporated in England and Wales under registered number 05210733 and having its registered office at 6.7.8 Tokenhouse Yard, London, EC2R 7AS, the Company’s nominated adviser and broker;
<b>“certificated” or “in certificated form”</b>	an ordinary share recorded on a company’s share register as being held in certificated form (namely, not in CREST);
<b>“Chairman”</b>	the chairman of the Board;
<b>“Circular” or “this document”</b>	this document, posted to Shareholders on 9 August 2023;
<b>“Company” or “Velocity”</b>	Velocity Composites plc, a company registered in England and Wales with registered number 06389233;
<b>“Court”</b>	the High Court of England and Wales;
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and holding shares in uncertificated form, in respect of which Euroclear UK & International is the operator (as defined in the CREST Regulations);
<b>“CREST Manual”</b>	the rules governing the operation of CREST as published by Euroclear;
<b>“CREST member”</b>	a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations);
<b>“CREST participant”</b>	a person who is, in relation to CREST, a system-participant (as defined in the CREST Regulations);
<b>“CREST participant ID”</b>	shall have the meaning given in the CREST Manual;
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755) including any enactment or subordinate legislation which amends or supersedes those regulations and any applicable rules made

	under those regulations or any such enactment or subordinate legislation for the time being in force;
<b>“CREST sponsor”</b>	a CREST participant admitted to CREST as a CREST sponsor;
<b>“CREST sponsored member”</b>	a CREST member admitted to CREST as a CREST sponsored member;
<b>“Disclosure, Guidance and Transparency Rules”</b>	the disclosure, guidance and transparency rules made by the FCA under Part V of the FSMA from time to time;
<b>“EIS”</b>	Enterprise Investment Scheme;
<b>“EIS/VCT Placing”</b>	the conditional placing of the EIS/VCT Placing Shares at the Issue Price by Cenkos as described in this document;
<b>“EIS/VCT Placing Shares”</b>	12,500,000 new Ordinary Shares to be issued pursuant to the EIS/VCT Placing, to EIS or VCT investors;
<b>“Enlarged Share Capital”</b>	the entire issued share capital of the Company on Second Admission following completion of the Fundraising and assuming full take up under the Retail Offer;
<b>“Euroclear”</b>	Euroclear UK & International Limited;
<b>“EUWA”</b>	European Union (Withdrawal) Act 2018 (as amended);
<b>“Existing Ordinary Shares”</b>	the 36,920,785 Ordinary Shares in issue at the date of this document;
<b>“FCA”</b>	the UK Financial Conduct Authority;
<b>“Firm Placing”</b>	the conditional placing of the Firm Placing Shares at the Issue Price by Cenkos as described in this document;
<b>“Firm Placing Shares”</b>	1,900,000 new Ordinary Shares to be issued pursuant to the Firm Placing, under the Company’s existing authorities granted at the Company’s Annual General Meeting on 28 February 2023;
<b>“First Admission”</b>	admission of the Firm Placing Shares, the Subscription Shares and the Retail Offer Shares to trading on AIM;
<b>“First Article Inspection”</b>	a supplier surveillance process which provides for the verification of a supplier’s first article, including physical verification of individual characteristics as deemed necessary by the manufacturer, to ensure all engineering, design and specification requirements have been fulfilled;
<b>“Form of Proxy”</b>	the form of proxy for use by Shareholders in relation to the General Meeting, enclosed with this document;
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended);
<b>“Fundraising”</b>	together, the Placing, Subscription and the Retail Offer;
<b>“FY22”</b>	the financial year ended 31 October 2022 of the Company;
<b>“FY23”</b>	the financial year ended 31 October 2023 of the Company;
<b>“FY24”</b>	the financial year ended 31 October 2024 of the Company;
<b>“General Meeting” or “GM”</b>	the General Meeting of the Company convened for 11.00 a.m. on 29 August 2023 or any adjournment thereof, notice of which is set out at the end of this document;
<b>“GKN Agreement”</b>	the five-year work package agreement announced in December 2022 between the Company and GKN Aerospace expected to be worth in excess of US\$100 million in revenue over five years;
<b>“Group”</b>	the Company and its subsidiaries (as defined in the Act);

<b>“HMRC”</b>	HM Revenue & Customs;
<b>“Intermediaries”</b>	any financial intermediary appointed by the Company in connection with the REX Retail Offer and “Intermediary” shall mean any one of them;
<b>“Intermediary Agreements”</b>	the agreements entered between each of the Intermediaries, the Company and Peel Hunt LLP containing terms and conditions in relation to the REX Retail Offer;
<b>“Issue Price”</b>	40 pence per New Ordinary Share;
<b>“ITA”</b>	UK Income Tax Act 2007;
<b>“Japan”</b>	Japan, its cities and prefectures, territories and possessions;
<b>“London Stock Exchange”</b>	London Stock Exchange Group plc;
<b>“New Ordinary Shares”</b>	the Placing Shares, the Subscription Shares and/or the Retail Offer Shares (as the context permits);
<b>“Notice of General Meeting”</b>	the notice convening the General Meeting as set out at the end of this document;
<b>“Official List”</b>	the Official List of the FCA;
<b>“Ordinary Shares”</b>	the ordinary shares of 0.25p each in the capital of the Company in issue from time to time;
<b>“PDMR”</b>	a person discharging managerial responsibilities as defined in Article 3(25) of UK MAR;
<b>“Placees”</b>	subscribers for the Placing Shares;
<b>“Placing”</b>	the conditional placing of the Placing Shares at the Issue Price by Cenkos as described in this document, comprising the Firm Placing and the EIS/VCT Placing;
<b>“Placing Agreement”</b>	the conditional placing agreement dated 9 August 2023 between Cenkos and the Company, details of which are set out in paragraph 7 of this document;
<b>“Placing Shares”</b>	14,400,000 new Ordinary Shares to be issued, in aggregate, pursuant to the Placing, comprising 1,900,000 Firm Placing Shares and 12,500,000 EIS/VCT Placing Shares;
<b>“Prospectus Regulation Rules”</b>	the prospectus regulation rules of the Financial Conduct Authority made under Part VI of FSMA;
<b>“Prospectus Rules”</b>	the rules made by the FCA under Part VI of FSMA in relation to offers of transferable securities to the public and admission of transferable securities to trading on a regulated market;
<b>“Reduction Resolution”</b>	the special resolution (resolution 6) relating to the Cancellation to be proposed at the General Meeting;
<b>“Registrar”</b>	Equiniti Limited, the Company’s registrar;
<b>“Regulatory Information Service”</b>	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA’s website;
<b>“Republic of South Africa”</b>	the Republic of South Africa, its territories and possessions;
<b>“Resolutions”</b>	the resolutions to be proposed at the General Meeting, details of which are set out in the Notice of General Meeting, and each being a <b>“Resolution”</b> ;
<b>“Retail Offer” or “REX Retail Offer”</b>	the proposed offer of REX Retail Offer Shares having an aggregate value, at the Issue Price, of up to £0.5 million to retail investors who are Shareholders by the Company through

