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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF REGULATION (EU) 596/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018.

4 March 2024

LungLife AI, Inc.
(the “Company” or “LungLife”)

Proposed equity raise of approximately £1.8 million to fund commercial proof of concept

LungLife AI (AIM: LLAI), a developer of clinical diagnostic solutions for the early detection of lung cancer, today announces that it proposes to raise approximately £1.8 million (approximately US\$2.3 million) (before fees and expenses) (the “**Fundraising**”). The Fundraising will comprise the issue of new common stock of the Company with a par value of US\$0.0001 per share (“**New Shares**”) through:

- a non-pre-emptive conditional placing of New Shares (the “**Placing Shares**”) at the Issue Price (as defined below) to raise approximately £1.56 million (approximately US\$1.96 million) (before fees and expenses) (the “**Placing**”); and
- conditional subscriptions for New Shares (the “**Subscription Shares**”) expected from certain existing shareholders at the Issue Price to raise approximately £0.25 million (approximately US\$0.32 million) (before fees and expenses) (the “**Subscription**”).

Operational Highlights

- LungLife is a developer of clinical diagnostic solutions for lung cancer enhanced by AI. The Company’s diagnostic solutions are designed to make significant improvements in the early detection of lung cancer, one of the most lethal cancers, accounting for nearly a quarter of all cancer-related deaths in the US.
- On 2 January 2024, LungLife reported positive validation study results for its LungLB® test, a minimally invasive blood draw test used for the early detection of lung cancer.
- These results are the catalyst for the Company to begin its commercialisation process for the test.
- The net proceeds of the Fundraising, along with the Company’s existing cash resources, are expected to be utilised to establish the commercial proof of concept of the Company’s LungLB® test, including:
 - funding of evidence generating activities, including the Early Access Program (“**EAP**”) and clinical utility studies, dependent upon the factors noted in Section 2 of Appendix 1 below, to support reimbursement and test adoption;
 - increasing expenditure to support engagement with payors and clinicians, and support the wider need to raise clinical awareness via key opinion leaders, publications and conferences; and
 - accelerating the commercial pathway by pursuing licensing or other similar agreements.

The net proceeds of the Fundraising will allow the Company to consider all of its strategic options in order to maximise shareholder value and, in conjunction with the implementation of certain cost-cutting actions, is expected to provide the Company with a cash runway to early April 2025.

Fundraising Highlights

- New Shares to be issued at a price of 35 pence per share (the “**Issue Price**”), which represents a discount of approximately 15.7 per cent. to the closing price of 41.5 pence per Common Share on 4 March 2024 (being the last practicable date prior to publication of this announcement).
- Placing Shares will comprise (i) New Shares to be issued to VCT and EIS investors (the “**VCT/EIS Placing Shares**”); and (ii) New Shares to be issued to non-VCT and EIS investors.
- Roy Davis, Paul Pagano, David Anderson and Andrew Boteler have each confirmed their intention to participate in the Fundraising for an aggregate amount of £25,000 (approximately US\$31,500).

Details of the Fundraising

Investec Bank plc (“**Investec**”) and Goodbody Stockbrokers UC, trading as Goodbody (“**Goodbody**”) and, together with Investec, the “**Joint Bookrunners**”), are acting as joint bookrunners in connection with the Placing.

The Placing is subject to the terms and conditions set out in Appendix 2 to this announcement (which forms part of this announcement, such announcement and the Appendices together being the “**Announcement**”). Members of the public are not entitled to participate in the Placing. The Subscription will be subject to the terms and conditions set out in subscription agreements expected to be entered into between the subscribers and the Company rather than pursuant to the terms and conditions of the Placing contained in Appendix 2 to this Announcement.

The Placing will be conducted through an accelerated bookbuilding process (the “**Bookbuild**”) which will be launched immediately following this Announcement. The number of Placing Shares will be decided at the close of the Bookbuild. The timing of the closing of the book and allocations are at the discretion of the Joint Bookrunners and the Company. Details of the number of Placing Shares and Subscription Shares will be announced as soon as practicable after the close of the Bookbuild.

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

The New Shares will be issued under temporary ISIN: USU5500L1128 and TIDM: LLA (with the marker REGS Cat 3) and will be subject to restrictions on re-sales until the expiry of one year after the later of (i) the time when the New Shares are first offered to persons other than distributors in reliance upon Regulation S; and (ii) the date of closing of the Fundraising, or such longer period as the Company may determine it as may be required under applicable law following which the ISIN may be merged with the ISIN for the Company’s existing shares. Further details of these restrictions are set out under “US restrictions on the transfer of Common Shares” in Appendix 2 to this Announcement.

An application will be made to London Stock Exchange plc (the “**London Stock Exchange**”) for admission of the New Shares to trading on AIM (“**Admission**”). It is expected that Admission will become effective at 8.00 a.m. on 22 March 2024.

The Placing is conditional, among other things, on (i) shareholder approval; (ii) Admission becoming effective; and (iii) the placing agreement between the Company and the Joint Bookrunners (the “**Placing Agreement**”) not being terminated in accordance with its terms. Pursuant to the Placing Agreement, the Joint Bookrunners expect to receive their professional fees in relation to the Placing in the form of New Shares in the Company at the Issue Price.

Appendix 2 to this Announcement sets out further information relating to the Bookbuild and the terms and conditions of the Placing. The Subscription is conditional, among other things, on (i) shareholder approval; and (ii) Admission becoming effective.

A circular containing the notice of the Special Meeting to be held on 21 March 2024 to, *inter alia*, approve the resolutions required to implement the Fundraising, is expected to be published and despatched to shareholders on or around 6 March 2024 (the “**Circular**”). Appendix 1 to this Announcement is an adapted extract from the Circular that

is proposed to be sent to shareholders. Following its publication the Circular will be available on the Company's website at <https://lunglifeai.com/investors/shareholder-information/>

Certain defined terms used herein are set out in Appendix 3 to this Announcement.

This Announcement should be read in its entirety. In particular, you should read and understand the information provided in the 'Important Notices' section of this Announcement and set out in Appendix 2 to this Announcement

For further information please contact:

LungLife AI, Inc.

Paul Pagano, CEO

David Anderson, CFO

www.lunglifeai.com

Via Walbrook PR

Investec Bank plc (Nominated Adviser & Joint Broker)

Virginia Bull / Cameron MacRitchie / Lydia Zychowska

Tel: +44 (0)20 7597 5970

Goodbody Stockbrokers UC (Joint Broker)

Tom Nicholson / Cameron Duncan / William Hall

Tel: +44 (0)20 3841 6202

Walbrook PR Limited

Paul McManus / Alice Woodings / Phillip Marriage

Tel: +44 (0)20 7933 8780

or LungLifeAI@walbrookpr.com

About LungLife

LungLife AI is a developer of clinical diagnostic solutions designed to make a significant impact in the early detection of lung cancer, the deadliest cancer globally. Using a minimally invasive blood draw, the Company's LungLB[®] test is designed to deliver additional information to clinicians who are evaluating indeterminate lung nodules. For more information visit www.lunglifeai.com

IMPORTANT NOTICES

THIS ANNOUNCEMENT, INCLUDING THE APPENDICES AND THE INFORMATION CONTAINED IN THEM, IS RESTRICTED AND IS NOT FOR PUBLICATION, RELEASE, TRANSMISSION, FORWARDING OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES OF AMERICA, ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES OR THE DISTRICT OF COLUMBIA (COLLECTIVELY, THE "UNITED STATES"), AUSTRALIA, CANADA, JAPAN OR SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH SUCH PUBLICATION, RELEASE OR DISTRIBUTION WOULD BE UNLAWFUL. FURTHER, THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND IS NOT AN OFFER OF SECURITIES IN ANY JURISDICTION.

This Announcement or any part of it does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States, Canada, Australia, Japan or South Africa or any other jurisdiction in which the same would be unlawful. No public offering of the Placing Shares is being made in any such jurisdiction.

No action has been taken by the Company, the Joint Bookrunners (as defined below) or any of their respective affiliates, or any person acting on its or their behalf that would permit an offer of the Placing Shares or possession or distribution of this Announcement or any other offering or publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and the Joint Bookrunners to inform themselves about, and to observe, such restrictions.

No prospectus, offering memorandum, offering document or admission document has been or will be made available in connection with the matters contained in this Announcement and no such prospectus is required (in accordance with Regulation (EU) No 2017/1129 (as amended) (the "EU Prospectus Regulation") or the EU Prospectus Regulation as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "UK Prospectus Regulation")) to be published. Persons needing advice should consult a qualified independent legal adviser, business adviser, financial adviser or tax adviser for legal, financial, business or tax advice.

The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended (the “**Securities Act**”), or with any securities regulatory authority of any State or other jurisdiction of the United States, and may not be offered, sold or transferred, directly or indirectly, in or into the United States, or to or for the account or benefit of US persons (as defined in Regulation S under the Securities Act (“**Regulation S**”)), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with the securities laws of any State or any other jurisdiction of the United States. Accordingly, the Placing Shares will be offered and sold only outside of the United States to non-US persons in “offshore transactions” within the meaning of, and pursuant to, Regulation S and otherwise in accordance with applicable laws. No public offering of the Securities will be made in the United States or elsewhere.

This Announcement has not been approved by the London Stock Exchange.

Members of the public are not eligible to take part in the Placing. This Announcement is directed at and is only being distributed to: (a) if in a member state of the European Economic Area (the “**EEA**”), qualified investors (“**Qualified Investors**”) within the meaning of Article 2(e) of the EU Prospectus Regulation; (b) if in the United Kingdom, qualified investors within the meaning of Article 2(e) of the UK Prospectus Regulation who are also (i) persons having professional experience in matters relating to investments who fall within the definition of “investment professional” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”); or (ii) high net worth companies, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2)(a) to (d) of the Order (“**UK Qualified Investors**”); or (c) other persons to whom it may otherwise be lawfully communicated (all such persons together being “**Relevant Persons**”).

This Announcement must not be acted on or relied on by persons who are not Relevant Persons. Persons distributing this Announcement must satisfy themselves that it is lawful to do so. Any investment or investment activity to which this Announcement relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada, no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained for the South Africa Reserve Bank or any other applicable body in South Africa in relation to the Placing Shares and the Placing Shares have not been, nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Australia, Canada, Japan or South Africa. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan or South Africa or any other jurisdiction in which such activities would be unlawful.

By participating in the Bookbuild and the Placing, each person who is invited to and who chooses to participate in the Placing (each a “**Placee**”) by making an oral or written and legally binding offer to acquire Placing Shares will be deemed to have read and understood this Announcement in its entirety, to be participating, making an offer and acquiring Placing Shares on the terms and conditions contained in Appendix 2 to this Announcement and to be providing the representations, warranties, indemnities, acknowledgements and undertakings contained in Appendix 2 to this Announcement.

Certain statements contained in this Announcement constitute “forward-looking statements” with respect to the financial condition, results of operations and businesses and plans of the Company and its subsidiaries (the “**Group**”). Words such as “believes”, “anticipates”, “estimates”, “expects”, “intends”, “plans”, “aims”, “potential”, “will”, “would”, “could”, “considered”, “likely”, “estimate” and variations of these words and similar future or conditional expressions, are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon future circumstances that have not occurred. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts. As a result, the Group’s actual financial condition, results of operations and business and plans may differ materially from the plans, goals and expectations expressed or implied by these forward-looking statements. No representation or warranty is made as to the achievement or reasonableness of, and no reliance should be placed on, such forward-looking statements. No statement in this Announcement is intended to be, nor may be construed as, a profit forecast or be relied upon as a guide to future performance. The forward-looking statements contained in this Announcement speak only as of the date of this Announcement. The Company, its directors, the Joint Bookrunners, their respective

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Investec Bank plc (“**IBP**”) is authorised by the Prudential Regulation Authority (the “**PRA**”) and regulated in the United Kingdom by the PRA and the FCA. Investec Europe Limited (trading as Investec Europe) (“**IEL**”), acting as agent on behalf of IBP in certain jurisdictions in the EEA (IBP and IEL together, “**Investec**”), is regulated in Ireland by the Central Bank of Ireland. Goodbody Stockbrokers UC, trading as Goodbody (“**Goodbody**”, and together with Investec, the “**Joint Bookrunners**”), is authorised and regulated in Ireland by the Central Bank of Ireland and is authorised and regulated in the United Kingdom by the FCA. The Joint Bookrunners are acting exclusively for the Company and no one else in connection with the Placing, the contents of this Announcement or any other matters described in this Announcement. Neither Joint Bookrunner will regard any other person as its client in relation to the Placing, the content of this Announcement or any other matters described in this Announcement and will not be responsible to anyone (including any Placees) other than the Company for providing the protections afforded to its clients or for providing advice to any other person in relation to the Placing, the content of this Announcement or any other matters referred to in this Announcement.

