

THIS DOCUMENT AND THE ENCLOSED FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. It contains the Resolutions to be voted on at a General Meeting of the Company to be held on 9 December 2020. If you are in any doubt about the contents of this document or about what action to take, you are recommended to seek your own independent professional advice immediately from your stockbroker, solicitor, accountant or other appropriate independent financial adviser duly authorised under FSMA if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser in the relevant jurisdiction. The whole of the text of this document should be read.

This document does not constitute an offer to purchase, acquire or subscribe for, or the solicitation of an offer to purchase, acquire or subscribe for, Placing Shares, Subscription Shares or Open Offer Shares or an invitation to purchase, acquire or subscribe for the Placing Shares or Open Offer Shares.

This document is not 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. Accordingly, this document has not been, and will not be, reviewed or approved by the Financial Conduct Authority of the United Kingdom (in its capacity as UK Listing Authority or otherwise) pursuant to sections 85 and 87 of FSMA, the London Stock Exchange or any other authority or regulatory body and has not been approved for the purposes of Section 21 of FSMA.

If you have sold or otherwise transferred all of your Ordinary Shares, please forward this document and/or any accompanying documents and the Form of Proxy as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you have sold or otherwise transferred some of your Ordinary Shares, you should contact your stockbroker, banker or other agent through whom the sale or transfer was effected. However, this document and/or any accompanying documents should not be forwarded to or sent into a jurisdiction other than the UK and their distribution into any other jurisdiction 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, Canada, Australia, South Africa or 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. Any person (including, without limitation, custodians, nominees and trustees) who may have a contractual or legal obligation or may otherwise intend to forward this document to any jurisdiction outside the UK should seek appropriate advice before taking any action.

Application will be made for the Placing Shares, the Subscription Shares and the Open Offer Shares to be admitted to trading on the AIM market of the London Stock Exchange ("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 Financial Conduct Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. **This document does not comprise an admission document under the AIM Rules and the London Stock Exchange has not itself examined or approved the contents of this document. The rules applicable to AIM are less demanding than those applicable to the Official List. It is emphasised that no application is being made for admission of the Placing Shares and the Open Offer Shares to the Official List. The Placing Shares, the Subscription Shares and the Open Offer Shares will not be dealt on any other recognised investment exchange and no other such application will be made.**

Subject to, *inter alia*, the passing of the Resolutions at the General Meeting, it is expected that admission of the Placing Shares and the Open Offer Shares will become effective and dealings in the Placing Shares, the Subscription Shares and the Open Offer Shares will commence on AIM at 8.00 a.m. on 10 December 2020.

TRACKWISE DESIGNS PLC

(a public limited company incorporated in England and Wales with registered number 03959572)

Proposed Placing of up to 5,490,000 New Ordinary Shares, Subscription of 10,000 New Ordinary Shares and Open Offer of up to 502,582 New Ordinary Shares

Notice of General Meeting

You are recommended to read the whole of this document but your attention is drawn, in particular, to the letter from the Chairman of the Company which is set out on pages 15 to 19 of this document. This letter contains the unanimous recommendation from the Directors that you vote in favour of the Resolutions to be proposed at the General Meeting. The Directors of Trackwise Designs plc accept individual and collective responsibility for the information contained in this document including individual and collective responsibility for compliance with the AIM Rules. 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 this document makes no omission likely to affect the import of such information.

A notice convening a General Meeting of the Company, to be held at 10.00 a.m. on 9 December 2020, is set out at the end of this document.

The action to be taken by Shareholders in respect of the General Meeting is set out at the end of this document. If you hold your Existing Ordinary Shares in certificated form, whether or not you plan to attend the General Meeting, you are encouraged to complete the accompanying Form of Proxy and return it in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received by post or, during normal business hours only, by hand, by no later than 10.00 a.m. on 7 December 2020 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

If you hold your Existing Ordinary Shares in uncertificated form (that is, in CREST) you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of the General Meeting set out at the end of this document). Proxies submitted via CREST must be received by the Company's registrars, Equiniti, by no later than 10.00 a.m. on 7 December 2020 (or, in the case of an

adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting). The completion and return of the Form of Proxy will not prevent you from attending and voting in person at the General Meeting, or any adjournment thereof, should you wish to do so.

The action to be taken in respect of the Open Offer is set out in Part II of this document.

The Placing Shares, the Subscription Shares and the Open Offer Shares described in this document have not been, and will not be, registered under the US Securities Act of 1933 (as amended) ("Securities Act") or under the securities laws of any state of the United States. The Placing Shares, the Subscription Shares and the Open Offer Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There will be no public offer of the Placing Shares, the Subscription Shares and the Open Offer Shares in the United States. The Placing Shares, the Subscription Shares and the Open Offer Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Placing Shares and the Open Offer Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

In addition, offers, sales or transfers of the Placing Shares, the Subscription Shares and the Open Offer Shares in or into the United States for a period of time following completion of the Fundraising by a person (whether or not participating in the Placing, the Subscription or the Open Offer) may violate the registration requirement of the Securities Act.

Furthermore, the Placing Shares, the Subscription Shares and the Open Offer Shares have not been and will not be registered under the applicable laws of any of Australia, Canada, the Republic of South Africa or Japan and, consequently, may not be offered or sold to any national, resident or citizen thereof.

The distribution of this document 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 jurisdiction other than the United Kingdom should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. Subject to certain exceptions, this document is not for release publication or distribution, directly or indirectly, in or into the United States, Australia, Canada, the Republic of South Africa, Japan or any jurisdiction where to do so might constitute a violation of local securities laws or regulations.

The Open Offer will close at 11.00 a.m. on 8 December 2020. If you are a Qualifying Shareholder and want to apply for Open Offer Shares, you should follow the procedure set out in Part II of this document.

Copies of this document are available to view on the Company's website www.trackwise.co.uk. Save as expressly referred to herein, neither the contents of the Company's website, nor any website, directly or indirectly linked to the Company's website, is incorporated in, or forms part of, this document.

finncap Ltd ("finncap") is authorised and regulated by the Financial Conduct Authority and is acting exclusively for the Company and no-one else in connection with the Fundraising and is not, and will not be, responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Fundraising or the contents of this document or any other matter referred to herein. No representation or warranty, express or implied, is made by finncap as to any of the contents of this document, and finncap has not authorised the contents of any part of this document and accepts no liability whatsoever for the accuracy of any information or opinions contained in this document or for the omission of any material information from this document for which the Company and the Directors are solely responsible. Nothing in this paragraph shall serve to exclude or limit any responsibilities which finncap may have under FSMA or the regulatory regime established thereunder.

No person has been authorised to give any information or make any representation in relation to the Placing and Open Offer other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been so authorised by the Company, the Directors of finncap. The delivery of this document shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in it is correct as of any subsequent time.

Cautionary note regarding forward-looking statements

This document contains statements about Trackwise Designs plc that are or 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 include, without limitation, statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects and (ii) business and management strategies and the expansion and growth of the operations of Trackwise Designs plc.

These forward-looking statements are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, 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, the Prospectus Rules and/or the FSMA), Trackwise Designs plc 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 Trackwise Designs plc or any persons acting on their 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 of Trackwise Designs plc 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.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record date for entitlements under the Open Offer	close of business on 18 November 2020
Publication of this document, Form of Proxy and Application Form	20 November 2020
Ex-entitlement date for Open Offer	8.00 a.m. on 20 November 2020
Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to stock accounts of Qualifying CREST Shareholders	8.00 a.m. on 23 November 2020
Recommended latest time for withdrawal of Open Offer Entitlements from CREST	4.30 p.m. on 2 December 2020
Latest time for depositing Open Offer in to CREST	3.00 p.m. on 3 December 2020
Latest time and date for splitting of Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 4 December 2020
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer	11.00 a.m. on 8 December 2020
CREST accounts credited in respect of Placing Shares, Subscription Shares and Open Offer Shares in uncertificated form	On or soon after 8.00 a.m. on 10 December 2020
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 7 December 2020
General Meeting	10.00 a.m. on 9 December 2020
Announcement of the results of the General Meeting and Open Offer	9 December 2020
Admission and commencement of dealings in the Placing Shares, Subscription Shares and the Open Offer Shares on AIM	8.00 a.m. on 10 December 2020
Dispatch of definitive share certificates for Placing Shares, Subscription Shares and Open Offer Shares in certificated form	21 December 2020

Notes:

1. Each of the times and dates above are indicative only and are subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified by the Company to Shareholders by announcement through a regulatory information service.
2. All of the above times refer to London time unless otherwise stated.
3. The admission and commencement of dealings in the Placing Shares on AIM are conditional on, *inter alia*, the passing of the Resolutions at the General Meeting.
4. If you have any further questions, please call the Shareholder Helpline on 0371-384-2050 (or +44 371-384-2050 if calling from overseas). The Shareholder Helpline will be open between 9.00 a.m. and 5.00 p.m. (London time), Monday to Friday (excluding public holidays in England and Wales). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Different charges may apply to calls to the Shareholder Helplines from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. For legal reasons, the Shareholder Helpline will only be able to provide information contained in this document and information relating to the Company's register of members and will be unable to give advice on the merits of the Capital Raising or provide legal, financial, tax or investment advice.
5. Shareholders should take independent advice if they wish to consider the suitability of these risks with regard to their own particular circumstances and investment criteria.
6. Copies of this document will be available for inspection free of charge at the registered office of the Company and at Gateley plc (at One Eleven Edmund Street, Birmingham, B3 2HJ) during normal business hours on any Business Day from the date of this document up to and including the date of Admission.

ISSUE STATISTICS

Number of Existing Ordinary Shares	22,113,622
Issue Price	200 pence
Number of Placing Shares	5,490,000
Number of Subscription Shares	10,000
Number of Open Offer Shares*	502,582
Proceeds of the Fundraising (before expenses)*	£12.0 million
Enlarged Share Capital following Admission*	28,116,204
Percentage of Enlarged Share Capital represented by the Placing Shares, the Subscription Shares and the Open Offer Shares*	21.35 per cent.
Market Capitalisation of the Company at the Issue Price upon Admission*	£56.23 million

DIRECTORS, COMPANY SECRETARY AND ADVISERS

Directors	Ian Griffiths – <i>Non-Executive Chairman</i> Philip Johnston – <i>Chief Executive Officer</i> Mark Hodgkins – <i>Chief Financial Officer</i> Susan McErlain – <i>Non-Executive Director</i> Charles Cattaneo – <i>Non-Executive Director</i>
Registered Office	1 Ashvale Alexandra Way Ashchurch Tewkesbury Gloucestershire GL20 8NB
Company Secretary	Mark Hodgkins
Nominated Adviser & Broker	finnCap Ltd 1 Bartholomew Close London EC1A 7BL
Solicitors to the Company	Gateley Plc One Eleven Edmund Street Birmingham B3 2HJ
Solicitors to finnCap	BDB Pitmans LLP 1 Bartholomew Close London EC1A 7BL
Registrars and Receiving Agent	Equiniti Limited Aspect House Spencer Road Lancing West Sussex BN99 6DA

RISK FACTORS

Before making any investment decision, prospective investors should carefully consider all the information contained in this Document including, in particular, the risk factors described below.

Ordinary Shares may not be a suitable investment for all recipients of this Document. If you are in any doubt about the Ordinary Shares and their suitability for you as an investment, you should consult a person authorised under FSMA who specialises in advising on the acquisition of shares and other securities.

In addition to the usual risks associated with an investment in a company, the Directors consider that the factors and risks described below are the most significant in relation to an investment in the Company and should be carefully considered, together with all the information contained in this Document, prior to making any investment decision in respect of the Ordinary Shares. The list below is not exhaustive, nor is it an explanation of all the risk factors involved in investing in the Company and nor are the risks set out in any order of priority.

It should be noted that the risks described below are not the only risks faced by the Company and there may be additional risks that the Directors currently consider not to be material or of which they are currently not aware.

If any of the events described in the following risks actually occur, the Company's business, financial condition, results or future operations could be materially affected. In such circumstances, the price of the Ordinary Shares could decline and investors could lose all or part of their investment.

Specific Risks to the Company's Business

Business strategy

The value of an investment in the Company is dependent, *inter alia*, upon the Company achieving the aims set out in this Document. Although the Company has a clearly defined strategy, there can be no guarantee that its objectives will be achieved or that the Company will achieve the level of success that the Directors expect, especially when considering the opportunities in the early stage IHT market. Furthermore, the Company may decide to change aspects of its strategy described in this Document.

The Company's ability to implement its business strategy successfully may be adversely impacted by factors that the Company cannot currently foresee, such as unanticipated market forces, costs and expenses or technological factors. Should it be unsuccessful in implementing its strategy or should it take longer than expected to implement, the future financial results of the Company could be negatively impacted.