	Intermediaries using the REX Platform and on the basis of the terms and conditions set out in the REX Retail Offer Announcement and Intermediaries Agreements;
<b>“REX Platform”</b>	Peel Hunt’s Retail Capital Markets platform;
<b>“REX Retail Offer Announcement”</b>	the announcement dated 9 August 2023 giving details, <i>inter alia</i> , of the REX Retail Offer;
<b>“REX Retail Offer Shares”</b>	the up to 1,250,000 new Ordinary Shares to be issued for cash at the Issue Price, pursuant to the REX Retail Offer;
<b>“Second Admission”</b>	admission of the EIS/VCT Placing Shares to trading on AIM;
<b>“Securities Act”</b>	US Securities Act of 1933 (as amended);
<b>“Shareholders”</b>	the holders of Existing Ordinary Shares, and the term <b>“Shareholder”</b> shall be construed accordingly;
<b>“Share Options”</b>	share options granted under the Velocity Composites plc Enterprise Management Incentive and Unapproved Scheme, to subscribe for new Ordinary Shares;
<b>“Share Premium Account”</b>	the share premium account of the Company from time to time (including as enlarged by the issue of the Firm Placing Shares and the Subscription Shares);
<b>“Subscription”</b>	the subscription by a certain private subscriber for the Subscription Shares at the Issue Price;
<b>“Subscription Shares”</b>	the 1,100,000 new Ordinary Shares to be issued and allotted pursuant to the Subscription;
<b>“uncertificated” or “uncertificated form”</b>	means recorded on the relevant register or other record of the share or other security concerned as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
<b>“United Kingdom” or “UK”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“United States” or “US”</b>	the United States of America, each State thereof, its territories and possessions (including the District of Columbia) and all other areas subject to its jurisdiction;
<b>“USE”</b>	Unmatched Stock Event;
<b>“USE Instructions”</b>	an Unmatched Stock Event instruction in CREST;
<b>“US Facility”</b>	Velocity’s new advanced manufacturing facility in Tallassee, Alabama, United States;
<b>“£”, “pounds sterling”, “sterling” “pence” or “p”</b>	the lawful currency of the United Kingdom;
<b>“US dollar” or “US\$”</b>	the lawful currency of the United States; and
<b>“VCT”</b>	Venture Capital Trust.

**LETTER FROM THE CHAIRMAN**

**VELOCITY COMPOSITES PLC**

*(incorporated and registered in England and Wales with registered number 06389233)*

*Directors:*

Andrew Michael Beaden (Non-Executive Chairman)  
Jonathan Karl Bridges (Chief Executive Officer)  
Adam John Holden (Group Finance Director)  
Annette Rothwell (Non-Executive Director)  
Dr David Warren Bailey (Non-Executive Director)

*Registered Office:*

AMS Technology Park  
Billington Road  
Burnley  
Lancashire  
BB11 5UB

*To all Shareholders and, for information purposes only, holders of Share Options*

Dear Shareholder

9 August 2023

**Proposed Placing and Subscription of 15,500,000 New Ordinary Shares to raise £6.20 million**

**Proposed Retail Offer of up to 1,250,000 New Ordinary Shares to raise £0.5 million**

**Recommended proposal for the cancellation of the Share Premium Account**

**and**

**Notice of General Meeting**

**1. INTRODUCTION**

The Company has today announced that it has conditionally raised £5.76 million (before expenses), pursuant to a Placing, comprising the issue of 1,900,000 Firm Placing Shares and 12,500,000 EIS/VCT Placing Shares and is undertaking a Retail Offer to raise up to an additional £0.5 million. The Retail Offer provides retail investors who are existing Shareholders with an opportunity to participate in the proposed issue of New Ordinary Shares on the same terms as the Placees. A separate announcement will be made shortly by the Company regarding the Retail Offer and its terms. Those investors who subscribe for new Ordinary Shares pursuant to the Retail Offer (the “**Retail Offer Shares**”), will do so pursuant to the terms and conditions of the Retail Offer contained in that announcement.

In addition to the Placing, the Company has conditionally raised £0.44 million by the issue of 1,100,000 new Ordinary Shares at the Issue Price by way of a direct subscription by a certain private subscriber (“**Subscriber**” and “**Subscription**” respectively).

The issue price of 40 pence per New Ordinary Share represents an approximate 13.0 per cent. discount to the closing middle market price of 46.0 pence per Existing Ordinary Share on 8 August 2023 (being the last practicable date prior to the date of the announcement of the Fundraising).

The Company has the authority to issue and allot the Firm Placing Shares, the Subscription Shares and the Retail Offer Shares pursuant to certain existing shareholder authorities granting such powers to the Directors at the Company’s Annual General Meeting held on 28 February 2023.

In addition, the Company today announced details of the proposed Cancellation, subject to Court approval, of the Share Premium Account and the crediting of the amount standing to the credit of the Share Premium Account to a reserve. The EIS/VCT Placing is conditional, *inter alia*, on the passing of Resolutions 1, 2 and 6 by the Shareholders at the General Meeting, which has been convened for 11.00 a.m. on 29 August 2023. If Resolutions 1, 2 and 6 (including the Reduction Resolution) are passed, Second Admission of the EIS/VCT Placing Shares to trading on AIM is expected to occur no later than 8.00 a.m. on 6 October 2023.

**The purpose of this document is to explain the background to the Fundraising and the Cancellation, to set out the reasons why the Board believes that the Fundraising and**

**Cancellation are in the best interests of the Company and its Shareholders and to seek Shareholder approval of the Resolutions at the forthcoming General Meeting, which will be held at the Company's offices at AMS Technology Park, Billington Road, Burnley, Lancashire, BB11 5UB at 11.00 a.m. on 29 August 2023.**

## **2. BACKGROUND TO, AND REASONS FOR, THE FUNDRAISING**

### ***Velocity business overview***

Velocity manufactures advanced carbon fibre and ancillary raw material kits for use in the production of aircraft (civil and defence). The Company operates from a purpose built facility in Burnley, Lancashire and adapted new build facilities in Fareham, Hampshire as well as the Company's recently purposely refurbished facility in Tallassee, Alabama in the United States ("**Alabama Advanced Manufacturing Facility**"). The Company uses its process knowledge, business processes and proprietary software (which it markets as Velocity Resource Planning ("**VRP**") and includes a digital manufacturing cell) to reduce the amount of material required by its customers and to also reduce the associated material waste when making aircraft parts. In turn, this reduces the aircraft manufacturer's costs, with the raw material kits delivered on time and in the required form to allow Velocity's customers to more readily meet significant increases in aircraft build rates as forecasted by Airbus and Boeing.