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This Announcement does not constitute a recommendation concerning any investor’s investment decision with respect to the Placing. Any indication in this Announcement of the price at which ordinary shares have been bought or sold in the past cannot be relied upon as a guide to future performance. The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance. This Announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the Placing Shares. The contents of this Announcement are not to be construed as legal, business, financial or tax advice. Each investor or prospective investor should consult their or its own legal adviser, business adviser, financial adviser or tax adviser for legal, financial, business or tax advice.

No statement in this Announcement is intended to be a profit forecast or profit estimate for any period, and no statement in this Announcement should be interpreted to mean that earnings, earnings per share or income, cash flow from operations or free cash flow for the Company for the current or future financial years would necessarily match or exceed the historical published earnings, earnings per share or income, cash flow from operations or free cash flow for the Company.

All offers of the Placing Shares will be made pursuant to an exemption under the UK Prospectus Regulation or the EU Prospectus Regulation from the requirement to produce a prospectus. This Announcement is being distributed and communicated to persons in the UK only in circumstances to which section 21(1) of the Financial Services and Markets Act, 2000, as amended does not apply.

The Placing Shares to be issued or sold pursuant to the Placing will not be admitted to trading on any stock exchange other than the London Stock Exchange.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Announcement should seek appropriate advice before taking any action.

Neither the content of the Company’s website (or any other website) nor the content of any website accessible from hyperlinks on the Company’s website (or any other website) is incorporated into or forms part of this Announcement.

This Announcement has been prepared for the purposes of complying with applicable law and regulation in the United Kingdom and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws and regulations of any jurisdiction outside the United Kingdom.

Inside Information

This announcement contains inside information as defined in Regulation (EU) No. 596/2014 on market abuse which is part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR") and is made in accordance with the Company's obligations under article 17 of MAR. The person responsible for arranging the release of this announcement on behalf of LungLife is David Anderson, Company Secretary of LungLife.

UK Product Governance Requirements

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that such Placing Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A, respectively, of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase or take any other action whatsoever with respect to the Placing Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

EU Product Governance Requirements

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**") and/or any equivalent requirements elsewhere to the extent determined to be applicable, and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements and/or any equivalent requirements elsewhere to the extent determined to be applicable) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**EU Target Market Assessment**"). Notwithstanding the EU Target Market Assessment, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The EU Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the EU Target Market Assessment, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the EU Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest

in, or purchase, or take any other action whatsoever with respect to the Placing Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

NOTWITHSTANDING ANYTHING IN THE FOREGOING, NO PUBLIC OFFERING OF THE PLACING SHARES IS BEING MADE BY ANY PERSON ANYWHERE AND THE COMPANY HAS NOT AUTHORISED OR CONSENTED TO ANY SUCH OFFERING IN RELATION TO THE PLACING SHARES.

APPENDIX 1 - ADAPTED EXTRACT FROM THE CIRCULAR

1. Information on the Company

The Company is a developer of clinical diagnostic solutions for lung cancer enhanced by artificial intelligence (“AI”). Lung cancer is one of the most lethal cancers, accounting for nearly a quarter of all cancer-related deaths in the US. The Company's diagnostic solutions are designed to make significant improvements in the early detection of lung cancer.

The Company's technology is comprised of rare-cell enrichment combined with blood-based biomarkers shown to be altered in lung cancer. The Company employs machine learning to improve upon existing computer software to identify informative cells from blood, and intends to build a deep, novel pool of lung cancer-related data for AI-enabled applications designed to improve test performance over time.

The Company's diagnostic, the LungLB[®] test, is intended to be used as a tool to provide clinicians with additional information to help in the decision-making process for people with indeterminate lung (pulmonary) nodules identified following a CT scan that may be lung cancer. There are estimated to be over 1.5 million of such people who are diagnosed each year in the US. The LungLB[®] test may have other utilities, the most significant of which is likely to be in monitoring individuals for recurrence following surgical removal of the cancerous lung nodule. The directors believe that the LungLB[®] test will provide significant benefit when added to the clinical care pathway by both reducing the number of unnecessary invasive procedures and by reducing delays in treatment from the “wait-and-see” pathway.

2. Background to, and reasons for, the Fundraising

Company's focus since IPO

Since the admission of the Company's Common Stock to trading on AIM on 8 July 2021, the Company has been focussed on two key areas: (i) the completion of its multi-site, prospective clinical study of the LungLB[®] test; and (ii) laying the foundations for its subsequent commercialisation.

(i) Clinical study

The clinical study enrolled 425 patients across 17 hospital study sites who were scheduled to receive a lung nodule biopsy, of which 347 provided data that could be analysed. These results were driven by a group of 98 patients with small (less than 15 mm) nodules, which represent a major challenge to physicians practising in lung cancer detection and treatment. When developing a precision medicine test, it is common practice to identify a specific indicated use in order to maximise the impact on a given patient population, which in turn helps physicians to know exactly when to use the test. The small nodules group is the most important indicated use for LungLB[®].

In the study, LungLB[®] demonstrated:

- A strong positive predictive value (“PPV”) of 81 per cent. in discriminating benign from cancerous lung nodules in patients with smaller nodules of less than 15 mm. Smaller nodules are the most problematic area for early detection and represent the greatest challenge for physicians. Current clinical standards of care generate an approximately 60 per cent. PPV, leading to material delays in diagnosis of deadly cancers.

- This performance in smaller nodules, similarly demonstrated in LungLife AI's lead-in study published in June 2023, typically represents earlier detection capability and improved patient outcomes and highlights the test's consistency.
- The small nodule group in this study is of utmost importance because it is comprised of approximately 87 per cent. "intermediate" risk nodules, which are the most challenging to evaluate and diagnose. Previous studies lack sufficient numbers of intermediate-risk nodules and this is the reason why existing diagnostic tools perform poorly in this group. The Company believes this will also be of significant value to physicians.
- In-line with a high percentage of intermediate risk nodules, the test also outperformed the highly validated Mayo Risk Model nodule evaluation tool, which is a commonly used baseline comparator, with an area under the curve (AUC) of 72 per cent. for LungLB[®] compared to 62 per cent. for the Mayo tool.
- The results were also compared to Positron emission tomography ("PET") scan, another tool often employed in nodule evaluation clinics. LungLB[®] outperformed PET by approximately 21 per cent. (81 per cent. vs 67 per cent. PPV) in the small nodule group, providing physicians with a more robust diagnostic tool in this area.

(ii) Foundations for commercialisation

The development milestones of the Company achieved to date, since its admission to trading on AIM in July 2021 are summarised below.

- In September 2022, the Company announced that the New York State Department of Health had awarded the Company a Clinical Laboratory Evaluation permit ("CLEP") following the CLEP's audit, during which there were no deficiencies found.
- In November 2022, the Company announced that it has been granted a price of \$2,030 per test by the Centers for Medicare & Medicaid Services. The granting of the CPT Proprietary Laboratory Analyses code was published at the beginning of 2022.
- In March 2023, the Company announced the publication of its peer-reviewed health economics study, which provided evidence that the test can be utilised as a cost-effective alternative compared to the current diagnostic pathway.
- In June 2023, the Company announced the peer-reviewed publication of the results from its 151 pilot study in BMC Pulmonary Medicine.

Each of these achievements are a prerequisite to the commercialisation of the LungLB[®] test.

Cash and use of proceeds

As announced in the Company's half-year results on 8 August 2023, the Company's unaudited cash balance as at 30 June 2023 was \$5.36m. As at 31 December 2023, the Company had a cash balance of \$2.83m.

The Company intends to use net proceeds of the Fundraising, along with the Company's existing cash resources, to establish the commercial proof of concept of the LungLB[®] test, as detailed below:

- i. funding of evidence generating activities, including the EAP and clinical utility studies, dependent upon the factors noted below, to support reimbursement and test adoption;
- ii. increasing expenditure to support engagement with payors and clinicians, and support the wider need to raise clinical awareness via key opinion leaders, publications and conferences; and
- iii. accelerating the commercial pathway by pursuing licensing or other similar agreements.

The net proceeds of the Fundraising will allow the Company to consider all of its strategic options in order to maximise shareholder value and, in conjunction with the implementation of certain cost-cutting actions, is expected to provide the Company with a cash runway to early April 2025.

Establish the commercial proof of concept of the LungLB® test

Reimbursement in the US market requires a methodical and deliberate approach, with the workstreams to gain clinician adoption of the test, and to follow the reimbursement pathways for both commercial and Medicare payors running concurrently.

The EAP will be the first step in clinician adoption. Under the program identified sites, which previously participated in the Company's clinical validation study, will be able to order a limited number of tests (unlikely to be in excess of 100 in total across all sites), following which, in addition to providing a test result, the Company will gather information about the process and changes in clinical behaviours. The program is designed to provide feedback on the practical aspects of ordering the test and to enable the Company to gather clinician feedback. The Company intends to publish the findings of its EAP. While the program is running, the Company is precluded from charging for the test as part of this program and any tests carried on outside this program for its duration.

The Company and its clinical partners believe that the LungLB® test will be clinically useful and findings from the EAP are expected to be the initial step to evidence those opinions as fact, which is necessary for mature commercialisation.

In parallel with the EAP, the Company intends to build on the work done to date on building the billing platform and create the necessary publications and materials to support the reimbursement of claims made to commercial payors following completion of the EAP. The creation of a medical dossier and other core marketing documentation will be an early focus of the Company. As is standard practice in the US healthcare market, it is likely that the initial claims to commercial payors will be denied, but the approach taken by the Company will be to ensure that a robust response is provided to maximise the chances of securing payment at the point of first claim.

The majority of patients who could benefit from the LungLB® test would be covered under Medicare, which is the US federal health insurance programme primarily for people who are 65 or older. Medicare covers an estimated 60 million US lives, and thus represents a sizeable portion of the LungLB® market. Reimbursement under Medicare has its own defined pathway.

The LungLB® test has already been awarded its code (allowing clinicians to identify the test) and price, but the achievement of coverage under Medicare and approval of payment for the test is dependent upon the award of a LCD. A necessary first step for Medicare coverage is the preparation of a clinical dossier and its submission to the Medicare Contractor for Technical Assessment ("TA").

A key part of the TA is the inclusion of peer reviewed publications which include evidence of clinical utility. As noted above, peer-reviewed publications have already been made covering the Company's health economics and pilot study and the Company also intends to publish the results of its clinical validation study and utility data derived from the EAP. The nature and scope of the evidence required of clinical utility is subjective and, as part of the usual process, the Company will work with its Medicare contractor to define evidence for coverage.

One of the factors determining the nature and scope of the clinical utility study is the pathway to the award of an LCD. There are two possible pathways, a foundational LCD (based on evidence of utility from an existing diagnostic test) or a specific LCD for LungLB®. The main difference between the two is the likely timeframe within which an award could be granted, with the former (the foundational LCD) being the quicker option. The other difference between the two pathways could be the nature and scope of the accompanying clinical utility study required for coverage.

A draft proposed foundational LCD is being considered by Palmetto, a Medicare Contractor, which, as currently drafted, would cover the LungLB® test in certain circumstances. The Company has provided public comment on this process and sought to extend the circumstances under which a test would be covered.

For the deployment of the use of proceeds, the Company has made assumptions about the nature and scope of the required clinical utility study and TA. The proposed foundational LCD could be finalised later this year, however the Company does not expect an award any sooner than the third quarter of 2025.