IHT market adoption

The Company is growing its IHT business steadily but remains at a relatively early stage of engagement with IHT market participants. The Company depends upon increasing adoption by market participants and increasing orders from them over the medium-term. The Directors have confidence that the developments in our know how made to date ensures that the applications for the technology are wide and varied. However, it is possible that IHT market development could be slower than anticipated and the financial results of the Company negatively impacted.

Customer concentration

The Company has historically had a concentrated customer base which in 2018 saw 44 per cent. of revenues being attributed to 4 customers. The top 4 customers in 2019 accounted for only 27 per cent. of revenues reflecting the much larger number of IHT customers. However, the Company remains exposed to the loss of any one of a number of customers.

As the adoption of IHT gathers pace it will be inevitable in the short-term that early adopting customers could initially be responsible for concentration of revenues.

Any deterioration of the Company's relationship with any one of their key customers, or the loss of orders from any one of them, would have a potentially material adverse impact on the Company's business and financial position.

The Company is dependent on the communications industry, the aerospace industry and the automotive industry

The Company has traditionally been dependent on the communications industry.

The development and market penetration of IHT have added Aerospace and Automotive as two industries that the company is exposed to.

The Communications industry is highly competitive and is particularly impacted by the dominance of Chinese operators who aggressively compete with the Company's customers.

The Automotive industry is a significant opportunity for the Company as it struggles with the move from carbon-based combustion motorisation to electric motorisation however, the Automotive industry is highly competitive and is extremely challenging. The Aerospace industry will benefit greatly from the new technology of IHT but the adoption of the product by the industry will inevitably be on a longer timescale due to approval processes which are extended. In particular, the risk appetite for new products in the Aerospace sector is at a relative low.

With these three industry foci the Company needs to ensure a balance of the risks within these industries.

Protection of intellectual property

The Company's technology includes specific manufacturing techniques for IHT manufacture. The process has been developed and is owned by the Company.

Trademarks of the Company are registered and unregistered.

The Company is dependent on proprietary rights in relation to this technology process, which relies on laws governing copyrights, trademarks and confidentiality. The Company is also dependent on contractual provisions regarding intellectual property ownership and licensing. These laws enable the Company to protect and/or enforce intellectual property rights, including the ability to restrict use of the manufacturing process to those who have obtained relevant authorisation.

If the Company cannot successfully enforce its intellectual property rights, this could have a material adverse effect on the Company's business, financial condition and prospects.

As the Company increases its penetration of the various markets which it is addressing, then there is risk that others may seek to copy and or imitate the Company's technology which could lead to the loss of market share.

Competitive Pricing

Trackwise's IHT products will be competing with established technologies. Trackwise's competitors may significantly reduce their prices to maintain their market share. The effect of this may make Trackwise's alternative products too expensive for the end customers. This could have a material adverse effect of the financial performance of the Company.

The Company is reliant upon its positive reputation and perception of it in the market

Given that the Company relies on a relatively small number of customers, decline in its reputation in the sector could impact upon its profitability. Any damage to reputation could have a material adverse effect on the Company's business, financial condition, results of operations, future prospects and/or the price of the Ordinary Shares.

A breakdown in the relationship with any of the Company's longstanding subcontractors or any of them failing to supply sufficient or acceptable quality of products could have a material adverse effect on the financial condition of the Company.

The Company may not be able to acquire suitable products in sufficient quantities and/or on terms acceptable to it in the future. The Company is dependent on subcontractors for quality, quantity, price and existence of products used within or sold by the Company. Its inability to acquire suitable products in the future, or the loss of one or more of its subcontractors and its failure to replace any one or more of them, could have an adverse effect on the financial performance of the Company.

The Company is dependent to some extent on the business and financial condition of its customers

The Company has a limited number of customers. Therefore, the Company's business, results, operations and financial condition could be affected and disrupted in the event that any customer experiences financial difficulties or a downturn in their business as a result of current economic conditions, bad publicity or otherwise.

Technological risk

The Company has developed an innovative solution to wiring harnesses that the Directors believe will offer superior advantages to traditional alternatives. Should technological developments improve wiring harnesses or offer an alternative solution to IHT, Trackwise's product may become obsolete or may be superseded by new technologies. The Company may be forced to stop producing IHT or reduce its prices which could have a material impact on the financial performance of the Company.

Competition

The economic environment within which we all work has become one that is constantly tested by disruptive technologies.

Indeed, IHT itself is such a technology but it is recognised that it is possible for new competitive products, designs or solutions to enter the market which might bring different benefits.

It is possible that competitors may also be able to devote greater resources to the promotion and sale of their products, designs and solutions than the Company can compete with.

The Company's performance is dependent on maintaining competitive customer service levels

Failure to provide and maintain competitive customer service levels and operational processes could result in customers moving to other manufacturers, and this could have an adverse effect on the financial position of the Company.

Attraction and retention of key employees

Like many other companies the Company seeks to recruit skilled, trained team members and like those other companies the demand for those scarce resources is intense.

The Company depends upon the continued service and performance of its key employees and whilst it has entered into contractual arrangements with them to secure their services, the demand for this type of labour resource ensures that it cannot be guaranteed that they can all be retained.

The loss of key employees and the failure or difficulty in attracting new team members will impact the efficiencies of the company's business and will lead to sub-optimal profitability.

Financial controls and internal reporting procedures

The Company's future growth and prospects will depend on its ability to manage growth and to continue to maintain, expand and improve operational, financial and management information systems on a timely basis, whilst at the same time maintaining effective cost controls. Any damage to, failure of or inability to maintain, expand and upgrade effective operational, financial and management information systems and internal controls in line with the Company's growth could have a material adverse effect on the Company's business, financial condition and results of operations.

Disruption to operations or Systems

The Company depends on the performance, reliability and availability of its plant, equipment and information technology systems. Any damage to, or failure of, its equipment and/or systems could result in disruption to the Company's operations. The Company's disaster recovery plans may not adequately address every potential event and its insurance policies may not cover any loss in full or in part or damage that it suffers fully or at all, which could have a materially adverse effect on the Company's business, financial condition and results of operations.

The Company's insurance policies may be inadequate to cover the cost of claims made against the Company

While the Company maintains commercial insurance at a level it believes is appropriate against certain risks commonly insured in the industry, there is no guarantee that it will be able to obtain the desired levels of cover on acceptable terms in the future. Furthermore, the nature of these risks is such that liabilities could exceed policy limits or that certain risks could be excluded from the Company's insurance coverage. There are also risks against which the Company cannot insure or against which it may elect not to insure. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage may cause substantial delays and require significant capital outlays, adversely affecting the Company's earnings and competitive position in the future and, potentially, its financial position.

The Company's operations could suffer losses which may not be fully compensated by insurance. In addition, certain types of risks may be, or may become, either uninsurable or not economically insurable, or may not be currently or in the future covered by the Company's insurance policies. Any of the foregoing could have a material adverse effect on the Company's operating results, business prospects and financial condition.

Key suppliers

The Company has built up a reliable supplier base for its externally sourced components. At present, a significant proportion of these components are supplied by certain key suppliers. While the Company uses its design capabilities to dual source components, there remains a risk of material impact in the short term if one of its key suppliers were to fail.

In certain instances, the Company has taken out an insurance policy to protect its profits should a key supplier be unable to supply for whatever reason.

Commodity prices of key materials

Trackwise's largest operational cost will be the cost of raw materials like metal sheet and coil. Like all commodities metal prices and forecast prices may be volatile due to numerous factors impacting both supply and demand. A significant increase in metal prices may not make it economically viable to manufacture its products and customers may be unwilling to accept increased prices. This could have a material adverse effect on the business and Company's financial position, results of operations, business prospects and returns to investors.

Exposure to exchange rate fluctuations

The Company is exposed to exchange rate fluctuations, principally the GBP, the US\$ and the Euro.

Changes in foreign currency exchange rates may affect the Company's pricing of products sold and materials purchased in foreign currencies.

Cybersecurity

Global cybersecurity threats to the Company could lead to unauthorised access to the Company's information technology systems, products, customers, suppliers and third-party service providers. Cybersecurity incidents could potentially result in the disruption of our business operations and the misappropriation, destruction, or corruption of critical data and confidential or proprietary technological information.

During the current Covid-19 lockdown a significant number of our staff are working from home.

General Risks relating to the Company

The Company is reliant on key executives and personnel

The Company's business, development and prospects are dependent upon the continued services and performance of its Directors and other key personnel. The experience and commercial relationships of the Company's personnel help provide the Company with a competitive advantage. The Directors believe that the loss of services of any existing key executives, for any reason, or failure to attract and retain necessary additional personnel, could adversely impact on the business, development, financial condition, results of operations and prospects of the Company.

Exposure to economic cycle

Market conditions may affect the value of the Company's share price regardless of operating performance. The Company could be affected by unforeseen events outside of its control including economic and political events and trends, inflation and deflation, terrorist attacks or currency exchange fluctuation. The combined effect of these factors is difficult to predict and an investment in the Company could be adversely affected by changes in economic, political, administrative, taxation or other regulatory factors in any jurisdiction in which the Company may operate. Deterioration in the economic climate could result in a delay or cancellation of clients' projects.

Future Funding Risk

Trackwise's longer-term capital requirements will depend on many factors, including, but not limited to, revenue from operations, working capital requirements and capital expenditure. To the extent that the existing resources are insufficient to fund further expansion or potential acquisitions, the Company may need to raise additional funds through public or private financing. No assurance can be given that additional financing will be available or that, if available, the terms of such financing will be favourable to the Company or its Shareholders. If, in the longer-term, the Company raises additional funds by issuing more Ordinary Shares in the Company the ownership interest of Shareholders could be significantly diluted, and any additional issues may be of instruments that have rights, preferences or privileges senior to the rights currently assigned to the Ordinary Shares.

Counterparty credit risk

There is a risk that parties with whom the Company trades or has other business relationships (including partners, customers, suppliers, subcontractors and other parties) may become insolvent. This may be as a result of general economic conditions or factors specific to that company. In the event that a party with whom the Company trades becomes insolvent, this could have an adverse impact on the revenues and profitability of the Company.

Force majeure events

There is a risk that the markets in which the Company currently operates could be affected by events such as war, civil war, riot or armed conflict, acts of terrorism, floods, explosions or other catastrophes, epidemics or quarantine restrictions, which are outside of the Directors' control and generally not covered by insurance. Such events could have a variety of materially adverse consequences for the Company, including risks and costs related to decline in revenues or reputational damage, and injury or loss of life, as well as litigation related thereto.

Laws and regulations

The Company is subject to the laws of the United Kingdom. Existing and future legislation and regulation could cause additional expense, capital expenditure and restrictions and delays in the activities of the Company, the extent of which cannot be predicted. No assurance can be given that new laws, rules and regulations will not be enacted, or existing laws, rules and regulations will not be applied in a manner which could limit or curtail certain of the Company's activities or services. In addition, the Company may have to defend itself against legal proceedings which could have an adverse effect on trading performance and, in turn, future profits. The Company also exports its products overseas and therefore its exports may be subject to existing and future overseas legislation and regulation and similar risks therefore also applying in relation to such overseas existing and future legislation and regulation.

General risks relating to the Ordinary Shares

Suitability of the Ordinary Shares

Investment in the Ordinary Shares may not be suitable for all readers of this Document. Readers are accordingly advised to consult a person duly authorised under the FSMA who specialises in investments of this nature before making any investment decisions.

Volatility in the prices of Ordinary Shares

The Issue Price may not be indicative of the market price for the Ordinary Shares following Admission.

The subsequent market price of the Ordinary Shares may be subject to wide fluctuations in response to a number of events and factors that are unrelated to the Company's operating performance such as variations in operating results, changes in financial estimates, recommendations by securities analysts, the share price performance of other companies that investors may deem comparable to the Company, market perceptions of the Company, new reports relating to trends in the Company's markets, large purchases or sales of Ordinary Shares, liquidity (or absence of liquidity) in the Ordinary Shares, currency fluctuations, legislative or regulatory changes, national and global economic conditions and various other factors and events. These fluctuations may adversely affect the trading price of the Ordinary Shares, regardless of the Company's performance.

The price at which the Ordinary Shares will be traded and the price at which investors may realise these investments will be influenced by a large number of factors, some not specific to the Company and its operations. Furthermore, there is no guarantee that the market price of an Ordinary Share will accurately reflect its underlying value.

Future issues of Ordinary Shares may result in dilution of existing Shareholders

The Company may decide to issue additional Ordinary Shares in the future to fund expansion and development. If existing Shareholders do not subscribe for additional Ordinary Shares on a *pro rata* basis in accordance with their existing shareholdings, this will dilute their existing interests in the Company. Furthermore, the issue of additional Ordinary Shares may be on more favourable terms than the Placing Shares. The issue of additional Ordinary Shares by the Company, or the possibility of such issue, may cause the market price of the Ordinary Shares to decline and may make it more difficult for Shareholders to sell Ordinary Shares at a desirable time or price. There is no guarantee that market conditions prevailing at the relevant time will allow for such a fundraising or that new investors will be prepared to subscribe for Ordinary Shares at a price which is equal to or in excess of the Placing Price.