The challenges for composite part manufacturers when they perform the kitting process in-house are:

- materials are expensive and on long, fixed lead times (2-6 months) from single source approved suppliers. Any demand changes during lead times needs to be managed to prevent stock outs or overstocking/life expiry risk;
- raw material contains uncured resin which has a shelf life and so required to be kept frozen at -18°C until needed to make shelf life usable;
- a kit contains multiple materials and so any supply impact on one material will affect the consumption of the other materials, and the overall kit availability;
- highly regulated process with global approvals and batch/life traceability requirements from material receipt to kit delivery;
- material order book needs to match kit demand, with life and batch traceability needing to be maintained; and
- not considered core business by Velocity's customers with low appetite for investment.

Velocity offers a more efficient, outsourcing option by:

- investing in advanced, real-time proprietary technology and digital processes to deliver kits of all raw materials with a focus on traceability and material efficiency;
- holding all approvals needed from Airbus, Boeing and the National Aerospace and Defense Contractors ("**NADCAP**");
- enabling customers to outsource all relevant processes to Velocity who can deliver one kit, with one batch number with everything needed to build the part, just in time;
- detailing all cost savings in a 'Total Cost of Ownership' business case for customers to explain all cost savings compared to an in-house service;
- allowing customers to focus on their core business of aerostructure part manufacturing;
- driving customer savings through efficiency and growth and sales for Velocity; and
- once transitioned, customers face investment, time and cost to repatriate.

Velocity's technology drives efficient management and use of raw materials, aimed at providing at least 10% material cost saving and 20% time cost saving to customers.

The Company's customers include GKN Aerospace, Safran, BAE Systems, Spirit and Aernnova. In the highly regulated global aerospace industry, the Directors believe that the provision of its services has barriers to entry including the Company's global approval with Airbus, Boeing and NADCAP. Velocity's main competitors are customers performing similar services to Velocity, in-house. By using



Velocity's proprietary services and technology, manufacturers reduce costs and free up resource to focus on their core business.

### ***Composites and Market Drivers***

Composite materials comprise of a matrix (thermosetting resin) and a reinforcement (fibres) which, when combined, produce properties which are superior to the properties of the individual components. Composites are lighter, stronger, more corrosion resistant and more fatigue resistant when compared with metals. In the aerospace sector, this results in an increased flight range and reduced flying costs. To manufacture parts from composites, the raw material is produced on rolls of fibres/fabric pre-impregnated with uncured resin. Complex shapes are cut from the rolls that are defined at the part design stage and applied to a tool in many layers in order to create a laminate of uncured, multilayer material. When complete, this is cured under vacuum to produce a fixed structure in a one-shot process i.e. once cured, the structure cannot be reworked. Given the uncured nature of the raw material it has to be batch controlled and stored at -18°C in airtight packaging before being fully thawed just prior to kit cutting. The materials are specified and manufactured to order from a single source with lead times of between 4 and 26 weeks meaning the supply chain needs to be managed effectively, and controlled so that material is available for kit production when needed by the part manufacturers.

Composites play an important role in light weighting all new aircraft platforms in both civil and defence. The aerospace sector has a clear strategy to achieve net zero by 2050 and demand for composites is expected to grow as older aircraft are retired for a new generation of aircraft including the A220, A320neo, A330neo, A350 and A380 manufactured by Airbus and the 737max, 777x and 787 aircraft manufactured by Boeing. Currently, only 20% of the 20,000 passenger aircraft in service are regarded as 'new generation' and by 2041, this 'new generation' of passenger aircraft are expected to represent at least 95% of an expected fleet of 45,000 aircraft.

The Company has a contracted order book for FY24 of new and existing business in Europe and North America which is expected to be between 2.5 and 3 times larger than FY22 revenues. Longer-term, carbon fibre composite material usage is generally expected to grow significantly in civil aircraft and other transportation modes. The benefits of its relative light weight will play an important role in reducing the use of fossil fuels through greater fuel efficiency in conventional jet engine technology. Wider adoption of composite material technologies will also continue, with light weighting and composite strength being critical to all electrification, hydrogen fuel developments and urban vertical mobility transportation. Velocity's strategy is to be a key advanced manufacturing solutions provider to these important growth markets and it already has some business in the development stages of these new initiatives.

As a result, and further to the Company's announcement on 20 December 2022 of the establishment of the Alabama Advanced Manufacturing Facility, there are increased levels of international interest in Velocity's services and VRP digital supply chain system, which form an important part of the Company's intellectual property. Velocity's engineering staff, along with the Company's VRP solution, help to eliminate material production wastage, speed up customer production cycles and increase inventory turns, to enable better production planning and ordering of expensive materials, which have long lead times from material manufacturers.

### ***Velocity – recent progress and opportunity***

Demand is steadily returning to pre-pandemic levels, building on the momentum reported in the Company's recent results as the global aerospace industry recovers and original equipment manufacturer ("OEM") forecast production rates grow. The Company's UK sales growth was stronger than initially expected, accelerating in the latter few months of the period ended 30 April 2023 ("H1 FY23").

Contracted business growth will come from the Alabama Advanced Manufacturing Facility, which is now complete with AS9100 quality approvals granted in November 2022. In April 2023, the Alabama Advanced Manufacturing Facility manufactured the first production kits at the site to support the five-year work package agreement announced in December 2022 with GKN Aerospace ("GKN") (the "GKN Agreement"). The GKN Agreement is expected to be worth in excess of US\$100 million in revenue over five years, with GKN confirming strong end-user demand for its parts into 2024.

Significant operational progress has been made at the Alabama Advanced Manufacturing Facility to qualify it for the new programmes being onboarded for the GKN Agreement, although sales only

started at the end of H1 FY23 with £0.1m of revenue recognised in the period, due to the rigorous nature of the First Article Inspection (“FAI”) process. The FAI process provided verification by GKN that the site infrastructure, capability, trained processes, quality and transfer plans presented by Velocity exceeded the required standard. The ramp-up of sales to GKN remains on track to achieve market expectations for FY24, with all the new programmes targeted to be at the contracted production levels by the start of FY24.