3. **Current trading**

The Company's interim results for the six months ended 30 June 2023 reported a cash balance of \$5.36 million and a loss before tax of \$2.81 million. In the six-month period to 31 December 2023, the Company concluded its multi-site, prospective clinical study. The Company's total cash balance as at 31 December 2023 was \$2.83 million.

4. **VCT/EIS Placing Shares**

The Company has received advance assurance from HMRC that the EIS Placing Shares will be eligible shares for the purposes of the EIS. The Company has not applied for assurance from HMRC that the VCT Placing Shares will rank as a qualifying investment for the purposes of investment by VCTs. Neither the Company nor its directors give any warranty or undertaking that EIS relief or VCT qualifying status will be granted or that, if EIS relief or VCT qualifying status is granted, it will not be withdrawn, nor do they warrant or undertake that the Company will conduct its activities in a way that qualifies for or preserves its status or the status of any investment in Common Shares. Investors considering taking advantage of any of the reliefs under EIS should seek their own professional advice in order that they may fully understand how the rules apply in their individual circumstances and what they are required to do in order to claim any reliefs (if available). As the rules governing EIS and VCT reliefs are complex and interrelated with other legislation, if any potential investors are in any doubt as to their tax position, require more detailed information than the general outline above, or are subject to tax in a jurisdiction other than the UK, they should consult their professional advisers.

5. **Expected timetable of principal events**

Latest time and date for receipt of Forms of Direction for the Special Meeting	11:00 a.m. on 18 March 2024
Latest time and date for receipt of Forms of Proxy for the Special Meeting	11:00 a.m. on 19 March 2024
Special Meeting	11:00 a.m. on 21 March 2024
Admission effective and dealings in the New Shares expected to commence on AIM	8:00 a.m. on 22 March 2024
Crediting of CREST accounts in respect of the New Shares held as Depository Interests (where applicable)	22 March 2024
Dispatch of definitive share certificates in respect of New Shares (where applicable)	by 05 April 2024

Notes:

1. Each of the times and dates above is indicative only and is 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.

IMPORTANT INFORMATION ON THE PLACING FOR INVITED PLACEEES ONLY

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT (INCLUDING THE APPENDICES) AND THE TERMS AND CONDITIONS SET OUT HEREIN (THE “**ANNOUNCEMENT**”) ARE FOR INFORMATION PURPOSES ONLY AND ARE DIRECTED ONLY AT PERSONS WHOSE ORDINARY ACTIVITIES INVOLVE THEM ACQUIRING, HOLDING, MANAGING AND DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSES OF THEIR BUSINESS AND WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE: (A) IF IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (THE “**EEA**”), PERSONS WHO ARE QUALIFIED INVESTORS (“**QUALIFIED INVESTORS**”) WITHIN THE MEANING OF ARTICLE 2(E) OF REGULATION (EU) 2017/1129 (THE “**EU PROSPECTUS REGULATION**”); (B) IF IN THE UNITED KINGDOM, QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 2(E) OF THE EU PROSPECTUS REGULATION AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE “**UK PROSPECTUS REGULATION**”) WHO ARE: (I) PERSONS WHO FALL WITHIN THE DEFINITION OF “INVESTMENT PROFESSIONAL” IN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE “**ORDER**”); OR (II) PERSONS WHO FALL WITHIN ARTICLE 49(2)(A) TO (D) (“HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC”) OF THE ORDER (“**UK QUALIFIED INVESTORS**”); OR (C) PERSONS TO WHOM THEY MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “**RELEVANT PERSONS**”).

THIS ANNOUNCEMENT AND THE INFORMATION IN IT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS ANNOUNCEMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY.

EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS, FINANCIAL AND RELATED ASPECTS OF AN INVESTMENT IN THE PLACING SHARES.

THE SECURITIES REFERRED TO HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR UNDER THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD, ACQUIRED, RESOLD, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY WITHIN, INTO OR IN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (“**REGULATION S**”)), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH THE SECURITIES LAWS OF ANY RELEVANT STATE OR OTHER JURISDICTION OF THE UNITED STATES. THERE WILL BE NO PUBLIC OFFER OF THE PLACING SHARES IN THE UNITED STATES, THE UNITED KINGDOM, ANY OTHER RESTRICTED TERRITORY (AS DEFINED BELOW) OR ELSEWHERE.

This Announcement, and the information contained herein, is not for release, publication or distribution, directly or indirectly, to persons in the United States, Australia, Canada, Japan or South Africa or any jurisdiction in which such release, publication or distribution is unlawful (each a “**Restricted Territory**”). The distribution of this Announcement, the Placing and/or the offer or sale of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company or by Investec Bank plc (“**IBP**”) or Investec Europe Limited (trading as Investec Europe) (“**IEL**”), acting on behalf of IBP in certain jurisdictions in the EEA (IBP and IEL together, “**Investec**”) or Goodbody Stockbrokers UC, trading as Goodbody (“**Goodbody**”) and, together with Investec, the “**Joint Bookrunners**”) or any of the Company or the Joint Bookrunners’ respective Affiliates or the agents, directors, officers or employees of any of them (collectively “**Representatives**”) which would permit an offer of the Placing Shares or possession or distribution of this Announcement or any other offering or publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons distributing any part of this Announcement must satisfy themselves that it is lawful to do so. Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Announcement should seek appropriate advice before taking any such action. Persons into whose possession this Announcement comes are required by the Company and the Joint Bookrunners to inform themselves about, and to observe, any such restrictions.

This Announcement is for information only and does not itself constitute or form part of an offer to sell or issue or the solicitation of an offer to buy or subscribe for securities referred to herein in the United States or any other Restricted Territory or any jurisdiction where such offer or solicitation is unlawful.

All offers of the Placing Shares will be made pursuant to an exemption under the EU Prospectus Regulation or the UK Prospectus Regulation, as applicable, from the requirement to produce a prospectus. This Announcement is being distributed and communicated to persons in the UK only in circumstances to which section 21(1) of the Financial Services and Markets Act 2000, as amended (the “**FSMA**”) does not apply.

Subject to certain exceptions, the securities referred to in this Announcement may not be offered or sold in any Restricted Territory or to, or for the account or benefit of, a citizen or resident, or a corporation, partnership or other entity created or organised in or under the laws of a Restricted Territory.

None of the Company, the Joint Bookrunners or any of their respective Affiliates or its or their respective Representatives makes any representation or warranty, express or implied, to any Placees regarding any investment in the securities referred to in this Announcement under the laws applicable to such Placees.

This Announcement has been issued by, and is the sole responsibility of, the Company. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by either Joint Bookrunner or any of their Affiliates or its or their respective Representatives as to or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any party or its advisers, and any liability therefore is expressly disclaimed.

The Joint Bookrunners are acting exclusively for the Company and no-one else in connection with the Placing and are not, and will not be, responsible to anyone (including the Placees) other than the Company for providing the protections afforded to their clients nor for providing advice in relation to the Placing and/or any other matter referred to in this Announcement.

Persons who are invited to and who choose to participate in the Placing (and any person acting on such person’s behalf) by making an oral or written offer to subscribe for Placing Shares, including any individuals, funds or others on whose behalf a commitment to subscribe for Placing Shares is given (the “Placees”) will be deemed (i) to have read and understood this Announcement, including this Appendix and Appendix 1, in its entirety; (ii) to be participating and making such offer on the terms and conditions contained in this Appendix; and (iii) to be providing (and shall only be permitted to participate in the Placing on the basis that they have provided) the representations, warranties, undertakings, agreements, acknowledgments and indemnities contained in this Appendix.

In particular, each such Placee represents, warrants, undertakes, agrees and acknowledges that:

1. it is a Relevant Person and undertakes that it will subscribe for, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
2. if it is in a member state of the EEA, it is a Qualified Investor;
3. if it is in the United Kingdom, it is a UK Qualified Investor;
4. it is subscribing for Placing Shares for its own account or is subscribing for Placing Shares for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the representations, warranties, undertakings, agreements, acknowledgments and indemnities contained in this Announcement;
5. if it is a financial intermediary, as that term is used in Article 5(1) of the EU Prospectus Regulation or the UK Prospectus Regulation (as applicable): (i) the Placing Shares subscribed for by it in the Placing will not be subscribed for on a non-discretionary basis on behalf of, nor will they be subscribed for with a view to their offer or resale to, persons in a member state of the EEA other than Qualified Investors, or persons in the United Kingdom other than UK Qualified Investors or in circumstances in which the prior consent of the Joint Bookrunners has been given to each proposed offer or resale; or (ii) where the Placing Shares have been subscribed for by it on behalf of persons in a member state of the EEA other than Qualified Investors, or in the United Kingdom other than UK Qualified Investors, the offer of those Placing Shares to it is not treated under the EU Prospectus Regulation or the UK Prospectus Regulation (as applicable) as having been made to such persons;

6. it understands that the Placing 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 may not be offered, sold or transferred, directly or indirectly, within the United States or to or for the account or benefit of US persons (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, 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;
7. it and the person(s), if any, for whose account or benefit it is acquiring the Placing Shares (i) are not a US person; (ii) are purchasing the Placing Shares outside of the United States in accordance with Section 903(b)(3), or Category 3, of Regulation S and otherwise in accordance with applicable laws;; (iii) are aware of the restrictions on the offer and sale of the Placing Shares pursuant to Regulation S; and (iii) agrees and acknowledges that the Placing Shares have not been offered to it by means of any “directed selling efforts” as defined in Regulation S; and
8. the Company and the Joint Bookrunners will rely upon the truth and accuracy of, and compliance with, the foregoing representations, warranties, undertakings, agreements and acknowledgements. Each Placee hereby agrees with the Joint Bookrunners and the Company to be bound by these terms and conditions as being the terms and conditions upon which Placing Shares will be issued. A Placee shall, without limitation, become so bound if either Joint Bookrunner confirms (orally or in writing) to such Placee its allocation of Placing Shares.

IMPORTANT INFORMATION FOR PLACEEES ONLY REGARDING THE PLACING

Bookbuild

Following this Announcement, the Joint Bookrunners will today commence the Bookbuild to determine demand for participation in the Placing by Placees. No commissions will be paid to Placees or by Placees in respect of any Placing Shares. The book will open with immediate effect.

The Joint Bookrunners and the Company shall be entitled to effect the Placing by such alternative method to the Bookbuild as they may, in their sole discretion, determine.

Details of the Placing Agreement and of the Placing Shares

Investec and Goodbody are acting as joint bookrunners in connection with the Placing.

The Joint Bookrunners have today entered into an agreement with the Company (the “**Placing Agreement**”) under which, subject to the conditions set out therein, each Joint Bookrunner has agreed, each as agent for and on behalf of the Company, to use its reasonable endeavours to procure Placees for the Placing Shares at a price of 35 pence per Placing Share (the “**Issue Price**”) in such number to be determined following completion of the Bookbuild. The final number of Placing Shares will be determined by the Company and the Joint Bookrunners at the close of the Bookbuild and will be set out in the executed terms of placing terms (the “**Placing Terms**”). The timing of the closing of the book, pricing and allocations are at the discretion of the Company and the Joint Bookrunners. Details of the number of Placing Shares will be announced as soon as practicable after the close of the Bookbuild. The Fundraising is not underwritten.

The New Shares will, when issued, be credited as fully paid and will rank pari passu in all respects with the existing Common Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of the New Shares after the Closing Date. The New Shares will be issued free of any encumbrances, liens or other security interests.

Application for admission to trading

An application will be made to London Stock Exchange plc (the “**London Stock Exchange**”) for admission of the New Shares to trading on AIM (“**Admission**”). Subject to the passing of the Resolutions, it is expected that Admission will become effective at 8.00 a.m. on 22 March 2024 or such later time and date (being not later than 8.00 a.m. on 4 April 2024) as the Joint Bookrunners and the Company may agree.