Future performance of the Company cannot be guaranteed

There is no certainty and no representation or warranty is given by any person that the Company will be able to achieve any returns referred to in this Document. The financial operations of the Company may be adversely affected by general economic conditions or by the particular financial condition of other parties doing business with the Company.

There is no guarantee that the Company will maintain its quotation on AIM

The Company cannot assure investors that the Company will always retain a quotation on AIM or any other public market. If the Company fails to do so, certain investors may decide to sell their Ordinary Shares, which could have an adverse impact on the share price. Additionally, if in the future the Company decides to obtain a listing on another exchange, in addition to AIM or as an alternative, this may affect the liquidity of the Ordinary Shares traded on AIM.

Higher risk for shares traded on AIM than on the Official list

Application has been made for the Ordinary Shares to be admitted to trading on AIM, a market designated primarily for emerging or smaller companies. The AIM Rules for Companies are less onerous than those of the Official List and an investment in shares that are traded on AIM is likely to carry a higher risk than an investment in shares listed on the Official List.

Conditionality of the Placing, Open Offer and Subscription

The Placing, the Open Offer and the Subscription are conditional upon, among other things, Admission. In the event that any condition to which Admission is subject is not satisfied or, if capable of waiver, waived, Admission will not occur.

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 or regulation and, in particular, in tax status or tax residence of the Company or in tax legislation or practice may have an adverse effect on the returns available on an investment in the Company.

Dividends

The Company's ability to pay dividends (including any special dividends) in the future is affected by a number of factors, principally the generation of distributable profits within the Company. Under English law, a company can only pay cash dividends to the extent that it has distributable reserves and cash available for this purpose. In addition, the Company may not pay dividends if the Directors believe this would cause the Company to be inadequately capitalised or if, for any other reason, the Directors conclude it would not be in the best interests of the Company. Any change in the tax treatment of dividends or interest received by the Company may reduce the amounts available for dividend distribution. Any of the foregoing could limit the payment of dividends to Shareholders or, if the Company does pay dividends, the amount of such dividends. In addition, the Company's ability to pay dividends will depend on the level of distributions, if any, received from its operating subsidiaries. The Company's subsidiaries may, from time to time, be subject to restrictions on their ability to make distributions including foreign exchange limitations, and regulatory, fiscal and other

Market risks and economic conditions

The Company may be affected by general market trends which are unrelated to the performance of the Company itself. The Company's success depends on market acceptance of the Company's solutions and services and there can be no guarantee that this acceptance will continue to be forthcoming. Market opportunities targeted by the Company may change and this could lead to an adverse effect upon its revenue and earnings.

Any economic downturn either globally or locally in any area in which the Company operates may have an adverse effect on the demand for the Company's products or services.

United Kingdom exit from the European Union

Following the United Kingdom's exit from the European Union on 31 January 2020 ("Brexit") and entrance into the transition period, there are still many uncertainties regarding the United Kingdom's future relationship with the EU which could have a significant negative impact on the Company. The extent of the impact will depend in part on the nature of the arrangements if any that are put in place between the UK and the EU at the end of the transition period and, the extent to which the UK continues to apply laws that are based on EU legislation from 1 January 2021. In addition, the macroeconomic effect of Brexit on the Company's business is unknown. As such, it is not possible to state the impact that Brexit would have on the Company. It could also potentially make it more difficult for the Company to operate its business in the EU as a result of the increase in tariffs or taxes and/or more burdensome regulations being imposed on UK companies (such as changes in applicable legislation affecting the regulatory pathway of the Company's products, both in Europe and in the UK). This could restrict the Company's future prospects and adversely impact its financial condition.

Covid-19

COVID-19 The recent outbreak of COVID-19 (commonly referred to as coronavirus) has negatively impacted economic conditions globally and is having an adverse and disruptive effect on the UK economy. The Company's way of operating has adapted and is likely to need to continue to adapt over the coming months in response to the developments relating to the COVID-19 outbreak. If the COVID-19 pandemic continues for a prolonged period of time, this may result in delays to the execution of the Company's strategy and the Company failing to secure new business. The COVID-19 pandemic may therefore have an adverse effect on the Company's business, cash flows, profitability, results of operation and financial condition.

PART I

LETTER FROM THE CHAIRMAN

TRACKWISE DESIGNS PLC

(a public limited company incorporated in England and Wales with registered number 03959572)

Directors

Ian Griffiths – *Non-Executive Chairman*
Philip Johnston – *Chief Executive Officer*
Mark Hodgkins – *Chief Financial Officer*
Susan McErlain – *Non-Executive Director*
Charles Cattaneo – *Non-Executive Director*

Registered Office:

1 Ashvale
Alexandra Way
Ashchurch
Tewkesbury
Gloucestershire
GL20 8NB

20 November 2020

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

Dear Shareholder,

Proposed Placing of up to 5,490,000 Placing Shares
Proposed Subscription for 10,000 Subscription Shares
Proposed Open Offer of up to 502,582 Open Offer Shares
each at an Issue Price of 200 pence per share
Notice of General Meeting

1. Introduction

The Company announced on 20 November 2020 that it had conditionally raised £11 million (before expenses) by the issue of up to 5,490,000 New Ordinary Shares pursuant to the Placing and the Subscription of a total of up to 10,000 New Ordinary Shares at 200 pence per share (the "Issue Price"). In addition the Company announced an Open Offer providing an opportunity for Qualifying Shareholders, to raise gross proceeds of approximately £1 million by the issue of up to 502,582 New Ordinary Shares also at the Issue Price. The Issue Price represents a discount of approximately 7.9 per cent. to the volume weighted average price of 217.17 pence per Ordinary Share for the period of 18 September 2020 to 19 November 2020, being the period the Company recently announced a new manufacturing agreement with an electric vehicle OEM through to the Business Day prior to the announcement of the Fundraising.

The Fundraising is conditional on, *inter alia*, the passing of the Resolutions by the Shareholders at the General Meeting. If the Resolutions are passed, the New Ordinary Shares are expected to be allotted immediately after the General Meeting, conditional on Admission, which is expected to occur at 8.00 a.m. on 10 December 2020. Should Shareholder approval not be obtained at the General Meeting, neither the Placing, the Subscription nor the Open Offer will proceed. Neither the Placing, the Subscription nor the Open Offer has been underwritten.

The purpose of this letter is to outline the reasons for the Fundraising, details of the Open Offer and explain why the Board considers the Resolutions to be in the best interests of the Company and Shareholders as a whole, and why the Directors unanimously recommend that you vote in favour of the Resolutions, as they intend to in respect of the Ordinary Shares held by them, which represent in aggregate approximately 31.09 per cent. of the Existing Ordinary Shares.

2. Background to and reasons for the Fundraising

The business was acquired by the Company which was previously called Bremhold Limited, and was incorporated in 2000, but the Trackwise business has been trading since 1989 and was historically a provider of large antennae for the mobile phone industry. It began the development for the manufacture of unlimited length multiple layer flexible PCBs (“IHT”) in 2012; the process patent for which was granted in 2014.

Patents have since been granted in the United Kingdom, the United States of America, Canada, the European Union and China with an impending grant expected from Brazil.

IHT is a disruptive process technology that enables the replacement of wire and wire harness in a wide variety of applications where wire is used. Its key benefits, which are built on the longstanding and well known benefits of flexible PCBs of short length, is that it can reduce weight by up to 75 per cent. when replacing incumbent technology, improve precision, reliability and performance and the ability to support distributed electronics or ‘smart harness’. IHT is positioned to satisfy the demand for lighter, smaller and more functional connectivity across a range of applications in the electric vehicles (“EV”), aerospace, medical devices, defence, industrial and telecoms industries.

The Company financed the development of the technology using the retained profits of its traditional antenna business as well as debt finance during the period up to 2018. The Company’s shares became quoted on the London Stock Exchange AIM market by way of IPO, raising £5.5 million of new money.

The funding provided at the time of IPO enabled the development of the capacity and capability to manufacture IHT and since then the Company has enabled the roll-to-roll manufacture of IHT such that it is now in a position to begin larger scale production of IHT for a range of customers.

In September 2020 the Company was able to announce the culmination of 2 years development work with an EV OEM for the supply of flexible battery harnesses made using the technology and know-how developed by the business for its IHT product. This contract has the potential to generate revenues of up to £38 million over the next 3 financial years. The contract includes material compensation payments from the EV OEM if minimum order volumes are not placed. An initial £0.6 million order was announced in February 2020 and the contract has the potential for revenue of up to £5 million in 2021.

Earlier in 2020, the Company had acquired Stevenage Circuits Limited (CRN: 01059497) to enable it to transfer its traditional antenna business to Stevenage thereby: retaining the antenna component of the business, increasing the solid base of the advanced printed circuit board (APCB) business, whilst at the same time freeing up production capacity at its principal IHT site in Tewkesbury to meet the first wave of the series production for the EV OEM.

However, it is clear that the demand from the EV OEM will in time outstrip the capacity that the Company has in Tewkesbury and with growing interest from medical appliance customers, aerospace and other industrial users, this necessitates further production capacity to be enabled to meet the demand foreseen.

The Company has identified a new leasehold site near Gloucester, UK for the purposes of meeting this additional demand and the Fundraising has been sought to meet not only the cost of the laying down of the factory: plant and machinery capital expenditure and fit out costs, but also further growth working capital. The Company sets out herein, an Open Offer for Qualifying Shareholders to subscribe for Ordinary Shares at the Issue Price to enable non-institutional shareholders to participate as they may wish.

3. Use of proceeds

The Company is proposing to raise gross proceeds of approximately £12 million from the Fundraising. The net proceeds (after deducting the costs and expenses of the Fundraising), along with the Company’s existing cash resources are intended to be used to increase IHT manufacturing capacity, triggered by the recent EV contract win, future anticipated IHT demand and emerging Medical and Aerospace market opportunities. In addition, proceeds of the Fundraising will provide additional growth working capital.

4. Information on the Fundraising and terms of the Placing Agreement

The Company proposes to raise approximately £11 million (before expenses) through the issue of the Placing Shares at the Issue Price. The Issue Price represents a discount of approximately 7.9 per cent. to the volume weighted average price of 217.17 pence per Ordinary Share for the period of 18 September 2020 to 19 November 2020, being the period the Company recently announced a new manufacturing agreement with an EV OEM through to the Business Day prior to the announcement of the Fundraising. The Issue Price represents a discount of 45.2 per cent. to the closing mid-market price of an Ordinary Share of 365 pence on 19 November 2020, being the Business Day prior to the announcement of the Fundraising.

Pursuant to the terms of the Placing Agreement finnCap as agent and broker for the Company, has conditionally agreed to use its reasonable endeavours to place the Placing Shares with certain institutional and other investors. The Placing Agreement is conditional upon, amongst other things, the Resolutions being duly passed at the General Meeting and Admission becoming effective on or before 8.00 a.m. on 10 December 2020 (or such later time and/or date as the Company and finnCap may agree, but in any event by no later than 8.00 a.m. on 8 January 2021).

The Placing Agreement contains warranties from the Company in favour of finnCap in relation to, amongst other things, the accuracy of the information in this document and other matters relating to the Company and its business. In addition, the Company has agreed to indemnify finnCap and their affiliates in relation to certain liabilities they may incur in respect of the Placing. finnCap can terminate the Placing Agreement at any time prior to Admission in certain circumstances, including in the event of a material breach of the warranties given in the Placing Agreement, the failure of the Company to comply with its obligations under the Placing Agreement, the occurrence of a *force majeure* event which in finnCap's opinion make it inadvisable or impractical to proceed with the Placing, or a material adverse change affecting the financial, operational or legal condition of the Company. If this right is exercised the Placing will not proceed. The Placing is not being underwritten by finnCap. The Company has agreed to pay certain fees and commissions to finnCap in respect of the Fundraising.

Application will be made for the Placing Shares to be admitted to trading on AIM and it is expected that, subject to the passing of the Resolutions, Admission will become effective and that dealings in the Placing Shares will commence at 8.00 a.m. on 10 December 2020. The Placing Shares will, if and when issued, rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive dividends and other distributions declared following Admission.

5. Effect of the Placing, Subscription and Open Offer

Application will be made for the Placing Shares, the Subscription Shares and the Open Offer Shares to be admitted to trading on AIM. Conditional upon, *inter alia*, the passing of the Resolutions, it is expected that Admission will occur on or around 8.00 a.m. on 10 December 2020.