The challenging macroeconomic conditions in H1 FY23 put pressure on margins. However, by the latter part of H1 FY23, price increases had been successfully agreed with key customers, and this will provide a larger benefit for H2 FY23. With much of the Company’s revenue secured through pass-through mechanisms on any raw material price increases, inflation risk impacts added value areas only, hence the need for the additional price increases. Furthermore, Velocity’s new digital manufacturing cell increased automation and helped secure the Company’s longer-term global margin objectives.

The working capital required to support the GKN Agreement is provided by supply chain finance lines mandated by GKN, helping to provide a self-funding mechanism until the profit from the GKN Agreement can then fund the work under it in the longer-term.

As well as delivering the GKN Agreement, there has been a focus on using the Alabama Advanced Manufacturing Facility to target the wider US composite materials market, which is significantly larger than the European market. The Alabama Advanced Manufacturing Facility has been constructed so that it can double again in capacity.

Outside the US, there also remain significant opportunities for growth through international sites of current UK customers and increased usage of the Company’s established European manufacturing capability.

The Company has already contracted UK and US business which, when in full production (at current OEM run rates), will significantly increase revenue from current levels. The value of contracted business is currently estimated to be worth between £30 million to £36 million per annum at OEM planned production rates. On some programmes, these rates are still below pre-pandemic production levels and include a growing amount from military programmes, with additional growth forecasted as NATO countries increase investment in their defence capabilities. The manufacturing capacity of the current UK and US manufacturing facilities is being expanded to meet this significant increase in order book and with the Alabama Advanced Manufacturing Facility setup, could be doubled again in manufacturing capacity, to meet further new business and contracted volume growth, of up to £70 million. The establishment of the Alabama Advanced Manufacturing Facility also demonstrates the Company’s proven ability to add further facilities in other locations, if or when required in the future. Independent market analysis shows the potential size for Velocity’s services in Europe and the US is significantly larger than current contracted business and facility capacities.

### **3. BACKGROUND TO, AND REASONS FOR, THE CANCELLATION**

The Company had accumulated losses of £7,102,000 shown by its audited accounts for the period to 31 October 2022. The Company’s interim accounts for the six months ended 30 April 2023 show accumulated losses at that date as £1,539,000 and £9,727,158 standing to the credit of its Share Premium Account.

The Company’s Share Premium Account will be increased on the issue of the Firm Placing Shares and the Subscription Shares. The exact amount of the Share Premium Account following the issue of the Firm Placing Shares and the Subscription Shares is expected to be approximately £10,919,658.

It is proposed to cancel the Company’s Share Premium Account. This will not only eliminate the Company’s accumulated losses but also create positive distributable reserves equal to the amount by which the Share Premium Account cancelled exceeds the accumulated deficit.

Whilst the Board and management remain focussed on the continued execution of the Company’s stated growth strategy as the primary means of delivering shareholder value in the near term and has no current intention of declaring dividends, the proposed Cancellation would provide greater scope to do so in the future if the Board determined that the declaration of dividends were appropriate.



In addition, the Cancellation would provide the Board with the option of purchasing the Company's own Ordinary Shares pursuant to the power granted at the Company's annual general meeting on 28 February 2023, which requires sufficient distributable reserves to do so.

#### **4. FURTHER DETAILS ON THE CANCELLATION PROCEDURE**

Under the Act, a company limited by shares may reduce its share premium account, as long as it is not restricted from doing so by its articles of association, by obtaining the approval of its shareholders by special resolution and the confirmation of the Court.

The Company is not restricted in any way by its articles of association from carrying out the cancellation of Share Premium Account and is, therefore, seeking approval of its Shareholders to the Cancellation. Please see the Notice of General Meeting, which sets out the Reduction Resolution (resolution 6), at the end of this document.

If the Shareholders approve the Reduction Resolution at the General Meeting, the Board intends to make an application to the Court to obtain its approval to the Cancellation as soon as possible following the General Meeting.

Provisional dates have been obtained for the required Court hearings of the Company's application, but they are subject to change and dependent on the Court's timetable. If the hearings go ahead on the provisional dates, the present timetable provides that the final hearing, at which it is hoped that the Court will make an order confirming the Cancellation, will take place on 20 September 2023.

Prior to confirming the Cancellation, the Court will need to be satisfied that the creditors of the Company will not be adversely affected. The Company is satisfied, having taken advice, that it will be able to satisfy the Court in that regard.

The Cancellation does not take effect until the Court's order is filed with and registered by Companies House. The Board intends to file the required documentation with Companies House as soon as possible following the final Court hearing and, subject to compliance with all procedural requirements, Companies House will usually register the documents within 10 Business Days. On the present timetable, which is subject to change and dependent on the Court's timetable, this would mean that the Cancellation would take effect on or before 29 September 2023.

#### **5. CURRENT TRADING**

As detailed in the interim results announcement dated 11 July 2023, the Board confirmed that revenue for H1 FY23 increased to £7.0 million, up 19% compared to H1 FY22. During H1 FY23, there was significant investment, including approximately £0.5 million of costs relating to the development of the Alabama Advanced Manufacturing Facility. As a result, the Company reported an EBITDA loss of £0.9 million for H1 FY23 (H1 FY22: £0.2 million loss). These costs should be recovered in H2 FY23 as the Alabama Advanced Manufacturing Facility increases production towards the contracted full rates. The Group's cash position, as at 30 April 2023, was £1.2 million and net debt was £1.8 million.

On 26 July 2023, the Company announced the following Trading Update:

"As previously announced, Velocity is progressing the first article inspection ("FAI") process and production ramp up of the US\$100 million, five-year Work Package Agreement ("the Agreement") announced in December 2022. The development of the Company's Advanced Manufacturing Facility in Alabama, US (the "Site") continues with further manufacturing cells being installed, and additional workers being recruited and trained.

The first two launch programmes for the Customer at the Site, which account for 49% of expected revenues for the year ending 31 October 2024 ("FY2024"), have successfully completed the FAI process. The first programme is at volume production and the second, the largest, is expected to be up to the full rate of production by August 2023, once the Customer has signed off on the final FAI kits as they are built into finished parts.

Further to the announcement dated 18 April 2023, an updated FAI timeline for the remaining programmes has now been agreed with the Customer, with the FAI process for the third group of programmes (12% of FY24 revenue) expected to commence in September 2023, the fourth group (26% of FY24 revenue) in October 2023, and the fifth group (8% of FY24 revenue) in March 2024.