Participation in, and principal terms of, the Placing

1. The Joint Bookrunners are arranging the Placing severally, and not jointly, nor jointly and severally, as agents of the Company.
2. Participation in the Placing will only be available to persons who may lawfully be, and are, invited to participate by either Joint Bookrunner. Each Joint Bookrunner and their Affiliates are entitled to enter bids in the Bookbuild as principal.
3. The results of the Placing and the number of Placing Shares will be announced on a Regulatory Information Service following the completion of the Bookbuild.
4. To bid in the Bookbuild, prospective Placees should communicate their bid by telephone or in writing to their usual sales contact at one of the Joint Bookrunners. Each bid should state the number of Placing Shares which the prospective Placee wishes to subscribe for at the Issue Price. Bids may be scaled down by the Joint Bookrunners in their sole discretion.
5. A bid in the Bookbuild will be made on the terms and subject to the conditions in this Appendix and will be legally binding on the Placee on behalf of which it is made and, except with the consent of the relevant Joint Bookrunner, will not be capable of variation or revocation after the time at which it is submitted. Each Placee's obligations will be owed to the Company and each Joint Bookrunner. Each Placee will also have an immediate, separate, irrevocable and binding obligation, owed to each Joint Bookrunner, to pay to the Joint Bookrunners (or as the Joint Bookrunners may direct) as agents for the Company in cleared funds an amount equal to the product of the Issue Price and the number of Placing Shares that such Placee has agreed to subscribe for and the Company has agreed to allot and issue to that Placee.
6. The Bookbuild is expected to close no later than 7.00 a.m. (London time) on 05 March 2024, but may be closed earlier or later at the discretion of the Joint Bookrunners. The Joint Bookrunners may, in agreement with the Company, accept bids that are received after the Bookbuild has closed.
7. Each Placee's allocation will be determined by the Company in consultation with the Joint Bookrunners and will be confirmed to Placees orally or in writing by the relevant Joint Bookrunners following the close of the Bookbuild and a trade confirmation will be dispatched as soon as possible thereafter. That oral or written confirmation (at the Joint Bookrunners' discretion) to such Placee will constitute an irrevocable legally binding commitment upon such person (who will at that point become a Placee) in favour of the Joint Bookrunners and the Company, under which such Placee agrees to subscribe for the number of Placing Shares allocated to it and to pay the Issue Price for each such Placing Share on the terms and conditions set out in this Appendix and in accordance with the Company's constitutional documents.
8. The Joint Bookrunners may, notwithstanding paragraphs 4 and 6 above, and subject to the prior consent of the Company: (i) allocate Placing Shares after the time of any initial allocation to any person submitting a bid after that time; and (ii) allocate Placing Shares after the Bookbuild has closed to any person submitting a bid after that time. The acceptance of bids shall be at the absolute discretion of the Joint Bookrunners. The Company reserves the right (upon agreement with the Joint Bookrunners) to reduce or seek to increase the amount to be raised pursuant to the Placing.
9. Except as required by law or regulation, no press release or other announcement will be made by either Joint Bookrunner or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.
10. Irrespective of the time at which a Placee's allocation(s) pursuant to the Placing is/are confirmed, settlement for all Placing Shares to be subscribed for pursuant to the Placing will be required to be made at the same time on the basis explained below under "Registration and settlement".

11. All obligations under the Bookbuild and Placing will be subject to fulfilment or (where applicable) waiver of the conditions referred to below under “Conditions of the Placing” and to the Placing not being terminated on the basis referred to below under “Termination of the Placing Agreement”.
12. By participating in the Bookbuild, each Placee agrees that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee after confirmation (oral or otherwise) by either Joint Bookrunner.
13. By participating in the Placing, each Placee agrees with the Company and the Joint Bookrunners that the exercise or non-exercise by the Joint Bookrunners of any right of termination or other right or other discretion under the Placing Agreement shall be within the absolute discretion of the Joint Bookrunners or for agreement between the Company and the Joint Bookrunners (as the case may be) and that neither the Company nor the Joint Bookrunners need make any reference to, or consult with, Placees and that none of the Company, neither Joint Bookrunner nor any of their respective Affiliates or its or their respective Representatives shall have any liability to Placees whatsoever in connection with any such exercise or failure to so exercise or otherwise.
14. To the fullest extent permissible by law, none of the Company, the Joint Bookrunners nor any of their Affiliates nor any of its or their respective Representatives shall have any responsibility or liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise and whether or not a recipient of this document). In particular, none of the Company, the Joint Bookrunners nor any of their Affiliates nor any of its or their respective Representatives shall have any responsibility or liability (whether in contract, tort or otherwise and including, to the fullest extent permissible by law, any fiduciary duties) in respect of the Joint Bookrunners’ conduct of the Bookbuild or of such alternative method of effecting the Placing as the Joint Bookrunners and their respective Affiliates and the Company may agree.

Conditions of the Placing

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms. The obligations of the Joint Bookrunners under the Placing Agreement are conditional on certain conditions, including, amongst other things:

- (a) the Placing Terms having been executed by the Company and the Joint Bookrunners;
- (b) the publication by the Company of the Placing Terms Announcement through a Regulatory Information Service immediately following the execution of the Placing Terms;
- (c) the passing of the Resolutions (without amendment) at the Special Meeting on the Special Meeting Date (or such later time and date as the Company and the Joint Bookrunners may agree in writing) and such Resolutions remaining in full force and effect;
- (d) prior to Admission, the receipt of advanced assurances from HMRC in respect of tax relief available to Placees applying for VCT/EIS Placing Shares in respect of which EIS relief is expected to be claimed and comfort letters from advisors in relation to the VCT/EIS Placing Shares constituting a qualifying holding for VCT purposes;
- (e) the Company and the directors having complied in all material respects with their respective obligations under the Placing Agreement to the extent that the same fall to be performed prior to Admission;
- (f) there being no breach of any of the warranties given by the Company contained in the Placing Agreement;
- (g) the Company having allotted, subject only to Admission, the Placing Shares in accordance with the Placing Agreement;
- (h) (i) entry into each Subscription Agreement by the parties thereto; (ii) each Subscription Agreement remaining in full force and effect, not having lapsed or been terminated or amended in accordance with its terms prior to Admission; (iii) no condition to which such document is subject having become incapable of satisfaction and

not having been waived prior to Admission; and (iv) no event having arisen prior to Admission which gives a party thereto a right to terminate such document;

- (i) there not occurring prior to Admission, in the opinion of the Joint Bookrunners (acting jointly and in good faith and after consultation, to the extent it is reasonably practicable, with the Company), a Material Adverse Change in the context of the Placing; and
- (j) Admission occurring by 8.00 a.m. on 22 March 2024 (or such later time and/or date as the Joint Bookrunners and the Company may agree in writing, being not later than 8.00 a.m. on 4 April 2024),

(all conditions to the obligations of the Joint Bookrunners included in the Placing Agreement being together, the “**Conditions**”).

If any of the Conditions are not fulfilled or, where permitted, waived or extended by the Joint Bookrunners in accordance with the Placing Agreement, the Placing will lapse and the Placees’ rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by or on behalf of the Placee (or any person on whose behalf the Placing is acting) in respect thereof.

The Joint Bookrunners (acting jointly) may, at their discretion and upon such terms and conditions as they think fit, waive satisfaction of certain of the Conditions (save that Conditions (a), (b), (c), (d), (g), and (j) cannot be waived) or extend the time provided for their satisfaction. Any such waiver or extension will not affect Placees’ commitments as set out in this Announcement.

Neither Joint Bookrunner nor any of their Affiliates or its or their respective Representatives shall have any liability or responsibility to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision it or another person may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any Condition nor for any decision it may make as to the satisfaction of any Condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of the Joint Bookrunners. Placees will have no rights against the Joint Bookrunners, the Company or any of their respective Affiliates under the Placing Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999 (as amended) or otherwise.

By participating in the Bookbuild, each Placee agrees that its rights and obligations hereunder terminate only in the circumstances described above and under “Termination of the Placing Agreement” below, and will not be capable of rescission or termination by the Placee.

Termination of the Placing Agreement

Each Joint Bookrunner, in its absolute discretion, may prior to Admission terminate the Placing Agreement in accordance with its terms in certain circumstances, including, amongst other things:

- (a) any statement in any document or announcement issued or published by or on behalf of the Company in connection with the Fundraising is or has become or is discovered to be untrue, inaccurate or misleading, or any matter has arisen or has been discovered which would, if such document or announcement were to be issued at that time, constitute an omission therefrom and which, in each case, is in the opinion of either Joint Bookrunner (acting in good faith), material in the context of the Placing;
- (b) there has been, in the opinion of either Joint Bookrunner (acting in good faith), a breach by the Company of any of the warranties or representations contained in the Placing Agreement;
- (c) there has been a breach of any provision of any Subscription Agreement or waiver of any condition thereto, in each case, by the Company;
- (d) the Company fails to comply in any material respects with its obligations under the Placing Agreement;
- (e) in the opinion of either Joint Bookrunner (acting in good faith), there has been a Material Adverse Change in the context of the Placing;

- (f) upon the occurrence of certain force majeure events; or
- (g) if the application for Admission is withdrawn by the Company or refused by the London Stock Exchange (as appropriate).

If circumstances arise that would allow either Joint Bookrunner to terminate the Placing Agreement, the other Joint Bookrunner may nevertheless determine to allow the Admission to proceed. In addition, if both Joint Bookrunners do not give notice to terminate the Placing Agreement in circumstances where they are able, the Joint Bookrunner who does not give such notice may allow Admission to proceed and will assume the obligations which remain to be performed under the Placing Agreement by the Joint Bookrunner who has given notice to terminate.

If the Placing Agreement is terminated in accordance with its terms, the rights and obligations of each Placee in respect of the Placing as described in this Announcement shall cease and terminate at such time and no claim may be made by any Placee in respect thereof.

No prospectus or admission document

No prospectus, offering memorandum, offering document or admission document has been or will be prepared or submitted to be approved by the FCA (or any other authority) in relation to the Placing or Admission and no such prospectus is required (in accordance with the UK Prospectus Regulation or otherwise) to be published in the United Kingdom or any equivalent jurisdiction.

Placees' commitments will be made solely on the basis of the information contained in this Announcement and any Exchange Information (as defined below) and subject to the further terms set forth in the electronic contract note and/or electronic trade confirmation to be provided to individual prospective Placees (save that in the case of Exchange Information, a Placee's right to rely on that information is limited to the right that such Placee would have as a matter of law in the absence of this paragraph).

Each Placee, by accepting a participation in the Placing, agrees that the content of this Announcement and the Exchange Information previously and simultaneously released by or on behalf of the Company is exclusively the responsibility of the Company and has not been independently verified by the Joint Bookrunners. Each Placee, by accepting a participation in the Placing, further confirms to the Company and each Joint Bookrunner that it has neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the Company (other than publicly available information) or the Joint Bookrunners or its Affiliates or any other person and none of the Company, the Joint Bookrunners nor any of their respective Affiliates or its or their respective Representatives nor any other person will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which the Placees may have obtained or received (regardless of whether or not such information, representation, warranty or statement was given or made by or on behalf of any such persons). By participating in the Placing, each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. Nothing in this paragraph shall exclude or limit the liability of any person for fraudulent misrepresentation by that person.

Lock-up

The Company has undertaken to the Joint Bookrunners that, between the date of the Placing Agreement and the date which is 180 calendar days after the Closing Date, it will not, without the prior written consent of the Joint Bookrunners, issue, allot, offer or enter into certain other transactions involving the transfer or disposal of the Common Shares. This agreement is subject to certain customary carve-outs agreed between the Joint Bookrunners and the Company.

By participating in the Placing, Placees agree that the exercise by the Joint Bookrunners of any power to grant consent to waive the aforementioned undertaking by the Company shall be within the absolute discretion of the Joint Bookrunners and that they need not make any reference to, or consult with, Placees and that it shall have no liability to Placees whatsoever in connection with any such exercise of the power to grant consent.