Following Admission, the Company's Enlarged Share Capital will comprise 28,116,204 Ordinary Shares, each with voting rights in the Company. This 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 in the interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

The issue of the Placing Shares is conditional, amongst other things, on the passing of the Resolutions at the General Meeting and admission of the Placing Shares to trading on AIM.

6. Current trading and financial position

The Company has a 31 December financial year end and acquired Stevenage Circuits Limited ("SCL") on 1 April 2020. For the ten months to 31 October 2020 the Company (including a seven month contribution from SCL) has achieved:

- Total revenue of approximately £4.84 million (unaudited) (year to 31 Dec 2019: £2.91 million)
- IHT revenue of £0.45 million (unaudited) (year to 31 Dec 2019: £0.94 million)
- Adjusted* EBITDA of £0.60 million (unaudited earnings before interest, tax, depreciation and amortisation) (year to 31 Dec 2019: £0.57 million)

- Adjusted* loss before tax of £0.37 million (unaudited) (year to 31 Dec 2019: profit of £0.23 million)
- Reported profit after tax of £0.97 million (unaudited, which benefits from the £1.545 million negative goodwill (credit) arising on the acquisition of SCL) (year to 31 Dec 2019: loss of £0.05 million)

* Before share based payments, acquisition expenses, and excluding the negative goodwill (credit) arising on the acquisition of SCL. 2019 also excluded £28k severance and £57k Brexit protection exchange loss

Net debt (cash and cash equivalents less plant and machinery asset financing debt; excludes IFRS16 lease debt) at 31 October 2020 was approximately £0.11 million (unaudited). Whilst the Company's order book and opportunities for IHT are at record levels, sales of IHT & Advanced PCBs products have been impacted in 2020 by the ongoing COVID-19 pandemic. The Company has an IHT & Advanced PCBs orderbook of approximately £2.24 million (unaudited). The Company's 2021 financial year is expected to see an uplift in revenues benefiting from the EV OEM contract announced in September 2020 referred to above which is expected to see sales to this customer reach full rate in the fourth quarter of 2021, and benefiting from the first full year of ownership of Stevenage Circuits Limited.

7. Director participation in the Placing, Subscription and Open Offer

The following Directors have agreed to subscribe for an aggregate of 20,000 Placing Shares and 5,000 Subscription Shares as set out below.

<i>Director</i>	<i>Board Position</i>	<i>Amount (£)</i>	<i>Number of Placing Shares at the Issue Price</i>	<i>Number of Subscription Shares at the Issue Price</i>	<i>Holding of Ordinary Shares post-Admission*</i>	<i>% of Enlarged Issued Share Capital*</i>
Mark Hodgkins	CFO	£25,000	12,500	–	148,869	0.53%
Susan McErlain	Non-Executive Director	£15,000	7,500	–	7,500	0.03%
Charles Cattaneo	Non-Executive Director	£10,000	–	5,000	15,000	0.05%

* Assuming the Open Offer is fully taken up.

8. Related Party Transaction

The Directors' aggregate participation in the Fundraising, as set out above, constitutes a related party transaction pursuant to Rule 13 of the AIM Rules. The Company's independent directors (being Ian Griffiths and Philip Johnston) consider, having consulted with the Company's nominated adviser, finnCap, that the terms upon which the Directors are participating in the Fundraising are fair and reasonable insofar as the Company's shareholders are concerned.

9. General Meeting

The Directors do not currently have sufficient authority to allot in full the New Ordinary Shares. Accordingly, the Board is seeking the approval of Shareholders to allot the New Ordinary Shares at the General Meeting, together with approval to disapply pre-emption rights.

Shareholders should be aware that if any of the Resolutions are not passed, the Fundraising will not proceed.

A notice convening the General Meeting, which is to be held at 10.00 a.m. on 9 December 2020 at the offices of the Company at 1 Ashvale, Alexandra Way, Tewkesbury, Gloucestershire GL20 8NB, is set out at the end of this document.

The General Meeting will be run as a closed meeting and only essential personnel from the Company will attend.

A Form of Proxy for use by the Shareholders in connection with the General Meeting is also enclosed. At the General Meeting, the following Resolutions will be proposed:

Resolution 1 is an ordinary resolution and requires a simple majority of those voting to vote in favour of that Resolution 1. Resolution 2 is a special resolution and will require not less than 75 per cent. of those voting in person or on a poll by proxy to vote in favour of this Resolution 2.

The authorities to be granted pursuant to Resolution 1 and Resolution 2 shall expire on the date which is 15 months from the date of the Resolutions or if earlier the conclusion of the next annual general meeting of the Company (unless renewed, varied or revoked by the Company prior to or on that date).

10. Open Offer

In order to provide Shareholders with an opportunity to participate, the Company is inviting all Qualifying Shareholders to subscribe at the Issue Price for an aggregate of 502,582 Open Offer Shares at the Issue Price. This allows those Shareholders to participate on a pre-emptive basis whilst providing additional capital for the Company. Any Placees who are existing Shareholders of the Company will not be entitled to take part in the Open Offer.

Qualifying Shareholders are being given the opportunity to apply for additional Open Offer Shares in excess of their *pro rata* entitlements to the extent that other Qualifying Shareholders do not take their entitlements up in full. The Open Offer Shares have not been placed subject to clawback and have not been underwritten.

The latest time for application under the Open Offer to be received is be 11.00 a.m. on 8 December 2020. The procedure for application and payment depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your Open Offer Entitlements or have Open Offer Entitlements credited to your stock account in CREST in respect of such entitlement. Further details of the Open Offer are set out in Part II of this document.

11. Actions to be taken

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

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

In light of the prevailing guidance from the UK Government in relation to the Covid-19 outbreak and specifically the restrictions on unnecessary travel and large gatherings, the General Meeting will be convened with the minimum quorum of Shareholders (which will be facilitated by the Company's management) in order to conduct the business of the meeting. The General Meeting will thus be a closed meeting with Shareholders not permitted to attend in person. Instead of attending the General Meeting, we urge Shareholders to vote by proxy on the Resolutions as early as possible. Given the restrictions on attendance, the Board strongly recommends that Shareholders appoint the Chair of the General Meeting as their proxy (and not any named individual as they will not be able to attend the meeting). In the interests of safety, any proxy who is not the Chair of the General Meeting or any Shareholder attending the General Meeting in person (other than those required for a quorum to exist) will be denied access to the General Meeting. The Company will continue to closely monitor the developing impact of Covid-19, including the latest UK Government guidance. Should it become appropriate to revise the current arrangements for the General Meeting, any such changes will be notified to Shareholders through our website at www.trackwisedesigns.co.uk and, where appropriate, by announcement made by the Company to a Regulatory Information Service.

You are strongly encouraged to complete, sign and return your Form of Proxy in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received, by post or, during normal business hours only, by hand, by no later than 10.00 a.m. on 7 December 2020 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

If you hold your shares in the Company in uncertificated form (that is, in CREST) you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of the General Meeting set out at the end of this document). Proxies submitted via CREST must be received by the

Company's agent (Equiniti) by no later than 11.00 a.m. on 7 December 2020 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

Appointing a proxy in accordance with the instructions set out above will enable your vote to be counted at the General Meeting. The action to be taken by Qualifying Shareholders in connection with the Open Offer is set out in Part II of this document.

If you are in any doubt as to what action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent professional adviser duly authorised under the FSMA if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

12. Recommendation

Shareholders should be aware that if any of the Resolutions are not passed, the Fundraising will not proceed.

The Directors believe that the Resolutions to be proposed at the General Meeting are in the best interests of the Company and Shareholders as a whole and unanimously recommend that Shareholders vote in favour of the Resolutions.

The Directors intend to vote in favour of the Resolutions in respect of, in aggregate, 6,874,049 Existing Ordinary Shares, representing approximately 31.09 per cent. of the Existing Ordinary Shares.

Yours faithfully

Ian Griffiths
Chairman

PART II

TERMS AND CONDITIONS OF THE OPEN OFFER

1. INTRODUCTION

As explained in the letter set out in Part I: "Letter from the Chairman" of this document, the Company is proposing to issue up to 502,582 New Ordinary Shares at the Issue Price, and to raise, assuming that it is fully subscribed, through the Open Offer, approximately £1 million.

Upon completion of the Open Offer, assuming it is fully subscribed, the Open Offer Shares will represent approximately 1.79 per cent. of the Enlarged Share Capital.

The Record Date for entitlements under the Open Offer for Qualifying CREST Shareholders and Qualifying non-CREST Shareholders is expected to be close of business on 18 November 2020. Application Forms are expected to be posted to Qualifying Non-CREST Shareholders on or around 23 November 2020 and Open Offer Entitlements are expected to be credited to stock accounts of Qualifying CREST Shareholders in CREST as soon as possible after 8.00 a.m. on 10 December 2020.

Subject to availability, the Excess Application Facility will enable Qualifying Shareholders to apply for further Open Offer Shares. Further details in relation to the Excess Application Facility are set out in Part III "Questions and Answers about the Open Offer" in this Circular and, for Qualifying Non-CREST Shareholders, the Application Form.

The latest time and date for receipt of completed Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate) is expected to be 8.00 a.m. on 8 December 2020 with Admission and commencement of dealings in Open Offer Shares expected to take place at 8.00 a.m. on 10 December 2020.

This document and, for Qualifying Non-CREST Shareholders only, the Application Forms contain the formal terms and conditions of the Open Offer. Your attention is drawn to paragraph 4.1 of this Part III: "Terms and Conditions of the Open Offer" which gives details of the procedure for application and payment for the Open Offer Shares and any additional shares applied for pursuant to the Excess Application Facility.

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

The Company is proposing to issue up to 502,582 Open Offer Shares at the Issue Price subject to Admission, in respect of valid applications by Qualifying Shareholders. Application will be made to the London Stock Exchange for the Placing Shares and Open Offer Shares to be admitted to trading on AIM.

The Open Offer is an opportunity for Qualifying Shareholders to apply for Open Offer Shares *pro rata* to their current holdings at the Issue Price in accordance with the terms of the Open Offer. **Qualifying Shareholders are also being offered the opportunity to apply for additional Open Offer Shares in excess of their Open Offer Entitlement to the extent that other Qualifying Shareholders do not take up their Open Offer Entitlement in full.**

The Open Offer Shares have not been placed subject to clawback nor have they been underwritten. Consequently, there may be fewer than 502,582 Open Offer Shares issued pursuant to the Open Offer.

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

2. THE OPEN OFFER

Subject to the terms and conditions set out below (and, in the case of Qualifying Non-CREST Shareholders, in the Application Form), Qualifying Shareholders are being given the opportunity under the Open Offer to apply for any number of Open Offer Shares at the Issue Price *pro rata* to their holdings, which represents a 45.2 per cent. discount to the closing price on the London Stock Exchange of 365 pence per Ordinary Share on 19 November 2020.

Under the Open Offer, Qualifying Shareholders are being given the opportunity to subscribe for New Shares *pro rata* to their current holdings on the basis of:

1 New Ordinary Share for every 44 Existing Ordinary Shares at 200 pence each

Qualifying Shareholders are reminded that Shareholders taking part in the Placing and Subscription will not be entitled to take part in the Open Offer and that therefore the up to 502,582 Open Offer Shares, raising up to approximately £1 million, are only available to a smaller pool of Existing Ordinary Shareholders. If there are no applications under the Excess Application Facility not all the £1 million would be raised. The Excess Application Facility is available to all and only the Qualifying Shareholders. The Open Offer has been structured in this way to provide an opportunity for participation in the Fundraise by the Company's existing Shareholder base.

Fractions of Open Offer Shares will not be allotted to Shareholders in the Open Offer and entitlements under the Open Offer will be rounded down to the nearest whole number of Open Offer Shares and made available in the Excess Application Facility.

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

If you are a Qualifying Non-CREST Shareholder, the Application Form will show the number of Existing Ordinary Shares registered in your name on the Record Date (in Box 1).

Subject to availability, the Excess Application Facility will enable Qualifying Shareholders, provided they have taken up their Open Offer Entitlement in full, to apply for further Open Offer Shares in excess of their Open Offer Entitlement. Further details in relation to the Excess Application Facility are set out in Part IV "Questions and Answers about the Open Offer" and, for Qualifying Non-CREST Shareholders, the Application Form.

Qualifying CREST Shareholders will have Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to their stock accounts in CREST and should refer to paragraph 4.2 of this Part III: "Terms and Conditions of the Open Offer" for information on the relevant CREST procedures and further details on the Excess Application Facility. Qualifying CREST Shareholders can also refer to the CREST Manual for further information on the relevant CREST procedures.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, the Board will use their discretion as to whether to accept all applications in full, or that such applications will be scaled back *pro rata* to the number of excess Open Offer Shares applied for by Qualifying Shareholders.

Please refer to paragraphs 4.1(d) and 4.2(j) of this Part III "Terms and Conditions of the Open Offer" for further details of the Excess Application Facility.