The FAI process is extremely complicated and has required extensive time and work on both sides. The Customer and Velocity are in discussions for the five-year term of the Agreement announced in December 2022, with the term initially expected to commence in March 2023, to now start on 1 January 2024, when all the critical kits have been outsourced. All other contractual terms, including the full-term revenue under the Agreement of US\$100m, are expected to remain unchanged, at the underlying base of US\$20m per annum based on current programme production rates. Using current exchange rates of GBP1:US\$1.30, this is worth approximately £15.4m of revenue to Velocity for each year of the Agreement.

As a result of the updated FAI timeline, revenue that was expected to be realised in the ramp up stage of production in the US for the year ending 31 October 2023 (“FY2023”) has been reduced to £2.2m from £5.0m. However, any FY2023 revenue achieved under the Agreement is in addition to the US\$20m per annum for the five-year period of the Agreement and therefore has no commercial impact on the value of that contract long term. Once the programme transfer from the Customer to Velocity is completed, revenues under the Agreement will be more predictable, as they will follow the platform run rates required by the Customer.

For FY2023, with the adjustment to FAI process sales estimates and changes in exchange rates, the Group is now expecting to report revenue of between £15m to £17m, and an EBITDA loss of between £1.2m to £1.6m (subject to finalising the capitalisation of certain costs in the US).

In FY2024, once the contract extension is in place, the Agreement term is expected to commence at volume rates in January 2024, with a renewal due by the end of calendar year 2028, though the contract can be subject to further annual extensions. As a result, FY2024 revenue is expected to be between £30m and £36m, and EBITDA profit of between £1.7m to £2.5m, including additional investment to fund further growth opportunities as they emerge.

The Board is pleased to announce that it is in advanced discussions with a large, global Tier 1 composites manufacturer with multiple sites in the US on another agreement. Further announcements will be made, as appropriate.

In the UK, demand is growing. In FY2023, growth of at least 15% is expected compared to FY2022. In FY2024, Velocity is planning for extra work from a UK manufacturer seeking to expand its capacity to meet growing demand. With expected UK growth and the start of the full rate production under the Agreement in the US, the Company can deliver profitability in FY2024.

To accommodate the planned growth in the US and the UK, the Company is pleased to announce the appointment of Kevin Hickey as Group Chief Operating Officer (a non-Board position). Kevin previously worked at the Company between early 2017 and late 2020, where he was responsible for the establishment, ramp up and ongoing management of the Company’s production facility in Fareham, UK. Prior to this, Kevin held a range of senior operational management roles both in the UK and internationally at GE Aviation and brings a wealth of experience in the industry and the Company’s processes as Velocity’s existing facilities grow, and new facilities are established.”

## 6. USE OF PROCEEDS

The Company has conditionally raised gross proceeds of £6.20 million by way of the Placing and the Subscription, and any funds raised in the REX Retail Offer will be in addition to this amount. The net proceeds of the Placing and the Subscription will be used as follows:

Use of funds	£m
CAPEX	1.2
People (engineering, software and business development)	1.5
Working capital for expansion	3.0
<b>Total</b>	<b>5.7</b>

Additional amounts raised from the REX Retail Offer will be used to further strengthen the balance sheet.

## 7. THE PLACING AND THE SUBSCRIPTION

The Company has conditionally raised gross proceeds of £5.76 million through a placing of 14,400,000 Placing Shares at the Issue Price with institutional and other investors, comprising 1,900,000 Firm Placing Shares and 12,500,000 EIS/VCT Placing Shares. The Issue Price represents a discount of 13.0 per cent. to the closing mid-market price of 46.0 pence per Ordinary Share on 8 August 2023 (being the last practicable date prior to the date of the announcement of the Fundraising). The Placing Shares represent 39.0 per cent. of the Existing Ordinary Shares and will, when issued, rank *pari passu* with the Existing Ordinary Shares.

As part of the Placing, the Company is seeking to raise funds through the EIS/VCT Placing by the issue of the EIS/VCT Placing Shares to investors either seeking the benefit of relief under the EIS or seeking the benefit of tax relief through VCTs. The EIS/VCT Placing Shares will be issued to the relevant Placees on Second Admission so that Placees investing as part of the EIS/VCT Placing shall be able to benefit from tax advantages available to Venture Capital Trusts and pursuant to the Enterprise Investment Scheme as governed by HMRC.

The Company has applied for, and received on 10 July 2023, advance assurance from HMRC that the EIS/VCT Placing Shares will be able to benefit from the tax advantages available for the purposes of the Enterprise Investment Scheme, subject to the Company first undertaking the Cancellation such that the accumulated losses become less than half of the subscribed share capital. In addition, the Company has received advice that, based on the EIS advance assurance received, subject to certain conditions, including the Cancellation taking place before VCTs make their investment, a subscription for EIS/VCT Placing Shares by a VCT would be regarded as qualifying holdings for the purposes of Part 6 of the Income Tax Act 2007 and would be regarded as “eligible shares” as defined in section 285(3A) of that Act, provided that the investment by the VCT (including any existing investment in the Company) will not exceed 15% by value of its total investments at the date of the investment.

However, none of the Company, the Directors or any of the Company’s advisers give any warranty or undertaking that reliefs will be available and, if available, not withdrawn at a later date.

Pursuant to a placing agreement between the Company and Cenkos dated 9 August 2023 (the “**Placing Agreement**”), Cenkos has conditionally agreed to use its reasonable endeavours to procure subscribers for the Placing Shares at the Issue Price. Cenkos has conditionally placed the Placing Shares with certain new and existing institutional and other investors at the Issue Price.

In addition to the Placing, the Company has conditionally raised £0.44 million by the issue of 1,100,000 new Ordinary Shares at the Issue Price by way of a direct subscription by a certain private subscriber. The Subscription Shares represent 3.0 per cent. of the Existing Ordinary Shares and will, when issued, rank *pari passu* with the Existing Ordinary Shares.

The Placing has not been underwritten by Cenkos or any other party. The Company has the authority to issue and allot the Firm Placing Shares pursuant to certain existing shareholder authorities granting such powers to the Directors at the Company’s annual general meeting held on 28 February 2023.

The Firm Placing and the Subscription are conditional, *inter alia*, on:

- the Placing Agreement not having been terminated in accordance with its terms prior to First Admission; and
- First Admission of the Firm Placing Shares, the Subscription Shares and the Retail Offer Shares becoming effective by no later than 8.00 a.m. on 15 August 2023 or such later time and/or date as the Company and Cenkos may agree (being no later than 8.00 a.m. on 31 August 2023).

The EIS/VCT Placing is conditional, *inter alia*, on:

- the Placing Agreement not having been terminated in accordance with its terms prior to Second Admission;
- First Admission having taken place;
- Resolutions 1, 2 and 6 (including the Reduction Resolution) being passed which will provide shareholder authority for the issue by the Company of the EIS/VCT Placing Shares on a non-pre-emptive basis; and

- Second Admission of the EIS/VCT Placing Shares becoming effective by no later than 8.00 a.m. on 6 October 2023 or such later time and/or date as the Company and Cenkos may agree (being no later than 8.00 a.m. on 20 October 2023).