Registration and settlement

Settlement of transactions in the Placing Shares (temporary ISIN: USU5500L1128 and TIDM: LLA) with the marker (REG S Cat 3) following Admission will take place within the CREST system, subject to certain exceptions. The Company and the Joint Bookrunners reserve the right to require settlement for, and delivery of, Depositary Interests representing the Placing Shares or Placing Shares to Placees by such other means that they deem necessary, including in certificated form, if delivery or settlement is not possible or practicable within the CREST system within the timetable set out in this Announcement or would not be consistent with the regulatory requirements in the Placee's jurisdiction. The Placing Shares will be subject to restrictions on re-sales until the expiry of one year after the later of (i) the time when the New Shares are first offered to persons other than distributors in reliance upon Regulation S; and (ii) the date of closing of the Fundraising, or such longer period as the Company may determine it as may be required under applicable law following which the ISIN may be merged with the ISIN for the Company's existing shares. Further details of these restrictions are set out below under "US restrictions on the transfer of Common Shares".

Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with the standing CREST or certificated settlement instructions that it has in place with the Settlement Bank or otherwise as the Settlement Bank may direct.

The Company will deliver Depositary Interests representing the Placing Shares to a CREST account operated by the Settlement Bank as agent for and on behalf of the Company and the Settlement Bank will enter its delivery (DEL) instruction into the CREST system. The Settlement Bank will hold any Depositary Interests representing Placing Shares delivered to this account as nominee for the Placees. The input to CREST by a Placee of a matching or acceptance instruction will then allow delivery of the relevant Depositary Interests representing Placing Shares to that Placee against payment. Subject to the passing of the Resolutions, it is expected that settlement of the Placing Shares will be on 22 March 2024 and will be on a delivery versus payment basis in accordance with the instructions given to the Joint Bookrunners.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above, in respect of either CREST or certificated deliveries, at the rate of two percentage points above SONIA as determined by the Joint Bookrunners.

Each Placee agrees that, if it does not comply with these obligations, the relevant Placee shall be deemed hereby to have irrevocably and unconditionally appointed the Joint Bookrunners, or any nominee of the Joint Bookrunners as its agent to use its reasonable endeavours to sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds (as agent for and on behalf of the Company) an amount equal to the aggregate amount owed by the Placee plus any interest due thereon. The relevant Placee will, however, remain liable for any shortfall below the aggregate amount owed by it and shall be required to bear any stamp duty, stamp duty reserve tax or other stamp, securities, transfer, registration, execution, documentary or other similar impost, duty or tax (together with any interest, fines or penalties) which may arise upon the sale of such Placing Shares on such Placee's behalf. By communicating a bid for Placing Shares, each Placee confers on each Joint Bookrunners all such authorities and powers necessary to carry out any such transaction and agrees to ratify and confirm all actions which each Joint Bookrunner lawfully takes on such Placee's behalf. Each Placee agrees that each Joint Bookrunners' rights and benefits under this paragraph may be assigned in that Joint Bookrunner's discretion.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that, upon receipt, the electronic contract note and/or electronic trade confirmation is copied and delivered immediately to the relevant person within that organisation. Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or UK stamp duty reserve tax. If there are any circumstances in which any other stamp duty or stamp duty reserve tax (and/or any interest, fines or penalties relating thereto) is payable in respect of the allocation, allotment, issue or delivery of the Placing Shares (or, for the avoidance of doubt if any stamp duty or stamp duty reserve tax is payable in connection with any subsequent transfer of or agreement to transfer Placing Shares), neither Joint Bookrunner nor the Company shall be responsible for the payment thereof.

Representations and warranties

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) irrevocably acknowledges, confirms, undertakes, represents, warrants and agrees (for itself and for any person on behalf of which it is acting)

with each Joint Bookrunner (in their capacity as bookrunner and as placing agent of the Company in respect of the Placing) and the Company, in each case as a fundamental term of its application for Placing Shares, that:

1. it has read and understood this Announcement, including this Appendix and Appendix 1, in its entirety and that its participation in the Bookbuild and the Placing and its subscription for Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained herein and undertakes not to redistribute or duplicate this Announcement and that it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with Admission, the Bookbuild, the Placing, the Company, the Placing Shares or otherwise;
2. no offering document, prospectus, offering memorandum or admission document has been or will be prepared in connection with the Placing or is required under the EU Prospectus Regulation or the UK Prospectus Regulation and it has not received and will not receive a prospectus, offering memorandum, admission document or other offering document in connection with the Bookbuild, the Placing, Admission or the Placing Shares;
3. (i) it has made its own assessment of the Company, the Placing Shares and the terms of the Placing based on this Announcement (including this Appendix and Appendix 1) and any information publicly announced to a Regulatory Information Service by or on behalf of the Company on or prior to the date of this Announcement; (ii) the Common Shares are admitted to trading on AIM and that the Company is therefore required to publish certain business and financial information in accordance with the UK Market Abuse Regulation and rules and regulations of the London Stock Exchange (including the AIM Rules) (collectively and together with the information referred to in (i) above, the “**Exchange Information**”) which includes a description of the Company’s business and the Company’s most recent balance sheet and profit and loss account, and similar statements for preceding financial years, and that it has reviewed such Exchange Information and that it is able to obtain or access such information, or comparable information concerning any other publicly traded company, in each case without undue difficulty; and (iii) it has had access to such financial and other information concerning the Company, the Placing and the Placing Shares as it has deemed necessary in connection with its own investment decision to subscribe for any of the Placing Shares and has satisfied itself that the information is still current and has relied on that investigation for the purposes of its decision to participate in the Placing;
4. neither Joint Bookrunner nor the Company nor any of their respective Affiliates or its or their respective Representatives nor any person acting on behalf of any of them has provided, and none of them will provide, it with any material or information regarding the Placing Shares, the Bookbuild, the Placing or the Company or any other person other than this Announcement, nor has it requested either Joint Bookrunner, the Company, any of their respective Affiliates or its or their respective Representatives or any person acting on behalf of any of them to provide it with any such material or information;
5. unless otherwise specifically agreed with the Joint Bookrunners, it and any person on behalf of which it is participating is not, and at the time the Placing Shares are subscribed for, neither it nor the beneficial owner of the Placing Shares will be, a resident of a Restricted Territory or any other jurisdiction in which it is unlawful to make or accept an offer to acquire the Placing Shares;
6. the Placing Shares have not been and will not be registered or otherwise qualified, for offer and sale, nor will an offering document, prospectus, offering memorandum or admission document be cleared or approved in respect of any of the Placing Shares under the securities legislation of the United States or any other Restricted Territory and, subject to certain exceptions, may not be offered, sold, transferred, delivered or distributed, directly or indirectly, in or into those jurisdictions or in any country or jurisdiction where any such action for that purpose is required;

7. the content of this Announcement has been prepared by and is exclusively the responsibility of the Company and that neither Joint Bookrunner nor any of their Affiliates or its or their respective Representatives nor any person acting on behalf of any of them has made any representations to it, express or implied, with respect to the Company, the Bookbuild, the Placing and the Placing Shares or the truth, accuracy, completeness or adequacy of this Announcement or the Exchange Information, nor has or shall have any responsibility or liability for any information, representation or statement contained in this Announcement or any information previously or simultaneously published by or on behalf of the Company, including, without limitation, any Exchange Information, and will not be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this Announcement or any information previously or simultaneously published by or on behalf of the Company or otherwise. Nothing in this paragraph or otherwise in this Announcement excludes the liability of any person for fraudulent misrepresentation made by that person;
8. the only information on which it is entitled to rely and on which such Placee has relied in committing itself to subscribe for the Placing Shares is contained in this Announcement and any Exchange Information, that it has received and reviewed all information that it believes is necessary or appropriate to make an investment decision in respect of the Placing Shares, and that it has neither received nor relied on any other information given or investigations, representations, warranties or statements made by either Joint Bookrunner or the Company or any of their respective Affiliates or its or their respective Representatives or any person acting on behalf of any of them and neither Joint Bookrunner nor the Company nor any of their respective Affiliates or its or their respective Representatives will be liable for any Placee's decision to accept an invitation to participate in the Placing based on any other information, representation, warranty or statement;
9. it has relied on its own investigation, examination and due diligence of the business, financial or other position of the Company in deciding to participate in the Placing;
10. it has not relied on any information relating to the Company contained in any research reports prepared by either Joint Bookrunner, any of their Affiliates or any person acting on its or their behalf and understands that: (i) neither Joint Bookrunner nor any of their Affiliates nor any person acting on its or their behalf has or shall have any responsibility or liability for: (x) public information or any representation; or (y) any additional information that has otherwise been made available to such Placee, whether at the date of publication, the date of this Announcement or otherwise; and (ii) neither Joint Bookrunner nor any of their Affiliates nor any person acting on its or their behalf makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of such information, whether at the date of publication, the date of this Announcement or otherwise;
11. (i) the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder of Placing Shares will not give rise to a liability under any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services); (ii) it is not participating in the Placing as nominee or agent for any person to whom the allocation, allotment, issue or delivery of the Placing Shares would give rise to such a liability; and (iii) the Placing Shares are not being acquired in connection with arrangements to issue depository receipts or to issue or transfer Placing Shares into a clearance service;
12. that no action has been or will be taken by the Company, either Joint Bookrunner or any person acting on behalf of the Company or either Joint Bookrunner that would, or is intended to, permit a public offer of the Placing Shares in the United States or in any country or jurisdiction where any such action for that purpose is required;
13. (i) it (and any person acting on its behalf) is entitled to subscribe for, the Placing Shares under the laws of all relevant jurisdictions which apply to it; (ii) it has paid or will pay any issue, transfer or other taxes due in connection with its participation in any territory; (iii) it has fully observed such laws and obtained all such governmental and other guarantees, permits, authorisations, approvals and consents which may be required thereunder and complied with all necessary formalities; (iv) it has not taken any action or omitted to take any

action which will or may result in either Joint Bookrunner, the Company or any of their respective Affiliates or its or their respective Representatives acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Placing; and (v) the subscription for the Placing Shares by it or any person acting on its behalf will be in compliance with applicable laws and regulations in the jurisdiction of its residence, the residence of the Company, or otherwise;

14. it (and any person acting on its behalf) has all necessary capacity and has obtained all necessary consents and authorities to enable it to commit to its participation in the Placing and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this Announcement) and will honour such obligations;
15. it has complied with its obligations under the Criminal Justice Act 1993, the UK Market Abuse Regulation, any delegating acts, implementing acts, technical standards and guidelines, and in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Anti-Terrorism Crime and Security Act 2001, the Terrorism Act 2006, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, the FCA's SYSC and any related or similar rules, regulations or guidelines issued, administered or enforced by any government agency having jurisdiction in respect thereof (together the "**Regulations**") and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations. If within a reasonable time after a request for verification of identity, the relevant Joint Bookrunner has not received such satisfactory evidence, such Joint Bookrunner may, in its absolute discretion, terminate the Placee's Placing participation in which event all funds delivered by the Placee to such Joint Bookrunner will be returned without interest to the account of the drawee bank or CREST account from which they were originally debited;
16. it is acting as principal only in respect of the Placing or, if it is acting for any other person: (i) it is duly authorised to do so and has full power to make, and does make, the acknowledgments, undertakings, representations and agreements and give the indemnities herein on behalf of each such person; and (ii) it is and will remain liable to each Joint Bookrunner and the Company for the performance of all its obligations as a Placee in respect of the Placing (regardless of the fact that it is acting for another person). Each Placee agrees that the provisions of this paragraph shall survive the resale of the Placing Shares by or on behalf of any person for whom it is acting;
17. it is a Relevant Person and undertakes that it will (as principal or agent) subscribe for, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;
18. it understands that any investment or investment activity to which this Announcement relates is available only to Relevant Persons and will be engaged in only with Relevant Persons, and further understands that this Announcement must not be acted on or relied on by persons who are not Relevant Persons;
19. if it is in a member state of the EEA, it is a Qualified Investor;
20. if it is in the United Kingdom, it is a UK Qualified Investor;
21. in the case of any Placing Shares subscribed for by it as a financial intermediary, as that term is used in Article 5(1) of the EU Prospectus Regulation or the UK Prospectus Regulation (as applicable), (i) the Placing Shares subscribed for by it in the Placing will not be subscribed for on a non-discretionary basis on behalf of, nor will they be subscribed for with a view to their offer or resale to persons in a member state of the EEA other than Qualified Investors, or persons in the United Kingdom other than UK Qualified Investors or in circumstances in which the prior consent of the Joint Bookrunners has been given to each such proposed offer or resale; or (ii) where the Placing Shares have been subscribed for by it on behalf of persons in any member state of the EEA other than Qualified Investors, or in the United Kingdom other than UK Qualified Investors, the offer of those