Following the issue of the Open Offer Shares to be allotted pursuant to the Open Offer, a Qualifying Shareholder who does not take up any of his entitlement under the Open Offer *pro rata* to his current holding, he will suffer a dilution of his interest in the Company dependent on the take-up and oversubscription of the Open Offer by other Qualifying Shareholders (assuming the Open Offer is not over-subscribed in aggregate).

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. Qualifying Non-CREST Shareholders should also note that their respective Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements and Excess CREST Open Offer Entitlements will be credited to CREST

and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Open Offer Shares not applied for under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Qualifying Shareholders who do not apply to take up Open Offer Shares will have no rights under the Open Offer. Any Open Offer Shares which are not applied for by Qualifying Shareholders under their Open Offer Entitlements will be issued to Qualifying Shareholders who have made an application for Open Offer Shares in excess of their Open Offer Entitlement under the Excess Application Facility, with the proceeds retained for the benefit of the Company. The Open Offer Shares have not been placed subject to clawback nor have they been underwritten.

Application will be made for the Open Offer Entitlements and Excess CREST Open Offer Entitlements to be credited to Qualifying CREST Shareholders' CREST accounts. The Open Offer Entitlements and Excess CREST Open Offer Entitlements are expected to be credited to CREST accounts as soon as possible after 8.00 a.m. on 10 December 2020.

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

The Open Offer Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the New Ordinary Shares of the Company. The Open Offer Shares are not being made available in whole or in part to the public except under the terms of the Open Offer.

3. CONDITIONS AND FURTHER TERMS OF THE OPEN OFFER

The Open Offer is conditional upon, amongst other things, the approval of the Resolutions at the General Meeting and upon the Placing Agreement becoming unconditional in all respects (other than as to Admission) and Admission of the Open Offer Shares becoming effective by not later than 8.00 a.m. on 10 December 2020 (or such later time and/or date as the Company and finnCap and may determine, not being later than 8.00 a.m. on 8 January 2021).

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

No temporary documents of title will be issued in respect of Open Offer Shares held in uncertificated form. Definitive certificates in respect of Open Offer Shares taken up are expected to be posted to those Qualifying Shareholders who validly elect to hold their Open Offer Shares in certificated form by 21 December 2020. In respect of those Qualifying Shareholders who will validly elect to hold their Open Offer Shares in uncertificated form, the Open Offer Shares are expected to be credited to their stock accounts maintained in CREST as soon as possible after 8.00 a.m. on 10 December 2020.

Applications will be made for the Open Offer Shares to be admitted to trading on AIM. Admission is expected to occur on 10 December 2020, when dealings in the Open Offer Shares are expected to begin.

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

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

4. PROCEDURE FOR APPLICATION AND PAYMENT

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

Qualifying Shareholders who hold all their Existing Ordinary Shares in certificated form will receive the Application Form. The Application Form will show the number of Existing Ordinary Shares at the Record Date. It will also show Qualifying Shareholders the number of Open Offer Shares available under their Open Offer Entitlement that can be allotted in certificated form. Qualifying Shareholders who hold all their Existing Ordinary Shares in CREST will be allotted Open Offer Shares in CREST. Qualifying Shareholders who hold part of their Existing Ordinary Shares in uncertificated form will be allotted Open Offer Shares in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. However, it will be possible for Qualifying Shareholders to deposit Open Offer Entitlements into, and withdraw them from, CREST.

Further information on deposit and withdrawal from CREST is set out in paragraph 4.2 of this Part II: "Terms and Conditions of the Open Offer".

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

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

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

(a) *General*

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

Under the Excess Application Facility, provided they have agreed to take up their Open Offer Entitlement in full, Qualifying Non-CREST Shareholders may apply for more than the amount of their Open Offer Entitlement should they wish to do so. If the total number of Open Offer Shares applied for by all Qualifying Shareholders exceeds applications under the Excess Application Facility, the Board will use their discretion as to whether to accept all applications in full, or to scale back *pro rata* to the number of excess Open Offer Shares applied for by Qualifying Shareholders under the Excess Application Facility.

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

(b) *Bona fide market claims*

Applications to acquire Open Offer Shares may only be made on the Application Form and may only be made by the Qualifying Non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked "ex" the entitlement to participate in the Open Offer. Application Forms may not be assigned, transferred or split, except to satisfy *bona fide* market claims up to 3.00 p.m. on 4 December 2020. The Application Form is not a negotiable document and cannot be separately traded. A Qualifying Non-CREST Shareholder who has sold or otherwise transferred all or part of his holding of Existing

Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to participate in the Open Offer, should consult his broker or other professional adviser as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed by the transferee. Qualifying Non-CREST Shareholders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Box 10 on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Application Form should not, however be forwarded to or transmitted in or into the United States or any Restricted Jurisdiction. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedure set out in paragraph 4.2(b) below.

(c) *Application procedures*

Qualifying Non-CREST Shareholders wishing to apply to acquire Open Offer Shares (whether in respect of all or part of their Open Offer Entitlement or in addition to their Open Offer Entitlement under the Excess Application Facility) should complete the Application Form in accordance with the instructions printed on it. Qualifying Non-CREST Shareholders may only apply for additional Open Offer Shares under the Excess Application Facility if they have agreed to take up their Open Offer Entitlements in full. If the total number of Open Offer Shares applied for by all Qualifying Shareholders exceeds 502,582 applications under the Excess Application Facility, the Board will use their discretion as to whether to accept all applications in full, or to scale back *pro rata* to the number of excess Open Offer Shares applied for by Qualifying Shareholders under the Excess Application Facility.

Completed Application Forms should be posted in the pre-paid envelope accompanying the Application Form or returned by post or by hand (during normal business hours only) to the Receiving Agent, Equiniti, Corporate Action, Aspect House Spencer Road, Lancing, West Sussex BN99 6DA (who will act as Receiving Agent in relation to the Open Offer) so as to be received by the Receiving Agent by no later than 11.00 a.m. on 8 December 2020, after which time Application Forms will not be valid. Qualifying Non-CREST Shareholders should note that applications, once made, will be irrevocable and receipt thereof will not be acknowledged. If an Application Form is being sent by first-class post in the UK, Qualifying Shareholders are recommended to allow at least four working days for delivery.

All payments must be in pounds sterling and made by cheque or banker’s draft, written in black ink made payable to Equiniti, Corporate Action, Aspect House Spencer Road, Lancing, West Sussex BN99 6DA. Cheques or banker’s drafts must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker’s drafts to be cleared through the facilities provided by any of those companies and must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Third party cheques will not be accepted with the exception of building society cheques or banker’s drafts where the building society or bank has inserted the name of the account holder and has either added the building society or bank branch stamp or has provided a supporting letter confirming the source of funds. The account name should be the same as that shown on the application. Post-dated cheques will not be accepted.

Cheques or banker’s drafts will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and banker’s drafts to allow the Company to obtain value for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant member account, as applicable) pending clearance thereof). No interest will be paid on payments made before they are due. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and banker’s drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

If cheques or banker's drafts are presented for payment before the conditions of the Placing and Open Offer are fulfilled, the application monies will be credited to a non-interest bearing account by the Receiving Agent. If the Placing and Open Offer do not become unconditional, no Open Offer Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Placing and Open Offer.

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

- (i) Application Forms received after 11.00 a.m. on 8 December 2020; or
- (ii) applications in respect of which remittances are received before 8.00 a.m. on 8 December 2020 from authorised persons (as defined in FSMA) specifying the Open Offer Shares applied for and undertaking to lodge the Application Form in due course but, in any event, within two Business Days.

Multiple applications will not be accepted. All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk.

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

(d) *The Excess Application facility*

Provided they choose to take up their Open Offer Entitlement in full, the Excess Application Facility enables a Qualifying Non-CREST Shareholder to apply for Open Offer Shares in excess of their Open Offer Entitlement.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, the Board will use their discretion as to whether to accept all applications in full, or to scale back such applications *pro rata* to existing shareholdings.

Qualifying Non-CREST Shareholders who wish to apply for Open Offer Shares in excess of their Open Offer Entitlement must complete the Application Form in accordance with the instructions set out on the Application Form.

For technical reasons Qualifying CREST Shareholders who choose to take up their Open Offer Entitlements in full, or, in respect of pooled accounts, the Open Offer Entitlements of an underlying beneficial holder in full, the Excess Application Facility enables Qualifying CREST Shareholders to apply for Excess Shares up to a maximum amount equal to ten times their total number of existing Ordinary Shares held in such Qualifying CREST Shareholder's name as at the Record Date. If, however, a Qualifying CREST Shareholder wishes to apply for more than ten times the total number of existing Ordinary Shares held in such Qualifying Shareholder's name as at the Record Date, the Qualifying CREST Shareholder should contact Equiniti by telephone on the helpline number stated above who will arrange for additional Excess Shares to be credited to the relevant CREST account of the Qualifying CREST Shareholder concerned up to the maximum of Open Offer Shares available under the Offer. Any such applications will be granted at the absolute discretion of the Company in consultation with the Joint Underwriters.

Should the Placing and Open Offer become unconditional and applications for Open Offer Shares exceed 502,582 Open Offer Shares and the Board agree to scale back applications, each Qualifying Non-CREST Shareholder who has made a valid application for excess Open Offer Shares under the Excess Application Facility and from whom payment in full for excess Open Offer Shares has been received will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for but not allocated to the relevant Qualifying Non-CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable thereafter, without payment of interest and at the applicant's sole risk.

(e) *Effect of application*

By completing and delivering an Application Form the applicant:

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

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

All enquiries in connection with the procedure for application and completion of the Application Form should be addressed to the Receiving Agent, Equiniti or you can contact the Receiving Agent on 0371-384-2050 (or +44 371-384-2050 if calling from overseas). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday, excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

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

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

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

(a) *General*

Subject as provided in paragraph 6 of Part III: “Terms and Conditions of the Open Offer” in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of his Open Offer Entitlements equal to the maximum number of Open Offer Shares for which he is entitled to apply to acquire under the Open Offer and also an Excess CREST Open Offer Entitlement. Entitlements to Open Offer Shares will be rounded down to the nearest whole number and any Open Offer Entitlements have therefore also been rounded down.

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

If for any reason the Open Offer Entitlements and/or the Excess CREST Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by, 3.00 p.m. on 23 November 2020, or such later time and/or date as the Company may decide, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements and Excess CREST Open Offer Entitlements which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying Non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive such Application Forms.

For technical reasons Qualifying CREST Shareholders who choose to take up their Open Offer Entitlements in full, or, in respect of pooled accounts, the Open Offer Entitlements of an underlying beneficial holder in full, the Excess Application Facility enables Qualifying CREST Shareholders to apply for Excess Shares up to a maximum amount equal to ten times their total number of existing Ordinary Shares held in such Qualifying CREST Shareholder’s name as at the Record Date. If, however, a Qualifying CREST Shareholder wishes to apply for more than ten times the total number of existing Ordinary Shares held in such Qualifying Shareholder’s name as at the Record Date, the Qualifying CREST Shareholder should contact Equiniti by telephone on the helpline number stated above who will arrange for additional Excess Shares to be credited to the relevant CREST account of the Qualifying CREST Shareholder concerned up to the maximum of Open Offer Shares available under the Offer. Any such applications will be granted at the absolute discretion of the Company in consultation with the Joint Underwriters.

CREST members who wish to apply to acquire some or all of their entitlements to Open Offer Shares and their Excess CREST Open Offer Entitlements should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact the Receiving Agent on 0371-384-2050 (or +44 371-384-2050 if calling from overseas). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday, excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Please note the Receiving Agent cannot provide financial, legal or tax advice on the merits of the Open Offer or as to whether applicants should take up their Open Offer Entitlements or to apply for Excess CREST Open Offer Entitlements. If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for Open Offer Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

(b) *Market claims*

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

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

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

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

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

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

- (i) the number of Open Offer Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Open Offer Entitlement. This is GB00BN7CDQ63;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (v) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 2RA55;
- (vi) the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is RA348601;

- (vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of New Ordinary Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 8 December 2020; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 10 December 2020.

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

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

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 10 December 2020 in order to be valid is 11.00 a.m. on that day.

In the event that the Placing and Open Offer do not become unconditional by 8.00 a.m. on 10 December 2020 or such later time and date as the Company and finnCap determine (being no later than 8.00 a.m. on 8 January 2021), the Placing and Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

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

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

- (i) the number of Open Offer Shares for which application is being made (and hence being delivered to the Receiving Agent);
- (ii) the ISIN of the Excess CREST Open Offer Entitlement. This is GB00BN7CDR70;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;
- (v) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 2RA56;
- (vi) the member account ID of the Registrar in its capacity as a CREST receiving agent. This is RA348602;
- (vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 8 December 2020; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application in respect of an Excess CREST Open Offer Entitlement under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 8 December 2020.