**Shareholders should note that the expected dates for the confirmation of the Cancellation by the Court, the Cancellation becoming effective and Second Admission are based on provisional dates that have been obtained for the required Court hearings of the Company's application. These provisional hearing dates are subject to change and dependent on the Court's timetable.**

Completion of the Retail Offer is conditional, *inter alia*, upon the completion of the Firm Placing and the Subscription. Completion of the Firm Placing and Subscription are not conditional on the completion of the Retail Offer. Completion of the Firm Placing and the Subscription are inter-conditional.

The Placing Agreement contains customary warranties given by the Company in favour of Cenkos in relation to, amongst other things, 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 Cenkos (and their respective affiliates) in relation to certain liabilities which they may incur in respect of the Placing. Under the Placing Agreement, the Company has agreed to pay to Cenkos a fixed sum and/or commissions based on the aggregate value of the Placing, and the costs and expenses incurred in relation to the Placing.

Cenkos has the right to terminate the Placing Agreement in certain circumstances prior to First Admission and/or Second Admission, in particular, in the event of breach of the warranties, the occurrence of a material adverse change or if the Placing Agreement does not become unconditional. For the avoidance of doubt, Cenkos cannot terminate the Placing Agreement in respect of the Firm Placing Shares, the Subscription Shares or the Retail Offer Shares at any time after First Admission has taken place.

## **8. THE REX RETAIL OFFER**

The Company has separately agreed to use the REX Platform to undertake an intermediaries offer of New Ordinary Shares at the Issue Price, alongside the Placing and the Subscription, to existing retail investors of the Company. For the avoidance of doubt, the REX Retail Offer Shares are not part of the Placing and do not form part of the Placing Shares or the Subscription Shares.

In recognition of their continued support to the Company, the Board believes that the REX Retail Offer provides the Company's longstanding and supportive retail Shareholders with an opportunity to participate in the Fundraising. Assuming full take up for an aggregate of up to 1,250,000 REX Retail Shares, the REX Retail Offer will raise gross proceeds of up to approximately £0.5 million at the Issue Price.

Pursuant to the terms of the Intermediaries Agreement, the Company has made the REX Retail Offer to holders of Existing Ordinary Shares only through Intermediaries via the REX Platform. The obligations of the Intermediaries under the Intermediaries Agreement are conditional in all respects upon: (a) the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms; and (b) First Admission. Under the Intermediaries Agreement, the Company has agreed to pay the provider of the REX Platform and the Intermediaries fees based on the aggregate value of the REX Retail Offer. It is a term of the REX Retail Offer that the total value of the REX Retail Offer Shares available for subscription at the Issue Price does not exceed the Sterling equivalent of €8 million.

The REX Retail Offer has not been underwritten and has been offered in the United Kingdom under the exemption against the need to publish a prospectus approved by the FCA in section 86(1)(e) of FSMA. The REX Retail Offer has not been made into any jurisdiction other than the United Kingdom.

## **9. ADMISSION, SETTLEMENT, DEALINGS AND TOTAL VOTING RIGHTS**

The New Ordinary Shares will, when issued, be credited as fully paid up and will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid on or in respect of the Ordinary Shares after the date of issue

of the New Ordinary Shares, and will on issue be free of all claims, liens, charges, encumbrances and equities.

Application will be made to the London Stock Exchange for the admission of the New Ordinary Shares to trading on AIM. First Admission of the Firm Placing Shares, the Subscription Shares and the Retail Offer Shares to trading on AIM is expected to occur at 8.00 a.m. on 15 August 2023 (or such later times(s) and/or date(s) as Cenkos and the Company may agree).

Second Admission of the EIS/VCT Placing Shares to trading on AIM is expected to occur at 8.00 a.m. on 6 October 2023 (or such later times(s) and/or date(s) as Cenkos and the Company may agree).

Following First Admission, the total number of Ordinary Shares in the capital of the Company in issue (assuming full take up of the Retail Offer) is expected to be 41,170,785 with each Ordinary Share carrying the right to one vote. There are no Ordinary Shares held in treasury and therefore the total number of voting rights in the Company is expected to be 41,170,785. The above figure may be used by Shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure, Guidance and Transparency Rules.

## 10. GENERAL MEETING

The Board is seeking the approval of Shareholders at the General Meeting to allot the EIS/VCT Placing Shares and approve the Cancellation. The Notice of General Meeting, which is to be held at the offices of the Company at AMS Technology Park, Billington Road, Burnley, Lancashire, BB11 5UB at 11.00 a.m. on 29 August 2023, is set out at the end of this document.

**The EIS/VCT Placing is conditional, *inter alia*, on the passing of Resolutions 1, 2 and 6 (including the Reduction Resolution) by Shareholders at the General Meeting. If Resolutions 1, 2 and 6 are not passed at the General Meeting, the EIS/VCT Placing will not proceed.**

At the General Meeting, the following resolutions will be proposed:

### ***Resolution 1 – Authority to allot Ordinary Shares***

Resolution 1 is an ordinary resolution, to authorise the Directors to allot relevant securities for cash up to an aggregate nominal amount of £10,625, being equal to 4,250,000 New Ordinary Shares (i.e. the maximum number of Ordinary Shares that may be allotted pursuant to or in connection with the Firm Placing, the Subscription and the Retail Offer).

### ***Resolution 2 – Disapplication of statutory pre-emption rights***

Resolution 2, which is conditional on the passing of Resolution 1, and is a special resolution, to authorise the Directors to allot up to 4,250,000 New Ordinary Shares for cash pursuant to or in connection with the Firm Placing, the Subscription and the Retail Offer on a non-pre-emptive basis (being the number of Firm Placing Shares, Subscription Shares and Retail Offer Shares).

### ***Resolution 3 – Authority to allot Ordinary Shares***

Resolution 3 is an ordinary resolution, conditional on the passing of Resolutions 1 and 2, to authorise the Directors to allot relevant securities for cash up to a portion of the Company's issued share capital enlarged by the Firm Placing, the Subscription and the Retail Offer equal to that approved by Shareholders at the Company's 2023 AGM.

### ***Resolution 4 – Disapplication of statutory pre-emption rights***

Resolution 4, which is conditional on the passing of Resolutions 1, 2 and 3 and is a special resolution, to authorise the Directors to relevant securities for cash up to a portion of the Company's issued share capital enlarged by the Firm Placing, the Subscription and the Retail Offer equal to that approved by Shareholders at the Company's 2023 AGM.