Placing Shares to it is not treated under the EU Prospectus Regulation or the UK Prospectus Regulation (as applicable) as having been made to such persons;

22. it understands, and each account it represents has been advised that, (i) the Placing Shares have not been and will not be registered under the Securities Act or under the applicable securities laws of any state or other jurisdiction of the United States and may not be offered, sold or resold in or into or from the United States or to or for the account or benefit of a US person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with applicable state securities laws; and (ii) no representation has been made as to the availability of any exemption under the Securities Act or any relevant state or other jurisdiction's securities laws for the reoffer, resale, pledge or transfer of the Placing Shares;
23. the Placing Shares are being offered and sold on behalf of the Company outside the United States to non-US persons in offshore transactions as defined in and pursuant to Regulation S;
24. it and the prospective beneficial owner of the Placing Shares is, and at the time the Placing Shares are subscribed for will be, outside the United States and not a US person and subscribing for the Placing Shares in an "offshore transaction" as defined in, and in accordance with, Regulation S under the Securities Act, and they are not subscribing for the Placing Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly of any Placing Shares into the United States;
25. it understands that the Placing Shares are subject to the restrictions of Category 3 of Regulation set forth in Rule 903(b)(3) of Regulation S and accordingly the Placing Shares are subject to a one-year distribution compliance period during which they may be resold only in accordance with Regulation S or pursuant to an available exemption from registration under the Securities Act, and the such Placing Shares will be "restricted securities" as defined in Rule 144 under the US Securities Act and will not be eligible for legend removal until the expiration of the one-year distribution compliance period of 12 months after Admission;
26. it will not distribute, forward, transfer or otherwise transmit this Announcement or any part of it, or any other presentation or other materials concerning the Placing (including electronic copies thereof), in or into any Restricted Territory to any person and it has not distributed, forwarded, transferred or otherwise transmitted any such materials to any person;
27. where it is subscribing for the Placing Shares for one or more managed accounts, it is authorised in writing by each managed account to subscribe for the Placing Shares for each managed account and it has full power to make, and does make, the acknowledgements, representations and agreements herein on behalf of each such account;
28. if it is a pension fund or investment company, its subscription for Placing Shares is in full compliance with applicable laws and regulations;
29. it has not offered or sold and, prior to the expiry of a period of six months from Admission, will not offer or sell any Placing Shares to persons in the United Kingdom, except to persons whose ordinary activities involve them acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of the FSMA;
30. any offer of Placing Shares may only be directed at persons in member states of the EEA who are Qualified Investors and that it has not offered or sold and will not offer or sell any Placing Shares to persons in the EEA prior to Admission except to Qualified Investors or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in any member state of the EEA within the meaning of the EU Prospectus Regulation;

31. it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to the Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person;
32. it has complied and will comply with all applicable laws (including, in the United Kingdom, all relevant provisions of the FSMA and the Financial Services Act 2012) with respect to anything done by it in relation to the Placing Shares;
33. if it has received any “inside information” as defined in the UK Market Abuse Regulation about the Company in advance of the Placing, it has not: (i) dealt in the securities of the Company; (ii) encouraged or required another person to deal in the securities of the Company; or (iii) disclosed such information to any person except as permitted by the UK Market Abuse Regulation, prior to the information being made publicly available;
34. (i) it (and any person acting on its behalf) has the funds available to pay for the Placing Shares it has agreed to subscribe for and it (and any person acting on its behalf) will make payment for the Placing Shares allocated to it in accordance with this Announcement on the due time and date set out herein against delivery of such Placing Shares or Depositary Interests representing such Placing Shares to it, failing which the relevant Placing Shares may be placed with other persons or sold as either Joint Bookrunner (or its assignee) may in its discretion determine and without liability to such Placee. It will, however, remain liable for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest, fines or penalties) due pursuant to the terms set out or referred to in this Announcement which may arise upon the sale of such Placee’s Placing Shares on its behalf;
35. its allocation (if any) of Placing Shares will represent a maximum number of Placing Shares to which it will be entitled, and required, to acquire, and that the Joint Bookrunners or the Company may call upon it to acquire a lower number of Placing Shares (if any), but in no event in aggregate more than the aforementioned maximum;
36. neither Joint Bookrunner nor any of their Affiliates or its or their respective Representatives nor any person acting on behalf of any of them, is making any recommendations to it or advising it regarding the suitability or merits of any transactions it may enter into in connection with the Placing and participation in the Placing is on the basis that it is not and will not be a client of either Joint Bookrunner and neither Joint Bookrunner has any duties or responsibilities to it for providing the protections afforded to its clients or customers or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of either Joint Bookrunners’ rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
37. the exercise by either (or both) Joint Bookrunner of any right or discretion under the Placing Agreement shall be within the absolute discretion of the Joint Bookrunners and the relevant Joint Bookrunner or the Joint Bookrunners (acting jointly) (as the case may be) need not have any reference to any Placee and shall have no liability to any Placee whatsoever in connection with any decision to exercise or not to exercise any such right and each Placee agrees that it has no rights against the Joint Bookrunners, the Company or any of their respective Affiliates under the Placing Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999 (as amended) or otherwise;
38. the person whom it specifies for registration as holder of the Placing Shares will be (i) itself; or (ii) its nominee, as the case may be. Neither Joint Bookrunner, the Company nor any of their respective Affiliates will be responsible for any liability to stamp duty or stamp duty reserve tax or other similar duties or taxes (together with any interest, fines or penalties) resulting from a failure to observe this requirement. Each Placee and any

person acting on behalf of such Placee agrees to indemnify the Company, each Joint Bookrunner and their respective Affiliates and its and their respective Representatives in respect of the same on an after-tax basis on the basis that the Depository Interests representing the Placing Shares will be allotted to the CREST stock account of the Settlement Bank who will hold them as nominee on behalf of such Placee until settlement in accordance with its standing settlement instructions;

39. these terms and conditions and any agreements entered into by it pursuant to these terms and conditions (including any non-contractual obligations arising out of or in connection with such agreements) shall be governed by and construed in accordance with the laws of England and Wales and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by either Joint Bookrunner or the Company in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange;
40. each of the Company, the Joint Bookrunners and their respective Affiliates, its and their respective Representatives and others will rely upon the truth and accuracy of the representations, warranties, agreements, undertakings and acknowledgements set forth herein and which are given to each Joint Bookrunner on its own behalf and on behalf of the Company and are irrevocable and it irrevocably authorises each Joint Bookrunner and the Company to produce this Announcement, pursuant to, in connection with, or as may be required by any applicable law or regulation, administrative or legal proceeding or official inquiry with respect to the matters set forth herein;
41. it will indemnify on an after-tax-basis and hold the Company, each Joint Bookrunner and their respective Affiliates and its and their respective Representatives and any person acting on behalf of any of them harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of, directly or indirectly, or in connection with any breach by it of the representations, warranties, acknowledgements, agreements and undertakings in this Appendix and further agrees that the provisions of this Appendix shall survive after completion of the Placing;
42. it irrevocably appoints any director or authorised signatory of the Joint Bookrunners as its agent for the purposes of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares agreed to be taken up by it under the Placing;
43. its commitment to acquire Placing Shares on the terms set out herein and in any contract note will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or the Joint Bookrunners' conduct of the Placing;
44. in making any decision to subscribe for the Placing Shares: (i) it has sufficient knowledge, sophistication and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares; (ii) it is experienced in investing in securities of a similar nature to the Common Shares and in the sector in which the Company operates and is aware that it may be required to bear, and is able to bear, the economic risk of participating in, and is able to sustain a complete loss in connection with, the Placing and has no need for liquidity with respect to its investment in the Placing Shares; (iii) it has relied solely on its own investigation, examination, due diligence and analysis of the Company and their Affiliates taken as a whole, including the markets in which the Group operates, and the terms of the Placing, including the merits and risks involved, and not upon any view expressed or information provided by or on behalf of either Joint Bookrunner; (iv) it has had sufficient time and access to information to consider and conduct its own investigation with respect to the offer and purchase of the Placing Shares, including the legal, regulatory, tax, business, currency and other economic and financial considerations relevant to such investment and has so conducted its own investigation to the extent it deems necessary to enable it to make

an informed and intelligent decision with respect to making an investment in the Placing Shares; (v) it is aware and understands that an investment in the Placing Share involves a considerable degree of risk; and (vi) it will not look to either Joint Bookrunner, any of its Affiliates or its or their respective Representatives or any person acting behalf of any of them for all or part of any such loss or losses it or they may suffer;

45. neither the Company nor either Joint Bookrunner owes any fiduciary or other duties to it or any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement or these terms and conditions;
46. in connection with the Placing, either Joint Bookrunner and any of their Affiliates acting as an investor for its own account may take up shares in the Company and in that capacity may retain, purchase or sell for its own account such shares in the Company and any securities of the Company or related investments and may offer or sell such securities or other investments otherwise than in connection with the Placing. Accordingly, references in this Announcement to Placing Shares being issued, offered or placed should be read as including any issue, offering or placement of such shares in the Company to either Joint Bookrunner or any of their Affiliates acting in such capacity. In addition, either Joint Bookrunner or any of its Affiliates may enter into financing arrangements and swaps with investors in connection with which such Joint Bookrunner or any of their Affiliates may from time to time acquire, hold or dispose of such securities of the Company, including the Placing Shares. Neither Joint Bookrunner nor any of their Affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so; and
47. a communication that the Placing or the book is "covered" (i.e. indicated demand from investors in the book equals or exceeds the amount of the securities being offered) is not any indication or assurance that the book will remain covered or that the Placing and securities will be fully distributed by the Joint Bookrunners. Each Joint Bookrunner reserves the right to take up a portion of the securities in the Placing as a principal position at any stage at its sole discretion, among other things, to take account of the Company's objectives, UK MiFID II requirements and/or its allocation policies.

The foregoing acknowledgements, confirmations, undertakings, representations, warranties and agreements are given for the benefit of each of the Company and each Joint Bookrunner (for their own benefit and, where relevant, the benefit of their respective Affiliates, Representatives and any person acting on its or their behalf) and are irrevocable.

US restrictions on the transfer of Common Shares

Terms used in the following description that are defined in Regulation S of the US Securities Act are used as defined therein.

The Common Shares have not been, and will not be, registered under the US Securities Act or under any securities laws of any state or other jurisdiction of the United States. As more fully explained below, the Common Shares offered by the Company to non-US Persons in the Placing are subject to the conditions listed under Section 903(b)(3), or Category 3, of Regulation S.

Under Category 3, Offering Restrictions (as defined under Regulation S) must be in place in connection with the Placing and additional restrictions are imposed on resales of the Common Shares. A purchaser of Common Shares may not offer, sell, pledge or otherwise transfer Common Shares, directly or indirectly, in or into the United States or to, or for the account or benefit of, any US Person, except pursuant to a transaction meeting the requirements of Rules 901 to 905 (including the Preliminary Notes) of Regulation S, pursuant to an effective registration statement under the US Securities Act or pursuant to an exemption from the registration requirements of the US Securities Act. Hedging transactions in the Common Shares may not be conducted, directly or indirectly, unless in compliance with the US Securities Act and applicable US state securities laws. Once the Common Shares are admitted to trading on AIM, Common Shares (as represented by the Depositary Interests) held in the CREST system will be identified with the marker "REG S" and will be segregated into a separate trading system within CREST. The Common Shares held in

the CREST system will also bear a legend to the following effect, unless the Company determines otherwise in compliance with applicable law:

"THE SHARES REPRESENTED HEREBY HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "**US SECURITIES ACT**"), AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE US SECURITIES ACT ("**REGULATION S**")). THE SHARES ARE BEING OFFERED ONLY TO NON-US PERSONS OUTSIDE THE UNITED STATES IN TRANSACTIONS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT IN RELIANCE ON REGULATION S. THE SHARES ARE "RESTRICTED SECURITIES" AS DEFINED UNDER RULE 144 (A)(3) PROMULGATED UNDER THE SECURITIES ACT. THE SHARES MAY NOT BE TAKEN UP, OFFERED, SOLD, RESOLD, DELIVERED OR DISTRIBUTED, DIRECTLY OR INDIRECTLY WITHIN, INTO OR FROM THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S) EXCEPT: (A)(I) IN AN OFFSHORE TRANSACTION MEETING THE REQUIREMENTS OF REGULATION S, (II) PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT, OR (III) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE US SECURITIES ACT. REALES OR REOFFERS OF SHARES MADE OFFSHORE IN RELIANCE ON REGULATION S MAY NOT BE SOLD TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY US PERSON (AS DEFINED IN REGULATION S) DURING THE ONE-YEAR DISTRIBUTION COMPLIANCE PERIOD UNDER REGULATION S. HEDGING TRANSACTIONS INVOLVING THESE SHARES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE US SECURITIES ACT.