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

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

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 8 December 2020 in order to be valid is 11.00 a.m. on that day.

In the event that the Placing and Open Offer do not become unconditional by 8.00 a.m. on 10 December 2020 or such later time and date as the Company and finnCap determine (being no later than 8.00 a.m. on 8 January 2021), the Placing and Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

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

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

A holder of an Application Form who is proposing to deposit the entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 8 December 2020. After depositing their Open Offer Entitlement into their CREST account, CREST holders will shortly thereafter receive a credit for their Excess CREST Open Offer Entitlement, which will be managed by the Receiving Agent.

In particular, having regard to normal processing times in CREST and on the part of the Receiving Agent, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements and in CREST, is 3.00 p.m. on 3 December 2020 and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements from CREST is 4.30 p.m. on 2 December 2020 in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility, as the case may be, prior to 11.00 a.m. on 8 December 2020.

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

made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

(g) *Validity of application*

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 8 December 2020 will constitute a valid application under the Open Offer.

(h) *CREST procedures and timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 8 December 2020. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(i) *Incorrect or incomplete applications*

If a USE instruction includes a CREST payment for an incorrect sum, the Company, through the Registrar, reserves the right:

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

(j) *The Excess Application Facility*

Provided they choose to take up their Open Offer Entitlement in full, the Excess Application Facility enables Qualifying CREST Shareholders to apply for Open Offer Shares in excess of their Open Offer Entitlements.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, the Board will have discretion to scale back such applications *pro rata* to the number of excess Open Offer Shares applied for by Qualifying Shareholders under the Excess Application Facility.

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

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

Should the Placing and Open Offer become unconditional and applications for Open Offer Shares by Qualifying Shareholders under the Open Offer exceed 502,582 Open Offer Shares and the Board agree to scale back applications under the Excess Application Facility, each Qualifying CREST Shareholder who has made a valid application pursuant to his Excess CREST Open Offer Entitlement and from whom payment in full for the excess Open Offer Shares has been received, will receive a pounds sterling amount equal to the number of Open Offer Shares validly applied and paid for but which are not allocated to the relevant Qualifying CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable following the completion of the scale back, without payment of interest and at the applicant's sole risk. Fractions of Open Offer Shares will not be issued under the Excess Application Facility and fractions of Open Offer Shares will be rounded down to the nearest whole number.

(k) *Effect of valid application*

A CREST member who makes or is treated as making a valid application in accordance with the above procedures thereby:

- (i) represents and warrants that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (ii) agrees to pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent's payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);
- (iii) agrees that all applications and contracts resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England;
- (iv) confirms that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all the information in relation to the Company contained in this document;
- (v) represents and warrants that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements or that he has received such Open Offer Entitlements by virtue of a *bona fide* market claim;
- (vi) represents and warrants that if he has received some or all of his Open Offer Entitlements from a person other than Surface Transforms, he is entitled to apply under the Open Offer in relation to such Open Offer Entitlement by virtue of a *bona fide* market claim;
- (vii) requests that the New Ordinary Shares to which he will become entitled be issued to him on the terms set out in this document, subject to the memorandum of association and articles of association of the Company;
- (viii) represents and warrants that he is not, nor is he applying on behalf of any Shareholder who is, in the United States or is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application in the United States or to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute

discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;

- (ix) represents and warrants that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and
 - (x) confirms that in making the application he is not relying and has not relied on finnCap or any person affiliated with finnCap in connection with any investigation of the accuracy of any information contained in this document or his investment decision.
- (l) *Company's discretion as to the rejection and validity of applications*
- The Company may in its sole discretion:
- (i) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part II: "Terms and Conditions of the Open Offer";
 - (ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
 - (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "first instruction") as not constituting a valid application if, at the time at which the Registrar receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
 - (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.
- (m) *Lapse of the Open Offer*

In the event that the Placing and Open Offer do not become unconditional by 8.00 a.m. on 10 December 2020, the Placing and Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter but not later than 4 business days following the announcement.

5. MONEY LAUNDERING REGULATIONS

5.1 Holders of Application Forms

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

The person lodging the Application Form with payment and in accordance with the other terms as described above (the “acceptor”), including any person who appears to the Receiving Agent to be acting on behalf of some other person, accepts the Open Offer in respect of such number of Open Offer Shares as is referred to therein (for the purposes of this paragraph 5 the “relevant Open Offer Shares”) shall thereby be deemed to agree to provide the Receiving Agent with such information and other evidence as the Receiving Agent may require to satisfy the verification of identity requirements.

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

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

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

The verification of identity requirements will not usually apply:

- (i) if the applicant is an organisation required to comply with the Money Laundering Directive (the Council Directive on prevention of the use of the financial system for the purpose of money laundering (no.91/308/EEC));
- (ii) if the acceptor is a regulated United Kingdom broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations;
- (iii) if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the applicant’s name; or
- (iv) if the aggregate subscription price for the Open Offer Shares is less than €15,000 (approximately £10,000).

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

- (a) if payment is made by cheque or banker’s draft in sterling drawn on a branch in the United Kingdom of a bank or building society which bears a UK bank sort code number in the top right hand corner the following applies. Cheques, written in black ink, should be made payable to the Receiving Agent, Equiniti Limited re Trackwise Designs plc Open Offer in respect of an application by a Qualifying Shareholder and crossed “A/C Payee Only”. Third party cheques may not be accepted with the exception of building society cheques or banker’s drafts where the building society or bank has inserted the name of the account holder and has either added the building society or bank branch stamp or has provided a supporting letter confirming the source of funds. The account name should be the same as that shown on the Application Form; or
- (b) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in (i) above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force (the non-European Union members of which are Argentina, Australia, Brazil, Canada, China, Gibraltar, Hong Kong, Iceland, Japan, Mexico, New Zealand, Norway, Russian Federation, Singapore, South Africa, Switzerland, Turkey, UK Crown Dependencies and the US and, by virtue of their membership of the Gulf Cooperation Council, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), the agent should

provide with the Application Form written confirmation that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Registrar. If the agent is not such an organisation, it should contact the Registrar at the address set out on page 6 of this document.

To confirm the acceptability of any written assurance referred to in (b) above, or in any other case, the acceptor should contact the Receiving Agent on 0371-384-2050 (or +44 371-384-2050 if calling from overseas). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday, excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

If the Application Form(s) is/are in respect of Open Offer Shares with an aggregate subscription price of €15,000 (approximately £10,000) or more and is/are lodged by hand by the acceptor in person, or if the Application Form(s) in respect of Open Offer Shares is/are lodged by hand by the acceptor and the accompanying payment is not the acceptor's own cheque, he or she should ensure that he or she has with him or her evidence of identity bearing his or her photograph (for example, his or her passport) and separate evidence of his or her address.

If, within a reasonable period of time following a request for verification of identity, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Registrar may, at its discretion, as agent of the Company, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest to the account at the drawee bank from which such monies were originally debited (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid).

5.2 **Open Offer Entitlements in CREST**

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

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

6. **OVERSEAS SHAREHOLDERS**

This document has been approved by the FCA, being the competent authority in the United Kingdom. The comments set out in this paragraph 6 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

6.1 **General**

The distribution of this document and the making of the Open Offer to persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which

are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Open Offer Shares under the Open Offer.

No action has been or will be taken by the Company, finnCap, or any other person, to permit a public offering or distribution of this document (or any other offering or publicity materials or application form(s) relating to the Open Offer Shares) in any jurisdiction where action for that purpose may be required, other than in the United Kingdom.

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

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

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

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

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

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

who does forward a copy of this document and/or an Application Form and/or transfers Open Offer Entitlements or Excess CREST Open Offer Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part II: "Terms and Conditions of the Open Offer" and specifically the contents of this paragraph 6.

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

The attention of Overseas Shareholders is drawn to paragraph 6 below. Notwithstanding any other provision of this document or the relevant Application Form, the Company reserves the right to permit any person to apply for Open Offer Shares in respect of the Open Offer if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who wish, and are permitted, to apply for Open Offer Shares should note that payment must be made in sterling denominated cheques or banker's drafts or where such Overseas Shareholder is a Qualifying CREST Shareholder, through CREST.

Due to restrictions under the securities laws of the United States and the Restricted Jurisdictions, and subject to certain exceptions, Qualifying Shareholders in the United States or who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Jurisdiction will not qualify to participate in the Open Offer and will not be sent an Application Form nor will their stock accounts in CREST be credited with Open Offer Entitlements.

No public offer of Open Offer Shares is being made by virtue of this document or the Application Forms into the United States or any Restricted Jurisdiction. Receipt of this document and/or an Application Form and/or a credit of an Open Offer Entitlement to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

6.2 **United States**

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

Accordingly, the Company is not extending the Open Offer into the United States unless an exemption from the registration requirements of the US Securities Act of 1933 as amended, is available and, subject to certain exceptions, neither this document nor the Application Form constitutes or will constitute an offer or an invitation to apply for or an offer or an invitation to acquire any New Ordinary Shares in the United States. Subject to certain exceptions, neither this document nor an Application Form will be sent to, and no New Ordinary Shares will be credited to a stock account in CREST of, any Qualifying Shareholder with a registered address in the United States. Subject to certain exceptions, Application Forms sent from or postmarked in the United States will be deemed to be invalid and all persons acquiring New Ordinary Shares and wishing to hold such New Ordinary Shares in registered form must provide an address for registration of the New Ordinary Shares issued upon exercise thereof outside the United States.

Subject to certain exceptions, any person who acquires New Ordinary Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this document or the Application Form and delivery of the New Ordinary Shares, that they are not, and that at the time of acquiring the New Ordinary Shares they will not be, in the United States or acting on behalf of, or for the account or benefit of a person on a non-discretionary basis in the United States or any state of the United States. The Company reserves the right to treat as invalid any Application Form that appears to the Company or its agents to have been executed in, or despatched from, the United States, or that provides an address in the United States for the receipt of New Ordinary Shares, or which does not make the warranty set out in the Application Form to the effect that the person completing the Application Form does not have a registered address and is not otherwise located in the United States and is not acquiring the New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares in the United States or where the Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements.

The Company will not be bound to allot or issue any Open Offer Shares to any person with an address in, or who is otherwise located in, the United States in whose favour an Application Form or any Open Offer Shares may be transferred. In addition, the Company, finnCap reserve the right to reject any USE instruction sent by or on behalf of any CREST member with a registered address in the United States in respect of the Open Offer Shares.

In addition, until 45 days after the commencement of the Open Offer, an offer, sale or transfer of the Open Offer Shares within the United States by a dealer (whether or not participating in the Placing and Open Offer) may violate the registration requirements of the US Securities Act of 1933 as amended.

6.3 **Restricted Jurisdictions**

Due to restrictions under the securities laws of the Restricted Jurisdictions and subject to certain exemptions, Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Jurisdiction will not qualify to participate in the Open Offer and will not be sent an Application Form nor will their stock accounts in CREST be credited with Open Offer Entitlements or Excess CREST Open Offer Entitlements.

The Open Offer Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Restricted Jurisdiction except pursuant to an applicable exemption.

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

6.4 **Other overseas territories**

Application Forms will be sent to Qualifying Non-CREST Shareholders and Open Offer Entitlements and Excess CREST Open Offer Entitlements will be credited to the stock account in CREST of Qualifying CREST Shareholders. Qualifying Shareholders in jurisdictions other than the United States or the Restricted Jurisdictions may, subject to the laws of their relevant jurisdiction, take up Open Offer Shares under the Open Offer in accordance with the instructions set out in this document and the Application Form.

Qualifying Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, countries other than the United Kingdom should, however, consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any further formalities to enable them to apply for any Open Offer Shares in respect of the Open Offer.

6.5 **Representations and warranties relating to Overseas Shareholders**

(a) *Qualifying Non-CREST Shareholders*

Any person completing and returning an Application Form or requesting registration of the Open Offer Shares comprised therein represents and warrants to the Company, finnCap and the

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

(b) *Qualifying CREST Shareholders*

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

6.6 **Waiver**

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

Form and, in the event of more than one person executing an Application Form, the provisions of this paragraph 6 shall apply to them jointly and to each of them.

7. **ADMISSION, SETTLEMENT AND DEALINGS**

The result of the Open Offer is expected to be announced on 9 December 2020. Applications will be made to the AIM for the Open Offer Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Open Offer Shares, fully paid, will commence at 8.00 a.m. on 10 December 2020.

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

Open Offer Entitlements and Excess CREST Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 8 December 2020 (the latest date for applications under the Open Offer). If the condition(s) to the Open Offer described above are satisfied, New Ordinary Shares will be

issued in uncertificated form to those persons who submitted a valid application for New Ordinary Shares by utilising the CREST application procedures and whose applications have been accepted by the Company. On 10 December, the Registrar will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Open Offer Shares with effect from Admission (expected to be 10 December). The stock accounts to be credited will be accounts under the same CREST participant IDs and CREST member account IDs in respect of which the USE Instruction was given. Notwithstanding any other provision of this document, the Company reserves the right to send Qualifying CREST Shareholders an Application Form instead of crediting the relevant stock account with Open Offer Entitlements and Excess CREST Open Offer Entitlements, and to allot and/or issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Registrar and Receiving Agent in connection with CREST.