***Resolution 5 – Disapplication of statutory pre-emption rights pursuant to the Statement of Principles on Disapplying Pre-Emption Rights***

Resolution 5, which is conditional on the passing of Resolutions 1, 2, 3 and 4 and is a special resolution, to authorise the Directors to relevant securities for cash up to a portion of the Company's issued share capital enlarged by the Firm Placing, the Subscription and the Retail Offer equal to that approved by Shareholders at the Company's 2023 AGM pursuant to the Statement of Principles on Disapplying Pre-Emption Rights.

***Resolution 6 – Approval of the Cancellation***

Resolution 6 is a special resolution, to authorise the Directors to cancel the Share Premium Account.

**11. ACTION TO BE TAKEN BY SHAREHOLDERS**

Shareholders entitled to attend and vote at the General Meeting are entitled to appoint a proxy to exercise all or any of their rights to attend, speak and vote at the General Meeting. A proxy need not be a Shareholder.

***Sending Forms of Proxy by post or by hand***

Please complete and sign the enclosed Form of Proxy in accordance with the instructions printed on it and return it either: (i) by post; or (ii) during normal business hours only, by hand, to the Company's registrar, Equiniti at Aspect House, Spencer Road, Lancing, West Sussex, BN99 8LU, so as to be received as soon as possible and in any event no later than 11.00 a.m. on 24 August 2023, or, if the General Meeting is adjourned, the Form of Proxy should be received not later than 48 hours before the time fixed for the adjourned General Meeting. The Form of Proxy must be returned by the time mentioned above, or it will be invalid. Shareholders are entitled to appoint a proxy in respect of some or all of their Ordinary Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder. Shareholders who wish to appoint more than one proxy in respect of their holding of Ordinary Shares should contact Equiniti for further Forms of Proxy. Completion and return of a Form of Proxy, or the appointment of a proxy electronically using CREST (or any other procedure described below), will not prevent you from attending, speaking and voting in person at the General Meeting, or any adjournment thereof, if you so wish and are so entitled.

***Electronic voting and appointment of proxies***

If you hold Ordinary Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the General Meeting (or any adjourned General Meeting) by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual. The CREST Proxy Instruction (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy), must, in order to be valid, be transmitted so as to be received by the Company's registrar, Equiniti, no later than 11.00 a.m. on 24 August 2023, or, in the case of any adjournment, no later than 48 hours before the time fixed for the adjourned meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee by other means.

CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s)

take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this regard, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. Velocity may treat as invalid a CREST Proxy Instruction in the circumstances set out in the CREST Regulations.

## **12. DIRECTORS' RECOMMENDATION AND IRREVOCABLE UNDERTAKINGS**

The Directors consider the Fundraising and Cancellation to be in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend unanimously that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, as they intend to do in respect of their own shareholdings, which total 6,084,404 Existing Ordinary Shares, representing approximately 16.48 per cent. of the Existing Ordinary Shares.

The Company has received irrevocable undertakings to vote in favour of the Resolutions in respect of, in aggregate, 15,021,315 Existing Ordinary Shares, representing approximately 40.69 per cent. of the Existing Ordinary Shares.

Yours sincerely

**Andrew Beaden**  
***Non-executive Chairman***

## NOTICE OF GENERAL MEETING

# VELOCITY COMPOSITES PLC

*(incorporated and registered in England and Wales with registered number 06389233)*

**NOTICE IS HEREBY GIVEN** that a general meeting of Velocity Composites plc (the “**Company**”) will be held at AMS Technology Park, Billington Road, Burnley, Lancashire, BB11 5UB at 11.00 a.m. on 29 August 2023 (the “**Meeting**”) for the purposes of considering and, if thought fit, passing the following Resolutions of which Resolutions 1 and 3 will be proposed as ordinary resolutions and Resolutions 2, 4, 5 and 6 will be proposed as special resolutions, and in which capitalised terms shall have the meanings given in the circular to shareholders issued by the Company dated 9 August 2023 (“**Circular**”), save where otherwise specified:

### ORDINARY RESOLUTION

1. THAT, conditional on the passing of Resolution 2, the directors of the Company (“**Directors**”) be generally and unconditionally authorised in accordance with section 551 of the 2006 Act, in addition to all existing authorities, to exercise all powers to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company (together “**Relevant Securities**”) up to an aggregate nominal amount of £31,250 in connection with the EIS/VCT Placing the details of which are set out in the Circular, provided that this authority shall, unless renewed, varied or revoked by the Company in general meeting, expire on the conclusion of the annual general meeting of the Company to be held in 2024 or, if earlier, the date falling 15 months after the passing of this resolution, save that the Directors may at any time before such expiry make an offer or agreement which would or might require Relevant Securities to be allotted after such expiry and the Directors may allot Relevant Securities in pursuance of such offer or agreement notwithstanding that the power conferred by this Resolution has expired.

### SPECIAL RESOLUTION

2. THAT, conditional upon the passing of Resolution 1, the Directors be generally empowered pursuant to section 570 of the 2006 Act, in addition to all existing authorities, to allot equity securities of the Company (as defined in section 560 of the 2006 Act) for cash as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power is limited to the allotment of equity securities up to an aggregate nominal amount of £31,250 (pursuant to the general authority conferred on them by Resolution 1 above (as varied from time to time by the Company in general meeting)) and the power hereby conferred shall, unless renewed, varied or revoked by the Company in general meeting, expire on the conclusion of the annual general meeting of the Company to be held in 2024 or, if earlier, the date falling 15 months after the passing of this resolution, save that the Directors may at any time before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement notwithstanding that the power conferred by this Resolution has expired.

### ORDINARY RESOLUTION

3. THAT, conditional upon the passing of Resolutions 1 and 2 and the allotment of Relevant Securities pursuant to the Firm Placing and the Subscription, the directors be and they are hereby generally and unconditionally authorised for the purposes of Section 551 of the Companies Act 2006 (the “**Act**”), to exercise all the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares:
  - 3.1 up to a maximum nominal amount (within the meaning of Section 551(3) and (6) of the Act) equal to one third of the aggregate nominal value of Relevant Securities in issue following the allotment of Relevant Securities pursuant to the Firm Placing, Subscription



and Retail Offer (if any)(such amount to be reduced by the nominal amount allotted or granted under paragraph 3.2 below in excess of such amount); and

- 3.2 comprising equity securities (as defined in Section 560(1) of the Act) up to an aggregate nominal amount (within the meaning of Section 551(3) and (6) of the Act) equal to two thirds of the aggregate nominal value of Relevant Securities in issue following the allotment of Relevant Securities pursuant to the Firm Placing, Subscription and Retail Offer (if any)(such amount to be reduced by any allotments or grants made under paragraph 3.1 above) in connection with or pursuant to an offer by way of a rights issue in favour of holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment (and holders of any other class of equity securities entitled to participate therein or if the directors consider it necessary, as permitted by the rights of those securities), but subject to such exclusions or other arrangements as the directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever,

these authorisations to expire at the conclusion of the next Annual General Meeting of the Company (or if earlier on 28 May 2024), unless previously revoked or varied by the Company (save that the Company may before such expiry make any offer or agreement which would or might require shares to be allotted or rights to be granted after such expiry, and the directors may allot shares, or grant rights to subscribe for or to convert any security into shares in pursuance of any such offer or agreement as if the authorisations conferred hereby had not expired).

