

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART 2 (EXPLANATORY STATEMENT) OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT. THIS DOCUMENT CONTAINS DETAILS OF A PROPOSED MERGER WHICH, IF IMPLEMENTED, WILL RESULT IN THE CANCELLATION OF ADMISSION TO TRADING OF CENKOS SHARES ON AIM.**

**If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, if you are in the UK, or from another appropriately authorised independent financial adviser, if you are taking advice in a territory outside the UK.**

**If you have sold or otherwise transferred all of your Cenkos Shares, please send this document together with the accompanying documents (other than documents or forms personal to you) at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted in, into or from any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction. If you have sold or otherwise transferred part only of your holding of Cenkos Shares, please retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.**

The distribution of this document in or into jurisdictions other than the UK may be restricted by the laws or regulations of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of any such jurisdiction.

Neither this document nor any of the accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Scheme or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This document is not a prospectus.

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**Recommended all-share merger between**

**CENKOS SECURITIES PLC**

**and**

**FINNCAP GROUP PLC**

**to be effected by means of a scheme of arrangement under Part 26 of  
the Companies Act 2006**

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This document, including all information incorporated into this document by reference to another source and together with the accompanying Forms of Proxy, should be read as a whole. Your attention is drawn to the letter from the Chairman of Cenkos in Part 1 (*Letter from the Chairman of Cenkos*) of this document, which contains the unanimous recommendation of the Cenkos Directors that you vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting. A letter from SPARK Advisory Partners explaining the Scheme appears in Part 2 (*Explanatory Statement*) of this document and constitutes an explanatory statement in compliance with section 897 of the Companies Act.

Notices of the Court Meeting and the General Meeting of Cenkos, each of which will be held at the offices of Simmons & Simmons LLP, CityPoint, One Ropemaker Street, London EC2Y 9SS, on 17 May 2023, are set out on pages 94 to 101 of this document. The Court Meeting will start at 11.00 am on that date and the General Meeting at 11.15 am or as soon thereafter as the Court Meeting is concluded or adjourned.

**Action to be taken by Cenkos Shareholders is set out on pages 9 to 11 of this document. Cenkos Shareholders are asked to complete and return the accompanying blue and yellow Forms of Proxy in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received by the Company's registrars, Link, no later than 48 hours**

**before the relevant meeting (or adjourned meeting, where applicable), excluding any part of a day that is not a business day. Cenkos Shareholders who hold Cenkos Shares in CREST may also appoint a proxy through the CREST electronic proxy appointment service, via the Proximity platform, or the shareholder portal at [www.signalshares.com](http://www.signalshares.com), by following the instructions set out on pages 10 and 11 of this document. If the blue Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be completed and handed to the Chair (if attending in person) at any time before the start of the Court Meeting. However, in the case of the General Meeting, if the yellow Form of Proxy is not lodged by the relevant time, and in accordance with the instructions on the yellow Form of Proxy, it will be invalid.**

If you have any questions about this document, the Court Meeting or the General Meeting, or how to complete the Forms of Proxy, please call the Link shareholder helpline on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Link cannot provide any financial, legal or tax advice or advice on the merits of the Merger and calls may be recorded and monitored for security and training purposes. You may also request that all future documents, announcements and information to be sent to you in relation to the Merger should be in hard copy form.

Certain terms used in this document are defined in Part 7 (*Definitions*) of this document.

SPARK Advisory Partners Limited ("SPARK Advisory Partners"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority ("FCA"), is acting as financial adviser to Cenkos and for no one else in connection with the Merger and will not be responsible to anyone other than Cenkos for providing the protections afforded to its clients nor for providing advice in relation to the Merger, the contents of this document or any other matters referred to in this document.

## **IMPORTANT NOTICE**

The release, publication or distribution of this document in or into certain jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the UK should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws or regulations of such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Merger disclaim any responsibility or liability for the violation of such restrictions by any person. Neither this document nor any of the accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Merger or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. Further information in relation to Overseas Shareholders is contained in paragraph 16 of Part 2 (*Explanatory Statement*) of this document.