For Qualifying Non-CREST Shareholders who have applied by using an Application Form, share certificates in respect of the Open Offer Shares validly applied (including excess Open Offer Shares successfully applied for under the Excess Application Facility) are expected to be despatched by post by 21 December 2020. No temporary documents of title will be issued and, pending the issue of definitive certificates, transfers will be certified against the UK share register of the Company. All documents or remittances sent by or to applicants, or as they may direct, will be sent through the post at their own risk. For more information as to the procedure for application, Qualifying Non-CREST Shareholders are referred to paragraph 4.1 above and their respective Application Form.

8. TIMES AND DATES

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

9. FURTHER INFORMATION

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

10. GOVERNING LAW AND JURISDICTION

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

QUESTIONS AND ANSWERS ABOUT THE OPEN OFFER

The questions and answers set out below: “Questions and Answers about the Open Offer” are intended to be in general terms only and, as such, you should read Part II: “Terms and Conditions of the Open Offer” of this document for full details of what action to take. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank, fund manager, solicitor, accountant or other appropriate independent financial adviser, who is authorised under the FSMA if you are in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

This section deals with general questions relating to the Open Offer and more specific questions relating principally to persons resident in the United Kingdom who hold their Ordinary Shares in certificated form only. If you are an Overseas Shareholder, you should read paragraph 6 of Part III: “Terms and Conditions of the Open Offer” of this document and you should take professional advice as to whether you are eligible and/or you need to observe any formalities to enable you to take up your Open Offer Entitlements. If you hold your Existing Ordinary Shares in uncertificated form (that is, through CREST) you should read Part III “Terms and Conditions of the Open Offer” of this document for full details of what action you should take. If you are a CREST sponsored member, you should also consult your CREST sponsor. If you do not know whether your Existing Ordinary Shares are in certificated or uncertificated form, please contact the Receiving Agent on 0371-384-2050 (or +44 371-384-2050 if calling from overseas). *Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday, excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice. Each prospective investor should consult his, her or its own appropriate professional advisers for advice. This document is for your information only and nothing in this document is intended to endorse or recommend a particular course of action.*

1. WHAT IS AN OPEN OFFER?

An open offer is a way for companies to raise money. Companies usually do this by giving their existing shareholders a right to acquire further shares at a fixed price in proportion to their existing shareholdings. In this instance shareholders will also be offered the opportunity to apply for additional shares in excess of their entitlement to the extent that other Qualifying Shareholders do not take up their entitlement in full. The fixed price is normally at a discount to the market price of the existing ordinary shares prior to the announcement of the Open Offer.

This Open Offer is an invitation by Trackwise Designs to Qualifying Shareholders to apply to acquire up to an aggregate of 502,582 New Ordinary Shares at a price of 200 pence per share. If you hold Ordinary Shares on the Record Date or have a *bona fide* market claim, other than, subject to certain exceptions, where you are a Shareholder with a registered address or located in the United States, or a Restricted Jurisdiction, you will be entitled to buy Open Offer Shares under the Open Offer.

The Open Offer is being made on the basis of 1 Open Offer Share for every 44 Existing Ordinary Shares held by Qualifying Shareholders on the Record Date. If your entitlement to Open Offer Shares is not a whole number, you will not be entitled to buy a fraction of an Open Offer Share and your entitlement will be rounded down to the nearest whole number.

Open Offer Shares are being offered to Qualifying Shareholders at a discount to the share price on the last trading day before the details of the Placing and Open Offer were announced on 20 November 2020. The Issue Price of 200 pence per Open Offer Share represents an 45.2 per cent. discount to the closing middle-market price quotation as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange of 365 pence per Ordinary Share on 19 November 2020.

The Excess Application Facility allows Qualifying Shareholders to apply for Open Offer Shares in excess of their Open Offer Entitlements. Applications made under the Excess Application Facility will be scaled back *pro rata* to existing shareholdings should the Board agree to do so and that applications are received from Qualifying Shareholders for more than the available number of Open Offer Shares.

Unlike in a rights issue, Application Forms are not negotiable documents and neither they nor the Open Offer Entitlements can themselves be traded. Shareholders will not be able to apply for any New Ordinary Shares which are the subject of the Placing.

2. I HOLD MY EXISTING ORDINARY SHARES IN CERTIFICATED FORM. HOW DO I KNOW I AM ELIGIBLE TO PARTICIPATE IN THE OPEN OFFER?

If you receive an Application Form and, subject to certain exceptions, are not a holder with a registered address or located in the United States or any Restricted Jurisdiction, then you should be eligible to participate in the Open Offer as long as you have not sold all of your Existing Ordinary Shares before 8.00 a.m. on 20 November 2020 (the time when the Existing Ordinary Shares are expected to be marked “ex-entitlement” by the London Stock Exchange).

3. I HOLD MY EXISTING ORDINARY SHARES IN CERTIFICATED FORM. HOW DO I KNOW HOW MANY OPEN OFFER SHARES I AM ENTITLED TO TAKE UP?

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

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

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

If you would like to apply for any of or all of the Open Offer Shares comprised in your Open Offer Entitlement you should complete the Application Form in accordance with the instructions printed on it and the information provided in this document. Completed Application Forms should be posted, along with a cheque or banker’s draft drawn in the appropriate form, in the pre-paid envelope that will accompany the Application Form or returned by post or by hand (during normal office hours only), to the Receiving Agent, Equiniti, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, (who will act as Receiving Agent in relation to the Open Offer) so as to be received by the Receiving Agent by no later than 11.00 a.m. on 8 December 2020, after which time Application Forms will not be valid.

4. I HOLD MY EXISTING ORDINARY SHARES IN CERTIFICATED FORM AND AM ELIGIBLE TO RECEIVE AN APPLICATION FORM. WHAT ARE MY CHOICES IN RELATION TO THE OPEN OFFER?

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

If you do not want to take up the Open Offer Shares to which you are entitled, you do not need to do anything. In these circumstances, you will not receive any Open Offer Shares. You will also not receive any money when the Open Offer Shares you could have taken up are sold, as would happen under a rights issue. You cannot sell your Application Form or your Open Offer Entitlement to anyone else. If you do not return your Application Form subscribing for the Open Offer Shares to which you are entitled by 11.00 a.m. on 8 December, the Company has made arrangements under which the Company has agreed to issue the Open Offer Shares to other Qualifying Shareholders under the Excess Application Facility.

If you do not take up your Open Offer Entitlement then following the issue of the Open Offer Shares pursuant to Open Offer, your interest in the Company will be significantly diluted. Even if a Qualifying Shareholder subscribes for the basic entitlement under the Open Offer, their proportionate economic interest would be diluted by the issue of New Ordinary Shares pursuant to the Placing and Open Offer (assuming all Open Offer Shares are subscribed for in full).

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

If you want to take up some but not all of the Open Offer Shares to which you are entitled, you should write the number of Open Offer Shares you want to take up in Boxes 4 and 6 of your Application Form; for example, if you are entitled to take up 50 shares but you only want to take up 25 shares, then you should write '25' in Boxes 4 and 6. To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example, '25') by £2, which is the price in pounds of each Open Offer Share (giving you an amount of £50 in this example). You should write this amount in Box 7, rounding down to the nearest whole pence and this should be the amount your cheque or banker's draft is made out for. You should then return the completed Application Form, together with a cheque or banker's draft for that amount, in the pre-paid envelope that accompanies the Application Form or return by post or by hand (during normal office hours only), to the Receiving Agent, Equiniti, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to be received by the Receiving Agent by no later than 11.00 a.m. on 8 December 2020, after which time Application Forms will not be valid.

All payments must be in pounds sterling and made by cheque or banker's draft written in black ink, made payable to Equiniti Limited re Trackwise Designs plc Open Offer. Cheques or banker's drafts must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies and must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted the name of the account holder and has either added the building society or bank branch stamp or has provided a supporting letter confirming the source of funds. The account name should be the same as that shown on the application. Post-dated cheques will not be accepted.

Cheques or banker's drafts will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity. No interest will be paid on payments made before they are due. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 21 December 2020.

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

If you want to take up all of the Open Offer Shares to which you are entitled, all you need to do is send the Application Form (ensuring that all joint holders sign (if applicable)), together with your cheque or banker's draft for the amount (as indicated in Box 3 of your Application Form), payable to Equiniti Limited re Trackwise Designs plc Open Offer, in the pre-paid envelope that will accompany the Application Form or return by post or by hand (during normal office hours only), to the Receiving Agent, Equiniti, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to be received by the Receiving Agent by no later than 11.00 a.m. on 8 December 2020, after which time Application Forms will not be valid. If you post your Application Form by first-class post, you should allow at least four Business Days for delivery.

All payments must be in pounds sterling and made by cheque or banker's draft written in black ink, made payable to Equiniti Limited re Trackwise Designs plc Open Offer. Cheques or banker's drafts must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies and must bear the appropriate sort code in the top right-hand corner. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank

has inserted the name of the account holder and has either added the building society or bank branch stamp or has provided a supporting letter confirming the source of funds. The account name should be the same as that shown on the application. Post-dated cheques will not be accepted.

A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 21 December 2020.

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

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

For example, if you have an Open Offer Entitlement for 50 Open Offer Shares but you want to apply for 75 Open Offer Shares in total, then you should write '50' in Box 4, '25' in Box 5 and '75' in Box 6. To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example, '75') by £2, which is the price in pounds sterling of each Open Offer Share (giving you an amount of £150 in this example). You should write this amount in Box 7, rounding down to the nearest whole pence. You should then return your Application Form by post or by hand (during normal business hours) to the Receiving Agent, Equiniti, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to be received by the Receiving Agent by no later than 11.00 a.m. on 8 December 2020. Within the United Kingdom only, you can use the reply-paid envelope which will be enclosed with the Application Form.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, and the Board agree to do so, such applications will be scaled back *pro rata* to the number of excess Open Offer Shares applied for by Qualifying Shareholders under the Excess Application Facility. It should be noted that applications under the Excess Application Facility may not be satisfied in full.

In the event that the Excess Application Facility is oversubscribed, a refund in an amount equal to the number of Excess Open Offer Shares applied and paid for but not allocated multiplied by the Issue Price will be returned as soon as reasonably practicable thereafter, without payment of interest and at the applicant's sole risk. Qualifying CREST Shareholders will receive the refund not later than four Business Days following the date that the results of the Open Offer are announced. Qualifying Non-CREST Shareholders will receive the refund either as a cheque by first class post to the address set out on the Application Form or payment will be returned direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn, not later than ten Business Days following the date that the results of the Open Offer are announced.

A definitive share certificate will then be sent to you for the Open Offer Shares that you take up and otherwise successfully apply for using the Excess Application Facility. Your definitive share certificate for Open Offer Shares is expected to be despatched to you, at your own risk, by no later than 21 December 2020.

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

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

6. I ACQUIRED MY EXISTING ORDINARY SHARES PRIOR TO THE RECORD DATE AND HOLD MY EXISTING SHARES IN CERTIFICATED FORM. WHAT IF I DO NOT RECEIVE AN APPLICATION FORM OR I HAVE LOST MY APPLICATION FORM?

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

- Qualifying CREST Shareholders who held their Existing Ordinary Shares in uncertificated form on the Record Date and who have converted them to certificated form;
- Qualifying non-CREST Shareholders who bought Existing Ordinary Shares before the Record Date but were not registered as the holders of those shares at the close of business on the Record Date ; and
- certain Overseas Shareholders.

If you do not receive an Application Form but think that you should have received one or you have lost your Application Form, please contact the Receiving Agent on 0371-384-2050 (or +44 371-384-2050 if calling from overseas). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Difference charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

7. CAN I TRADE MY OPEN OFFER ENTITLEMENT?

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying Non-CREST Shareholders should also note that their Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be admitted to CREST they will have limited settlement capabilities (for the purposes of market claims only), the Open Offer Entitlements will not be tradable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim. Open Offer Shares for which application has not been made under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Qualifying Shareholders who do not apply to take up their Open Offer Entitlement will have no rights under the Open Offer or receive any proceeds from it. The Open Offer Shares have not been placed subject to clawback nor have they been underwritten.

8. WHAT IF I CHANGE MY MIND?

If you are a Qualifying non-CREST Shareholder, once you have sent your Application Form and payment to the Receiving Agent, you cannot withdraw your application or change the number of Open Offer Shares for which you have applied, except in the very limited circumstances which are set out in this document.