#### **SPECIAL RESOLUTIONS**

4. THAT, subject to the passing of Resolution 3 set out above and therefore conditional upon the passing of Resolutions 1 and 2 and the allotment of Relevant Securities pursuant to the Firm Placing, Subscription and Retail Offer, the directors be and are hereby given power pursuant to Sections 570(1) and 573 of the Act to allot equity securities (as defined in Section 560(1) of the Act) for cash pursuant to the authorisation conferred by that resolution and/or to sell ordinary shares held by the Company as treasury shares, as if Section 561 of the Act did not apply to any such allotment or sale, provided that such authority be limited:

- 4.1 to the allotment of equity securities for cash in connection with or pursuant to an offer of, or invitation to acquire, equity securities (but in the case of the authorisation granted under resolution 3.2 above, by way of a rights issue only) in favour of holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment (and holders of any other class of equity securities entitled to participate therein or if the directors consider it necessary, as permitted by the rights of those securities) but subject to such exclusions or other arrangements as the directors may consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates or legal, regulatory or practical difficulties which may arise under the laws of or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever; and

- 4.2 to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph 4.1 above) up to an aggregate nominal amount equal to one fifth of the aggregate nominal value of Relevant Securities in issue following the allotment of Relevant Securities pursuant to the Firm Placing, Subscription and Retail Offer (if any),

such authority to expire at the conclusion of the next Annual General Meeting of the Company (or, if earlier, on 28 May 2024), unless previously revoked or varied by the Company (save that the Company may before such expiry make any offer or agreement that would or might require equity securities to be allotted, or treasury shares to be sold, after such expiry and the directors may allot equity securities, or sell treasury shares in pursuance of any such offer or agreement as if the power conferred hereby had not expired).

5. THAT, subject to the passing of resolution number 4 above, and therefore conditional upon the passing of Resolutions 1, 2, 3 and 4 and the allotment of Relevant Securities pursuant to the

Firm Placing, Subscription and Retail Offer, the directors be and they are hereby empowered, pursuant to section 570 of the Act, to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred by resolution number 4 or by way of a sale of treasury shares as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to:

- 5.1 the allotment of equity securities up to an aggregate nominal amount equal to one tenth of the aggregate nominal value of Relevant Securities in issue following the allotment of Relevant Securities pursuant to the Firm Placing, Subscription and Retail Offer (if any); and
  - 5.2 used for the purposes of financing (or refinancing, if such refinancing occurs within six months of the original transaction) a transaction which the directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice, and shall expire upon the expiry of the general authority conferred by resolution 4 above, except that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted and/or shares held by the Company in treasury to be sold or transferred after such expiry and the directors may allot equity securities and/or sell or transfer shares held by the Company in treasury in pursuance of such offers or agreements as if the power conferred by this resolution had not expired.
6. THAT, the Share Premium Account be and is hereby cancelled.

By order of the Board  
**Andrew Beaden**  
*Chairman*

9 August 2023

*Registered Office:*  
AMS Technology Park Billington  
Road  
Burnley  
Lancashire  
BB11 5UB

## Notes to the Notice of General Meeting

1. Only those shareholders registered in the Company's register of members at: 6.30 p.m. on 24 August 2023; or if this meeting is adjourned, at 6.30 p.m. on the day two days prior to the adjourned meeting (excluding non-business days) shall be entitled to vote at the meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
2. Any member wishing to vote at the meeting without attending in person or (in the case of a corporation) through its duly appointed representative must appoint a proxy to do so. You may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. A proxy need not be a shareholder of the Company. To appoint more than one proxy, please return a separate form in relation to each proxy to the Company's registrar, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, clearly indicating next to the name of each proxy the number and class of shares in respect of which he is appointed. Failure to specify the number of shares to which each proxy appointment relates or specifying a number in excess of those held by the shareholder will result in the proxy appointment being invalid. If you submit more than one valid proxy appointment in respect of the same shares, the appointment received last before the latest time for the receipt of proxies will take precedence.
3. A form of proxy accompanies this notice and the notes to the form of proxy explain how to direct your proxy how to vote on each resolution or withhold their vote. You are advised to read the terms and conditions of use carefully.
4. In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment of the meeting) by using the procedures described in the CREST manual (available from [www.euroclear.com/site/public/EUI](http://www.euroclear.com/site/public/EUI)). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
6. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by Equiniti Limited (ID: RA19) not later than 48 hours before the time fixed for the General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Equiniti is able to retrieve the message by enquiry to CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. Euroclear does not make available special procedures in CREST for any particular messages and normal system timings and limitations will apply in relation to the input of a CREST Proxy Instruction. It is the responsibility of the CREST member concerned to take such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
7. In order to revoke a proxy instruction, you will need to inform the Company by sending a signed notice clearly stating your intention to revoke your proxy appointment to the Company's registrar, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, by no later than 11.00 a.m. on 24 August 2023. In the case of a member that is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the Company or a duly appointed attorney for the Company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of

such power or authority) must be included with the revocation notice. The revocation notice must be received by Equiniti Limited no later than 11.00 a.m. on 24 August 2023. If you attempt to revoke your proxy appointment but the revocation is received after the time specified, then your proxy appointment will remain valid.

8. As at 6.30 p.m. on 24 August 2023 (the latest practicable date prior to the printing of this notice) (i) the Company's issued share capital consisted of 36,920,785 ordinary shares, carrying one vote each, and (ii) the total voting rights in the Company were 36,920,785. The Company's website will include information on the number of shares and voting rights.
9. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, only those shareholders registered in the register of members of the Company by 6.30 p.m. on 24 August 2023 shall be entitled to attend and vote at the General Meeting in respect of the number of shares registered in their name at that time. Any changes to the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
10. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in either this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.