This document does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for shares in any jurisdiction in which such offer or solicitation is unlawful. In the event of any ambiguity or conflict between this document and the finnCap Circular in respect of the terms and conditions of the Merger or the Scheme, this document shall prevail.

### *Overseas Shareholders*

This document has been prepared in connection with proposals in relation to a scheme of arrangement pursuant to and for the purpose of complying with the applicable requirements of English law, the Takeover Code, the Panel, the London Stock Exchange, the AIM Rules, the FCA, the UK Market Abuse Regulation, the Disclosure Guidance and Transparency Rules and the Registrar of Companies and information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside England and Wales. Nothing in this document should be relied on for any other purpose. Further information in relation to Overseas Shareholders is contained in paragraph 16 of Part 2 (*Explanatory Statement*) of this document.

The release, publication or distribution of this document in or into certain jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore any persons into whose possession this document comes should inform themselves of, and observe, such restrictions. In particular the ability of persons who are not resident in the United Kingdom to vote their Cenkos Shares at the Court Meeting or General Meeting, or to appoint another person as proxy to vote at the Court Meeting or General Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Merger disclaim any responsibility or liability for the violation of such restrictions by any person.

Unless otherwise determined by finnCap or required by the Takeover Code, and permitted by applicable law and regulation, New finnCap Shares to be issued pursuant to the Merger shall not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such means from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction and no person may vote in favour of the Merger by use of mail or any other means of instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction.

Accordingly, copies of this document and all documents relating to the Merger are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this document and all documents relating to the Merger (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction. Doing so may render invalid any related purported vote in respect of the Merger. If the Merger is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law or regulation), such Takeover Offer may not be made, directly or indirectly, in or into, or by use of mail or any other means or instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and such Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or facilities from within any Restricted Jurisdiction.

The availability of New finnCap Shares pursuant to the Merger to Cenkos Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements. To the fullest extent permitted by applicable law, the companies and persons involved in the Merger disclaim any responsibility or liability for the violation of such restrictions by any person.

The Merger shall be subject to the applicable requirements of English law, the Takeover Code, the Panel, the London Stock Exchange, the AIM Rules, the FCA, the UK Market Abuse Regulation, the Disclosure Guidance and Transparency Rules and the Registrar of Companies.

#### *Certain notices to US investors*

The Merger relates to the shares of an English company and is being made by means of a scheme of arrangement provided for under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the tender offer or proxy solicitation rules under the US Securities Exchange Act of 1934, as amended (the "US Exchange Act"). Accordingly, the Merger is subject to the disclosure and procedural requirements and practices applicable in the UK to schemes of arrangement which differ from the disclosure requirements of the US tender offer and proxy solicitation rules. The financial information included or incorporated by reference in this document or any other documents relating to the Merger (or, if the Merger is implemented by way of a Takeover Offer, any offer document) has been prepared in accordance with IFRS and may not be comparable to the financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

If, in the future, finnCap exercises its right to implement the Merger by means of a Takeover Offer and determines to extend the offer into the United States, such a Takeover Offer will be made in compliance with all applicable US laws and regulations, including any applicable exemptions under the US Exchange Act and the US Securities Act of 1933, as amended (the “US Securities Act”).

In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Securities Act, finnCap or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of Cenkos outside of the United States, other than pursuant to the Merger, until the date on which the Merger becomes effective in accordance with its terms, lapses or is otherwise withdrawn. If such purchases or arrangements to purchase were to be made, they would occur either in the open market at prevailing prices or in private transactions at negotiated prices and comply with applicable law, including the US Exchange Act. Any information about such purchases or arrangements to purchase shall be disclosed as required in the UK, shall be reported to a Regulatory Information Service and shall be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).

It may be difficult for US holders of Scheme Shares to enforce their rights and any claim arising out of the US federal laws or to enforce against them a judgment of a US court predicated upon the securities laws of the UK, since Cenkos and finnCap are both incorporated under the laws of England and Wales. Some or all of the officers and directors of finnCap and Cenkos, respectively, are residents of countries other than the United States. In addition, some of the assets of finnCap and Cenkos are located outside the United States. US holders of Scheme Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court’s judgment.