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

If the number is not a whole number, you will not receive a fraction of an Open Offer Share and your entitlement will be rounded down to the nearest whole number. Fractions will be made available in the Excess Application Facility.

10. I HOLD MY EXISTING ORDINARY SHARES IN CERTIFICATED FORM. WHAT SHOULD I DO IF I HAVE SOLD SOME OR ALL OF MY EXISTING ORDINARY SHARES?

If you hold shares in Trackwise Designs directly and you sell some or all of your Existing Ordinary Shares before the Record Date, you should contact the buyer or the person/company through whom you sell your shares. The buyer may be entitled to apply for Open Offer Shares under the Open Offer. If you sell any of your Existing Ordinary Shares on or after the Record Date, you may still take up and apply for the Open Offer Shares as set out on your Application Form.

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

Completed Application Forms should be returned with a cheque or banker's draft drawn in the appropriate form. All payments must be in pounds sterling and made by cheque or banker's draft written in black ink, made payable to Equiniti Limited re Trackwise Designs plc Open Offer. Cheques or banker's drafts must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies and must bear the appropriate sort code in the top right-hand corner. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted the name of the account holder and has either added the building society or bank branch stamp or has provided a supporting letter confirming the source of funds. The account name should be the same as that shown on the application. Post-dated cheques will not be accepted. Third party cheques (other than building society cheques or banker's drafts where the building society or bank has confirmed that the relevant Qualifying Shareholder has title to the underlying funds) will not be accepted.

12. WILL THE EXISTING ORDINARY SHARES THAT I HOLD NOW BE AFFECTED BY THE OPEN OFFER?

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

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

You should send your completed Application Form in the pre-paid envelope that accompanies the Application Form or return by post or by hand (during normal office hours only), together with the monies in the appropriate form, to: Equiniti, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA (who will act as receiving agent in relation to the Open Offer). If you post your Application Form by first-class post, you should allow at least four Business Days for delivery. If you do not want to take up or apply for Open Offer Shares then you need take no further action.

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

The Receiving Agent must receive the Application Form by no later than 11.00 a.m. on 8 December 2020, after which time Application Forms will not be valid. If an Application Form is being sent by first class post in the UK, Qualifying Shareholders are recommended to allow at least four Business Days for delivery.

15. HOW DO I TRANSFER MY ENTITLEMENTS INTO THE CREST SYSTEM?

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

16. I HOLD MY EXISTING ORDINARY SHARES IN CERTIFICATED FORM. WHEN WILL I RECEIVE MY NEW SHARE CERTIFICATE?

It is expected that the Receiving Agent will post all new share certificates by 21 December 2020.

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

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

18. WHAT SHOULD I DO IF I LIVE OUTSIDE THE UNITED KINGDOM?

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

19. FURTHER ASSISTANCE

Should you require further assistance please contact the Receiving Agent on 0371-384-2050 (or +44 371-384-2050 if calling from overseas). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday, excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

DEFINITIONS

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

“Admission”	the admission of the Placing Shares and the Open Offer Shares to trading on AIM becoming effective in accordance with the AIM Rules
“AIM”	AIM, a market operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange from time to time
“Application Form”	the personalised application form to be posted to Qualifying Shareholders for use in connection with the Open Offer
“Board” or “Directors”	the directors of the Company whose names are set out on page 6 of this document
“Business Day”	any day on which banks are usually open in England and Wales for the transaction of sterling business, other than a Saturday, Sunday or public holiday
“certificated” or “in certificated form”	a share or other security not held in uncertificated form (that is, not in CREST)
“Chairman”	the chairman of the Board
“Company” or “Trackwise”	Trackwise Designs plc, a company incorporated in England and Wales with registered number 03959572
“CREST”	a relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
“CREST Manual”	the CREST Manual referred to in agreements entered into by Euroclear and available at www.euroclear.com
“CREST member”	a person who has been admitted to CREST as a system-member (as defined in the CREST Regulations)
“CREST member account ID”	the identification code or number attached to a member account in CREST
“CREST participant”	a person who is, in relation to CREST, a system-participant (as defined in the CREST Regulations)
“CREST participant ID”	shall have the meaning given in the CREST Manual
“CREST payment”	shall have the meaning given in the CREST Manual
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor
“CREST sponsored member”	a CREST member admitted to CREST as a CREST sponsored member

“Enlarged Share Capital”	the issued share capital of the Company immediately after Admission as enlarged by the issue and allotment of the Placing Shares and the Open Offer Shares
“Excess Application Facility”	the arrangement under which Qualifying Shareholders may apply for any number of Open Offer Shares in excess of their own Open Offer Entitlement
“Excess CREST Open Offer Entitlement”	in respect of each Qualifying Shareholder the entitlement (in addition to their own Open Offer Entitlement) to apply for Open Offer Shares pursuant to the Excess Application Facility
“Existing Ordinary Shares”	the issued share capital of the Company as at the date of this document, being 22,113,622 Ordinary Shares
“Euroclear”	Euroclear UK & Ireland Limited
“Financial Conduct Authority” or “FCA”	the Financial Conduct Authority (and its predecessor, the Financial Services Authority) in its capacity as the competent authority for the purposes of Part VI of FSMA
“Form of Proxy”	the enclosed form of proxy for use by Shareholders in connection with the General Meeting
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“Fundraising”	the Placing, the Subscription and the Open Offer
“General Meeting”	the general meeting of the Company to be held at 10.00 a.m. on 9 December 2020 (or any reconvened meeting following any adjournment of the general meeting), notice of which is set out at the end of this document
“IHT”	Improved Harness Technology
“Issue Price”	200 pence per New Ordinary Share
“London Stock Exchange”	London Stock Exchange plc
“Money Laundering Regulations”	the money laundering and terrorist financing provisions of the Criminal Justice Act 1993, the Terrorism Act 2000, the Proceeds of Crime Act 2002, the Terrorism Act 2006 and the Money Laundering Regulations 2007, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017
“New Ordinary Shares”	the new Ordinary Shares to be issued by the Company pursuant to the Fundraising
“Notice” or “Notice of General Meeting”	the notice of the General Meeting set out at the end of this document
“Open Offer”	the offer to Qualifying Shareholders, being an invitation to apply for Open Offer Shares on the terms and conditions set out in this document and, where applicable, the Application Form
“Open Offer Entitlement”	an entitlement of a Qualifying Shareholder pursuant to the Open Offer to apply for 1 Open Offer Share for every 44 Existing Ordinary Shares held by them at the Record Date
“Open Offer Shares”	the 502,582 New Ordinary Shares which are the subject of the Open Offer

“Ordinary Shares”	ordinary shares of 4 pence each in the share capital of the Company
“Overseas Shareholders”	shareholders who are resident in or a citizen of a country outside the United Kingdom
“Placees”	subscribers for the Placing Shares
“Placing”	the conditional placing by finnCap, as agent of and on behalf of the Company, of the Placing Shares on behalf of the Company on the terms and subject to the conditions contained in the Placing Agreement
“Placing Agreement”	the conditional placing agreement dated 20 November 2020 between the Company and finnCap relating to the Placing
“Placing Shares”	the New Ordinary Shares to be issued to Placees pursuant to the Placing
“Proposals”	the Placing and the Open Offer and other matters contained in this document
“Prospectus Rules”	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
“Record Date”	close of business on 18 November 2020
“Registrar” or “Receiving Agents”	Equiniti Limited, registrars to the Company
“Regulatory Information Service”	has the meaning given to it in the AIM Rules
“Resolutions”	the resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting
“Restricted Jurisdiction”	United States of America, Canada, Australia, Japan, New Zealand and the Republic of South Africa and any other jurisdiction where the extension or availability of the Fundraising would breach any applicable law
“Shareholders”	holders of Ordinary Shares
“Subscriber”	the subscriber for the Subscription Shares pursuant to the Subscription
“Subscription”	the subscription of 10,000 New Ordinary Shares by the Subscriber pursuant to the Subscription Letter
“Subscription Letter”	the conditional subscription letter dated 20 November 2020 between the Company and the Subscriber in connection with the Subscription
“Subscription Shares”	the 10,000 New Ordinary Shares allotted and to be issued pursuant to the Subscription Letters and which are expected to be admitted to trading on AIM on Admission
“stock account”	an account within a member’s account in CREST to which a holding of a particular share or other security in CREST is credited
“Qualifying CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares in uncertificated form via CREST

“Qualifying non-CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares in certificated form
“Qualifying Shareholders”	shareholders whose Ordinary Shares are on the register on the Record Date with the exception of Overseas Shareholders
“uncertificated” or “in uncertificated form”	recorded on the register of members of the Company 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
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“UK Listing Authority”	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
“United States” or “US”	the United States of America
“£”, “pounds sterling”, “penny” or “pence”	UK pounds sterling, the lawful currency of the United Kingdom

Company number: 03959572

TRACKWISE DESIGNS PLC

(the Company)

NOTICE OF GENERAL MEETING

NOTICE IS GIVEN that a general meeting of the Company will be held at the offices of the Company at 1 Ashvale, Alexandra Way, Tewkesbury, Gloucestershire GL20 8NB on 9 December 2020 at 10.00 a.m. for the purpose of considering, and if thought fit passing, the following resolutions, which will be proposed as ordinary or special resolutions as indicated:

ORDINARY RESOLUTIONS

1. That in addition to the existing and unexercised authorities and powers, the directors of the Company be generally and unconditionally authorised for the purpose of section 551 Companies Act 2006 (the **Act**) to exercise all or any of the powers of the Company to allot shares of the Company or to grant rights to subscribe for, or to convert any security into, shares of the Company (those shares and rights being together referred to as **Relevant Securities**) up to a total nominal value of £240, 104 being made up of 6,002,582 ordinary shares of £0.04 each to be issued by way of a placing of, open offer and subscription for new ordinary shares (the **Shares**) to those persons at the times and generally on the terms and conditions as the directors may determine (subject always to the articles of association of the Company) **PROVIDED THAT** this authority shall, unless previously renewed, varied or revoked by the Company in general meeting, expire at the conclusion of the next annual general meeting or on the date which is six months after the next accounting reference date of the Company (if earlier) save that the directors of the Company may, before the expiry of that period, make an offer or agreement which would or might require relevant securities or equity securities (as the case may be) to be allotted after the expiry of that period and the directors of the Company may allot relevant securities or equity securities (as the case may be) under that offer or agreement as if the authority conferred by this resolution had not expired.

SPECIAL RESOLUTIONS

2. That if resolution 1 above is passed, the directors of the Company be authorised to allot equity securities (as defined in section 560 of the Act) for cash under the authority given by that resolution 1 and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to that allotment or sale, the authority to be limited to the allotment of the Shares (as defined in resolution 1) that authority to expire at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on the date which is 15 months after the date of the general meeting) but, in each case, before its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the directors of the Company may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.”

BY ORDER OF THE BOARD

Director

Date: 20 November 2020

Registered office:

1 Ashvale Alexandra Way, Ashchurch, Tewkesbury, Gloucestershire, England GL20 8NB

NOTES:

1. The meeting will be run as a closed meeting with only essential personnel of The Company being able to attend in person.
2. A member of the Company entitled to attend and vote at the meeting convened by this notice is entitled to appoint one or more proxies to exercise any of his or her rights to vote on his or her behalf. If a member appoints more than one proxy, each proxy must be entitled to exercise the rights attached to different shares. A proxy does not need to be a member of the Company.
3. A proxy may only be appointed using the procedures in these notes and the enclosed proxy form. To appoint a proxy, a member must complete, sign and date the enclosed proxy form and deposit it at the registered office of the Company by 10.00 a.m. on 7 December 2020, being not less than 48 (business) hours prior to the meeting. Any power of attorney or any other authority under which the proxy form is signed (or a certified copy of that power or authority) must be enclosed with the proxy form.
4. In order to revoke a proxy appointment, a member must sign and date a notice clearly stating his or her intention to revoke his or her proxy appointment and deposit it at the registered office of the Company by 6.00 p.m. on 8 December 2020.
5. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so in relation to the meeting, and any adjournment(s) of that meeting, by utilising the procedures described in the CREST Manual. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message must be transmitted so as to be received by the Company's registrars, Equiniti Limited (whose CREST ID is RA19) by the latest time for receipt of proxy appointments specified in note 2 above. 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 the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed. The Company may treat as invalid a CREST Proxy Instruction in the circumstances in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
6. Any corporation which is a member of the Company may authorise one or more persons (who do not need to be a member of the Company) to attend, speak and vote at the meeting as the representative of that corporation. A certified copy of the board resolution of the corporation appointing the relevant person as the representative of that corporation in connection with the meeting must be deposited at the registered office of the Company before the meeting.
7. Members who wish to communicate with the Company by electronic means in connection with the matters in this notice may do so by contacting the company at www.trackwise.co.uk on or before 10.00 a.m. on 7 December 2020.