BY ACCEPTING THESE SHARES, THE HOLDER REPRESENTS AND WARRANTS THAT IT (A) IS NOT A US PERSON (AS DEFINED IN REGULATION S) AND (B) IS NOT HOLDING THE SHARES FOR THE ACCOUNT OR BENEFIT OF ANY US PERSON."

Certificated Common Shares will bear a legend to the following effect, unless the Company determines otherwise in compliance with applicable law:

"THE SHARES OF COMMON STOCK REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "**US SECURITIES ACT**") OR ANY SECURITIES ACTS OF ANY STATE OF THE UNITED STATES (THE "**STATE ACTS**"), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, EXCEPT IF SUCH TRANSFER IS EFFECTED (1) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULES 901 THROUGH 905 (INCLUDING THE PRELIMINARY NOTES) OF REGULATION S UNDER THE US SECURITIES ACT, (2) PURSUANT TO AN EFFECTIVE REGISTRATION UNDER THE US SECURITIES ACT AND ANY APPLICABLE STATE ACTS, OR (3) PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT AND ANY APPLICABLE STATE ACTS, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE US SECURITIES LAWS AND IN THE CASE OF (3) AN OPINION OF COUNSEL SHALL BE DELIVERED TO THE COMPANY (AND UPON WHICH THE COMPANY MAY RELY) REGARDING THE AVAILABILITY OF SUCH EXEMPTION. HEDGING TRANSACTIONS INVOLVING THE COMMON STOCK OF THE COMPANY MAY NOT BE CONDUCTED, DIRECTLY OR INDIRECTLY, UNLESS IN COMPLIANCE WITH THE US SECURITIES ACT. AS PROVIDED IN THE BYLAWS OF THE COMPANY, THE COMPANY IS REQUIRED BY UNITED STATES SECURITIES LAWS TO REFUSE TO REGISTER ANY TRANSFER OF SHARES NOT MADE IN ACCORDANCE WITH THE ABOVE RESTRICTIONS."

Prior to the end of the one-year Distribution Compliance Period, the holder of Common Shares acknowledges, represents and agrees that:

1. Any offer or sale of the Common Shares held through CREST must be made to non-US Persons in "offshore transactions" as defined in and pursuant to Regulation S;
2. No directed selling efforts (as defined in Regulation S) may be made in the United States by, for purposes of Rule 903 of Regulation S, the Company, a Distributor (as defined in Regulation S), any of their respective Affiliates, or any person acting on behalf of any of the foregoing, or, for the purposes of Rule 904 of Regulation S, the seller, an Affiliate, or any person acting on their behalf;
3. Offering restrictions (as set out under section 903(b)(3)) must be implemented;

4. Any offer or sale of certificated Common Shares must be made to non-US Persons in "offshore transactions" as defined in and pursuant to Regulation S, pursuant to an effective registration statement under the US Securities Act or otherwise in transactions exempt from registration under the US Securities Act;
5. The Company may refuse to register any transfer of the Common Shares not made in accordance with the provisions of Regulation S, pursuant to registration under the US Securities Act, or pursuant to an available exemption from registration;
6. Any offer or sale, if made prior to the expiration of a one-year Distribution Compliance Period, must be made pursuant to the following conditions:
 - (a) The purchaser of the Common Shares (other than a Distributor) must certify that it is not a US Person and is not acquiring the Common Shares for the account or benefit of any US Person or is a US Person who purchased Common Shares in a transaction that did not require registration under the US Securities Act;
 - (b) The purchaser of the Common Shares must agree to resell such Common Shares only in accordance with the provisions of Regulation S, pursuant to registration under the US Securities Act, or pursuant to an available exemption from registration; and must agree not to engage in hedging transactions with regard to such Common Shares unless in compliance with the US Securities Act;
 - (c) The Common Shares must contain the appropriate legend, set out above;
 - (d) The Company is required to refuse to register any transfer of the Common Shares not made in accordance with the provisions of Regulation S, pursuant to registration under the US Securities Act, or pursuant to an available exemption from registration; and
 - (e) Each Distributor selling Common Shares to a Distributor, a dealer (as defined in Section 2(a)(12) of the US Securities Act), or a person receiving a selling concession, fee or other remuneration, prior to the expiration of the one-year Distribution Compliance Period, must send a confirmation or other notice to the purchaser stating that the purchaser is subject to the same restrictions on offers and sales that apply to a Distributor;
7. In the case of an offer or sale of Common Shares prior to the expiration of the one-year Distribution Compliance Period by a dealer (as defined in Section 2(a)(12) of the US Securities Act), or a person receiving a selling concession, fee or other remuneration in respect of the Common Shares offered or sold:
 - (a) Neither the seller nor any person acting on its behalf may know that the offeree or buyer of the Common Shares is a US Person; and
 - (b) If the seller or any person acting on the seller's behalf knows that the purchaser is a dealer (as defined in Section 2(a)(12) of the US Securities Act) or is a person receiving a selling concession, fee or other remuneration in respect of the Common Shares sold, the seller or a person acting on the seller's behalf must send to the purchaser a confirmation or other notice stating that the Common Shares may be offered and sold during the one-year Distribution Compliance Period only in accordance with the provisions of Regulation S; pursuant to registration of the securities under the US Securities Act; or pursuant to an available exemption from the registration requirements of the US Securities Act; and
8. In the case of an offer or sale of Common Shares by an officer or director of the issuer or a Distributor, who is an affiliate of the issuer or Distributor solely by virtue of holding such position, no selling concession, fee or other remuneration may be paid in connection with such offer or sale other than the usual and customary broker's commission that would be received by a person executing such transaction as agent.

Common Shares acquired from the Company, a Distributor, or any of their respective affiliates in a transaction subject to the conditions of Rule 901 or Rule 903 are deemed to be "restricted securities" as defined in Rule 144 under the US Securities Act. Resales of any of such restricted securities by the offshore purchaser must be made in accordance with Regulation S, the registration requirements of the US Securities Act or an exemption therefrom. Any

"restricted securities", as defined in Rule 144, will continue to be deemed to be restricted securities, notwithstanding that they were acquired in a resale transaction made pursuant to Rule 901 or 904. Prior to the end of the Distribution Compliance Period and prior to any transfer of such Common Shares, each purchaser of Common Shares acquired through CREST and in reliance on Regulation S will be required, to represent and agree as follows, that:

- (a) the purchaser is not a US Person and is not acting for the account or benefit of a US Person and is not located in the United States at the time the investment decision is made with respect to the Common Shares;
- (b) the purchaser understands that the Common Shares have not been registered under the US Securities Act and may not be offered, sold, pledged or otherwise transferred by such purchaser except: (i) in an offshore transaction to non-US Persons and otherwise meeting the requirements of Rule 901 through Rule 905 (including Preliminary Notes) of Regulation S; (ii) pursuant to an effective registration statement under the US Securities Act; or (iii) pursuant to an exemption from the registration requirements of the US Securities Act, and in each case, in accordance with all applicable securities laws of the states of the United States and any other applicable jurisdictions;
- (c) the purchaser understands and agrees that, if in the future it decides to resell, pledge or otherwise transfer any Common Shares or any beneficial interests in any Common Shares prior to the date which is one year after the later of: (i) the date when the Common Shares are first offered to persons (other than distributors) pursuant to Regulation S or pursuant to another exemption from, or transaction not subject to registration under the US Securities Act; and (ii) Admission, it will do so only outside the United States in an offshore transaction to non-US Persons and otherwise in compliance with Rule 901 to Rule 905 (including the Preliminary Notes) under the US Securities Act, pursuant to an effective registration statement under the US Securities Act or pursuant to an exemption from the registration requirements of the US Securities Act and in each of such cases in accordance with any applicable securities law of any state of the United States;
- (d) the Company is required to refuse to register any transfer of the Common Shares not made in accordance with the provisions of Regulation S, pursuant to registration under the US Securities Act, or pursuant to an available exemption from registration;
- (e) hedging transactions involving the Common Shares may not be conducted, directly or indirectly, unless in compliance with the US Securities Act;
- (f) the purchaser agrees to, and each subsequent holder is required to, notify any purchaser of the Common Shares from it of the resale restrictions referred to above, if then applicable;
- (g) the purchaser acknowledges that, prior to any proposed transfer of Common Shares other than pursuant to an effective registration statement, the transferee of Common Shares will be required to provide certifications and other documentation relating to the non-US Person status of such transferee and that such transferee was not located in the United States at the time the investment decision was made with respect to the Common Shares;
- (h) the purchaser acknowledges that the Company, Joint Bookrunners and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and warranties and agrees that if any such acknowledgement, representation or warranty deemed to have been made by virtue of its purchase of Common Shares is no longer accurate, it shall promptly notify the Company and the Joint Bookrunners; and
- (i) the purchaser acknowledges that the Common Shares will bear a restrictive legend to the following effect, unless the Company determines otherwise in compliance with applicable law:

"THE SHARES OF COMMON STOCK REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "**US SECURITIES ACT**") OR ANY SECURITIES ACTS OF ANY STATE OF THE UNITED STATES (THE "**STATE ACTS**"), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, EXCEPT IF SUCH TRANSFER IS EFFECTED (1) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULES 901 THROUGH 905 (INCLUDING THE PRELIMINARY NOTES) OF REGULATION S UNDER THE US SECURITIES ACT, (2) PURSUANT TO AN EFFECTIVE REGISTRATION

UNDER THE US SECURITIES ACT AND ANY APPLICABLE STATE ACTS, OR (3) PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT AND ANY APPLICABLE STATE ACTS, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE US SECURITIES LAWS AND IN THE CASE OF (3) AN OPINION OF COUNSEL SHALL BE DELIVERED TO THE COMPANY (AND UPON WHICH THE COMPANY MAY RELY) REGARDING THE AVAILABILITY OF SUCH EXEMPTION. HEDGING TRANSACTIONS INVOLVING THE COMMON STOCK OF THE COMPANY MAY NOT BE CONDUCTED, DIRECTLY OR INDIRECTLY, UNLESS IN COMPLIANCE WITH THE US SECURITIES ACT. AS PROVIDED IN THE BYLAWS OF THE COMPANY, THE COMPANY IS REQUIRED BY UNITED STATES SECURITIES LAWS TO REFUSE TO REGISTER ANY TRANSFER OF SHARES NOT MADE IN ACCORDANCE WITH THE ABOVE RESTRICTIONS."

Subject to various conditions including, among others, the availability of current information regarding the Company, applicable holding periods and volume and manner of sale restrictions, Rule 144 may be available for US resales of Common Shares by affiliates of the Company. Rule 144 is an exemption that allows the resale of restricted securities if a number of conditions are met, including, without limitation, a holding period, the availability of adequate current information about the Company and compliance with trading volume restrictions. Because the Company is not a reporting company (i.e. it does not have a class of equity securities registered under the US Exchange Act and does not file regular reports with the SEC) and does not intend to become a reporting company, the Common Shares may not be eligible for sale under Rule 144 for the foreseeable future. The Company may impose or modify transfer restrictions and require additional certifications and/or related documentation to evidence compliance with applicable securities laws and regulations. Common Shares held by "Affiliates" (as defined in Rule 405 of the US Securities Act) of the Company shall be held in certificated form and accordingly settlement shall not be permitted via CREST until such time as the relevant restrictions are no longer applicable. Affiliates of the Company at the time of the Placing, or investors that become Affiliates at any time after the Placing, should seek independent US legal counsel prior to selling or transferring any Common Shares. A liquid trading market for the Common Shares does not currently exist in the United States, and the Company does not expect such a market to develop soon.