The New finnCap Shares to be issued pursuant to the Scheme have not been and will not be registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the US Securities Act and such other laws. It is expected that any New finnCap Shares to be issued pursuant to the Scheme would be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. Securities issued pursuant to the Scheme will not be registered under any US state securities laws and may only be issued to persons resident in a state pursuant to an exemption from the registration requirements of the securities laws of such state. There will be no public offering of the New finnCap Shares in the United States.

Neither the US Securities and Exchange Commission nor any US state securities commission has reviewed or approved this document, the Merger, the Scheme or the issue of the New finnCap Shares or passed upon the accuracy or adequacy of this document or any other document relating to the Merger. Any representation to the contrary is a criminal offence in the United States.

A Cenkos Shareholder (whether or not a US person) who is an “affiliate” (within the meaning of the US Securities Act) of Cenkos will receive “restricted securities” as defined in Rule 144 under the US Securities Act. Under applicable US federal securities laws, persons who are or will be “affiliates” of Cenkos, within the meaning of the US Securities Act may not resell the New finnCap Shares received as a result of the Scheme without registration under the US Securities Act, except pursuant to the applicable resale provisions of Rule 144 under the US Securities Act or another applicable exemption from registration or in a transaction not subject to registration (including a transaction that satisfies the applicable requirements of Regulation S under the US Securities Act). “Affiliates” of a company are generally defined as persons who directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, that company. Whether a person is an affiliate of a company for purposes of the US Securities Act depends on the circumstances, but affiliates can include certain officers, directors and significant shareholders. Persons who believe they may be affiliates of Cenkos should consult their own legal advisers before any sale of securities received as a result of the Scheme.

Cenkos Shareholders tax resident in the United States, or who are United States citizens, should be aware that the transaction contemplated herein may have tax consequences in the United States and that such consequences, if any, are not described herein. Each Cenkos Shareholder (including US holders) is urged to consult with independent professional advisers regarding the legal, tax and financial consequences of the Merger applicable to them.

## **Forward-looking statements**

This document (including information incorporated by reference in this document), oral statements made regarding the Merger, and other information published by Cenkos and finnCap contain statements which are, or may be deemed to be, “forward-looking statements”. Such forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and on numerous assumptions regarding the business strategies and the environment in which the finnCap Group, the Cenkos Group or the Combined Group will operate in the future and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. The forward-looking statements contained in this document relate to the finnCap Group, the Cenkos Group or the Combined Group’s future prospects, developments and business strategies, the expected timing and scope of the Merger and other statements other than historical facts. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “will look to”, “would look to”, “plans”, “prepares”, “anticipates”, “expects”, “is expected to”, “is subject to”, “budget”, “scheduled”, “forecasts”, “synergy”, “strategy”, “goal”, “cost-saving”, “projects”, “intends”, “may”, “will” or “should” or their negatives or other variations or comparable terminology. Forward-looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of finnCap’s, Cenkos’, or the Combined Group’s operations and potential synergies resulting from the Merger; (iii) new product launches and client relationships; and (iv) the effects of global economic conditions and governmental regulation on finnCap’s, Cenkos’ or the Combined Group’s business. For a discussion of important factors which could cause actual results to differ from forward looking statements in relation to the finnCap Group, refer to the annual report and financial statements of finnCap for the financial year ended 31 March 2022 and in relation to the Cenkos Group refer to the annual report and financial statements for the financial year ended 31 December 2022. Readers should specifically consider the factors identified above, which could cause actual results of the Combined Group to differ before taking any action in respect of the Merger.

By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. These events and circumstances include changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business, partnerships, combinations or disposals. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions prove incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors. No member of the Wider Cenkos Group nor the Wider finnCap Group nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur. Given these risks and uncertainties, potential investors should not place any reliance on forward-looking statements.

The forward-looking statements speak only at the date of this document. All subsequent oral or written forward-looking statements attributable to any member of the Wider finnCap Group or Wider Cenkos Group, or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statements above.