PRIOR TO PURCHASING ANY COMMON SHARES OR CONDUCTING ANY TRANSACTIONS IN ANY COMMON SHARES, INVESTORS ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS REGARDING THE ABOVE RESTRICTIONS ON TRANSFER AND OTHER RESTRICTIONS REFERRED TO IN THIS DOCUMENT.

In this document, a "**US Person**" has the meaning set forth in Regulation S and includes:

- any natural person resident in the United States;
- any partnership or corporation organised or incorporated under the laws of the United States;
- any estate of which any executor or administrator is a US Person;
- any trust of which any trustee is a US Person;
- any agency or branch of a foreign entity located in the United States;
- any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person;
- any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States; and
- any partnership or corporation if it is organised or incorporated under the laws of any foreign jurisdiction and formed by a US Person principally for the purpose of investing in securities not registered under the US Securities Act, unless it is organised or incorporated and owned, by accredited investors (as defined in Rule 501(a) under the US Securities Act) who are not natural persons, estates or trusts.

The following are not "**US Persons**":

- any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US Person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States;
- any estate of which any professional fiduciary acting as executor or administrator is a US Person if an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with respect to the assets of the estate; and the estate is governed by foreign law;
- any trust of which any professional fiduciary acting as trustee is a US Person, if a trustee who is not a US Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person;
- an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;
- any agency or branch of a US Person located outside the United States if the agency or branch operates for valid business reasons; and the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and
- the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans.

Miscellaneous

The agreement to allot and issue Placing Shares to Placees (or the persons for whom Placees are contracting as nominee or agent) free of UK stamp duty and UK stamp duty reserve tax relates only to their allotment and issue to Placees, or such persons as they nominate as their agents, direct from the Company for the Placing Shares in question. Neither the Company nor either Joint Bookrunner will be responsible for any UK stamp duty or UK stamp duty reserve tax (including any interest, fines and penalties relating thereto) arising in relation to the Placing Shares in any other circumstances.

Such agreement is subject to the representations, warranties and further terms above and also assumes, and is based on a warranty from each Placee, that the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to issue or transfer the Placing Shares into a clearance service. Neither the Company nor either Joint Bookrunner is liable to bear any stamp duty or stamp duty reserve tax or any other similar duties or taxes (including, without limitation, other stamp, issue, securities, transfer, registration, capital, or documentary duties or taxes) ("**transfer taxes**") that arise: (i) if there are any such arrangements (or if any such arrangements arise subsequent to the acquisition by Placees of Placing Shares); (ii) on a sale of Placing Shares; or (iii) otherwise than under the laws of the United Kingdom. Each Placee to whom (or on behalf of whom, or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such transfer taxes undertakes to pay such transfer taxes forthwith, and agrees to indemnify on an after-tax basis and hold each Joint Bookrunner and/or the Company and their respective Affiliates (as the case may be) harmless from any such transfer taxes, and all interest, fines or penalties in relation to such transfer taxes. Each Placee should, therefore, take its own advice as to whether any such transfer tax liability arises.

In this Announcement, "after-tax basis" means in relation to any payment made to the Company, either Joint Bookrunner or their respective Affiliates or its or their respective Representatives pursuant to this Announcement where the payment (or any part thereof) is chargeable to any tax, a basis such that the amount so payable shall be increased so as to ensure that after taking into account any tax chargeable (or which would be chargeable but for the availability of any relief unrelated to the loss, damage, cost, charge, expense or liability against which the indemnity is given on such amount (including on the increased amount)) there shall remain a sum equal to the amount that would otherwise have been so payable.

Each Placee, and any person acting on behalf of each Placee, acknowledges and agrees that each Joint Bookrunner and/or any of their Affiliates may, at their absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares. Each Placee acknowledges and is aware that each Joint Bookrunner is receiving a fee in connection with its role in respect of the Placing as detailed in the Placing Agreement.

When a Placee or person acting on behalf of the Placee is dealing with either Joint Bookrunner any money held in an account with such Joint Bookrunner on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the rules and regulations of the FCA made under the FSMA. The Placee acknowledges that the money will not be subject to the protections conferred by the client money rules; as a consequence, this money will not be segregated from the relevant Joint Bookrunner's money in accordance with the client money rules and will be used by the relevant Joint Bookrunner in the course of its own business; and the Placee will rank only as a general creditor of that Joint Bookrunner.

Time is of the essence as regards each Placee's obligations under this Appendix.

Any document that is to be sent to it in connection with the Placing will be sent at its risk and may be sent to it at any address provided by it to either Joint Bookrunner.

The rights and remedies of each Joint Bookrunner and the Company under the terms and conditions set out in this Appendix are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

Each Placee may be asked to disclose, in writing or orally to each Joint Bookrunner: (a) if they are an individual, their nationality; or (b) if they are a discretionary fund manager, the jurisdiction in which the funds are managed or owned.

The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

All times and dates in this Announcement may be subject to amendment. The Joint Bookrunners shall notify the Placees and any person acting on behalf of the Placees of any changes.

APPENDIX 3 - DEFINITIONS

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

"Admission"	means admission of the New Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules;
"Affiliate"	has the meaning given in Rule 501(b) of Regulation D under the Securities Act or Rule 405 under the Securities Act, as applicable and, in the case of the Company, includes its subsidiary undertakings;
"AIM"	means the AIM Market operated by the London Stock Exchange.
"AIM Rules"	means the rules published by the London Stock Exchange entitled "AIM Rules for Companies" in force from time to time.
"Announcement"	means this announcement (including its Appendices);
"Bookbuild"	means the bookbuilding process to be commenced by the Joint Bookrunners immediately following release of this Announcement to use reasonable endeavours to procure Placees for the Placing Shares, as described in this Announcement and subject to the terms and conditions set out in this Announcement and the Placing Agreement;
"Closing Date"	means the day on which the transactions effected in connection with the New Shares will be settled;

“Common Shares”	means shares of common stock of the Company with a par value per share of \$0.0001 per share;
“Company”	means LungLife AI, Inc of Suite 140 2545 W Hillcrest Drive, Thousand Oaks, California, 91320, United States;
“Conditions”	has the meaning given to it in Appendix 2 to this Announcement;
“CREST”	means the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)) in respect of which Euroclear is the Operator (as defined in such Regulations) in accordance with which securities may be held and transferred in uncertificated form;
“CLEP”	Clinical Laboratory Evaluation permit;
“Depository”	means Link Market Services Trustees Limited of 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL;
“Depository Interests” or “DIs”	dematerialised depository interests representing underlying Common Shares that can be settled electronically through and held in CREST, as issued by the Depository or its nominees who hold the underlying securities on trust;
“EAP”	Early Access Program;
“EIS”	enterprise investment scheme;
“EIS Placing Shares”	means the new Common Share to be issued (as certificated shares or as DIs) to EIS investors pursuant to the Placing;
“EU Prospectus Regulation”	means Regulation (EU) 2017/1129;
“Euroclear”	means Euroclear UK & International Limited, a company incorporated under the laws of England and Wales;
“EUWA”	means the European Union (Withdrawal) Act 2018;
“Exchange Information”	has the meaning given to it in Appendix 2 to this Announcement;
“FCA”	means the UK Financial Conduct Authority;
“FSMA”	means the Financial Services and Markets Act 2000 (as amended);
“Fundraising”	means the Placing and the Subscription;
“Goodbody”	means Goodbody Stockbrokers UC, trading as Goodbody;
“Group”	means the Company and its subsidiary undertakings;
“IBP”	Investec Bank plc;
“IEL”	Investec Europe Limited;
“Issue Price”	35 pence per New Share;
“Investec”	IBP and IEL together;
“Joint Bookrunners”	means Investec and Goodbody together;
“LCD”	means local coverage determination;
“London Stock Exchange”	means London Stock Exchange plc;

“Material Adverse Change”	has the meaning given to such term in the Placing Agreement;
“New Shares”	means the Placing Shares and the Subscription Shares;
“Order”	means the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005;
“PET”	means positron emission tomography;
“Placee”	means any person (including individuals, funds or otherwise) by whom or on whose behalf a commitment to acquire Placing Shares is given;
“Placing”	means the conditional placing of the Placing Shares to placees pursuant to the Placing Agreement;
“Placing Agreement”	has the meaning given to it in Appendix 2 to this Announcement;
“Placing Shares”	means the new Common Shares to be issued (as certificated shares or as DIs), conditional on Admission, in connection with the Placing;
“Placing Terms”	has the meaning given to it in Appendix 2 to this Announcement;
“PPV”	means positive predictive value;
“PRA”	means the UK Prudential Regulation Authority;
“Qualified Investors”	mean persons who are qualified investors within the meaning of Article 2(e) of the EU Prospectus Regulation;
“Regulation S”	means Regulation S promulgated under the Securities Act;
“Regulatory Information Service”	means any of the services set out in the AIM Rules;
“Relevant Persons”	mean (i) Qualified Investors; (ii) UK Qualified Investors; or (iii) persons to whom this Announcement may otherwise be lawfully communicated;
“Resolutions”	means the resolutions of the Company’s shareholders to approve the allotment of the Placing Shares, as set out in the notice of the Special Meeting;
“Representative”	has the meaning given to it in Appendix 2 to this Announcement;
“Restricted Territory”	means the United States, Australia, Canada, Japan, Singapore, South Africa or any jurisdiction in which the release, publication or distribution of this Announcement is unlawful;
“Securities Act”	means the U.S. Securities Act of 1933, as amended;
“Settlement Bank”	means Investec;
“Special Meeting”	means the special meeting of the Company’s shareholders, at which the Resolutions are to be proposed;
“Special Meeting Date”	means 21 March 2024 or such other date(s) to which the Special Meeting is adjourned;
“Subscribers”	means each investor who has signed and returned a Subscription Agreement;
“Subscription”	means the conditional subscription for the Subscription Shares at the Issue Price;
“Subscription Agreement”	means the subscription agreements entered into by the Subscribers and the Company today relating to the Subscription;

“Subscription Shares”	means the new Common Shares to be issued by the Company pursuant to the Subscription;
“subsidiary” or “subsidiary undertaking”	each have the meaning given to that term in the Companies Act 2006;
“TA”	means technical assessment;
“UK Market Abuse Regulation”	means Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the EUWA;
“UK MiFID II”	means EU Directive 2014/65/EU as it forms part of UK domestic law by virtue of the EUWA;
“UK Prospectus Regulation”	means the EU Prospectus Regulation as it forms part of UK domestic law by virtue of the EUWA;
“UK Qualified Investors”	mean persons who are qualified investors within the meaning of Article 2(e) of the UK Prospectus Regulation who are: (i) persons who fall within the definition of “investment professional” in Article 19(5) of the Order; or (ii) persons who fall within Article 49(2)(a) to (d) (“High net worth companies, unincorporated associations, etc.”) of the Order;
“uncertificated” or “in uncertificated form”	means in respect of a share or other security, where that share or other security is recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which may be transferred by means of CREST;
“United Kingdom” or “UK”	means the United Kingdom of Great Britain and Northern Ireland;
“United States” or “US”	means the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdictions and any political sub-divisions thereof;
“US person”	has the meaning given to it in Regulation S
“VCT”	means a venture capital trust under Part 6 of the Income Tax Act 2007;
“VCT/EIS Placing Shares”	means the Placing Shares to be issued (as certificated shares or as DIs) to VCT and EIS investors pursuant to the Placing; and
“VCT Placing Shares”	means the new Common Shares to be issued (as certificated shares or as DIs) to VCT investors pursuant to the Placing.

Unless otherwise indicated in this Announcement, all references to “**£**”, “**GBP**”, “**pounds**”, “**pound sterling**”, “**sterling**”, “**p**”, “**penny**” or “**pence**” are to the lawful currency of the United Kingdom. All references to “**US\$**”, “**\$**” or “**dollars**” are to the lawful currency of the United States of America.