Each of the Wider Cenkos Group and the Wider finnCap Group, and each of their respective members, associates, directors, officers, employees or advisers expressly disclaims any obligation to update such statements other than as required by law or by the rules of any competent regulatory authority, whether as a result of new information, future events or otherwise.

## **No profit forecasts, estimates or quantified benefits statements**

No statement in this document is intended as a profit forecast or profit estimate and no statement in this document should be interpreted to mean that earnings or earnings per Cenkos Share or finnCap Share, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earning per Cenkos Share or finnCap Share or to mean that the Combined Group’s earnings in the first 12 months following the Merger, or in any

subsequent period, would necessarily match or be greater than those of Cenkos or finnCap for the relevant preceding financial period or any other period.

### **Disclosure requirements of the Takeover Code**

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror before the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at [www.thetakeoverpanel.org.uk/](http://www.thetakeoverpanel.org.uk/), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0) 207 638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

### **Rounding**

Certain figures included in this document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

### **Publication on website and availability of hard copies**

A copy of this document and, in due course, the finnCap Circular (expected to be published on or around the date of this document), will be available, on finnCap's website (at <https://announcements.finnncap.com/merger>) and Cenkos' website (at [www.cenkos.com/investors](http://www.cenkos.com/investors)) by no later than 12 noon (London time) on the business day following the date of this document. Save as expressly stated in this document, the contents of the websites referred to in this document are not incorporated into and do not form part of this document.

Cenkos Shareholders, persons with information rights and holders of awards under the Cenkos Share Plans may request a hard copy of this document, and any information incorporated into this document by reference to another source, by contacting Cenkos' registrars, Link, on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Link cannot provide any financial, legal or tax advice or advice on the merits of the Merger and calls may be recorded and monitored for security and training purposes.

For persons who receive a copy of this document in electronic form or via a website notification, a hard copy of this document will not be sent unless so requested and hard copies of information incorporated into this document by reference to another source will not be sent to any recipient of this document, whether in hard copy or in electronic form or via a website notification, unless so requested. Such persons may also request that all future documents, announcements and information to be sent to them in relation to the Merger should be in hard copy form.

### **Electronic communications**

Please be aware that addresses, electronic addresses and certain other information provided by Cenkos Shareholders, persons with information rights and other relevant persons in connection with the receipt of communications from Cenkos may be provided to finnCap during the Offer Period as required under Section 4 of Appendix 4 of the Takeover Code.

This document is dated 20 April 2023.

## TABLE OF CONTENTS

<b>ACTION TO BE TAKEN</b>	9
<b>EXPECTED TIMETABLE OF PRINCIPAL EVENTS</b>	12
Part 1 : LETTER FROM THE CHAIRMAN OF CENKOS	14
Part 2 : EXPLANATORY STATEMENT	23
Part 3 : CONDITIONS TO AND CERTAIN FURTHER TERMS OF THE SCHEME AND THE MERCER	40
Part 4 : THE SCHEME OF ARRANGEMENT	51
Part 5 : FINANCIAL INFORMATION	59
Part 6 : ADDITIONAL INFORMATION	61
Part 7 : DEFINITIONS	87
Part 8 : NOTICE OF COURT MEETING	94
Part 9 : NOTICE OF GENERAL MEETING	97



## ACTION TO BE TAKEN

The Cenkos Directors, who have been so advised by SPARK Advisory Partners as to the financial terms of the Merger, consider the terms of the Merger to be fair and reasonable and in the best interests of the Cenkos Shareholders taken as a whole. Accordingly, the Cenkos Directors recommend unanimously that Cenkos Shareholders vote or procure votes to approve the Scheme at the Court Meeting and to vote or procure votes in favour of the Resolution to be proposed at the General Meeting, as they have irrevocably undertaken to do (or procure to be done) in respect of their own legal and beneficial holdings of Cenkos Shares, being, in aggregate, 1,587,653 Cenkos Shares representing approximately 2.80 per cent. of the issued share capital of Cenkos as at the Latest Practicable Date. In providing their advice to the Cenkos Directors, SPARK Advisory Partners has taken into account the commercial assessments of the Cenkos Directors. SPARK Advisory Partners is providing independent financial advice to the Cenkos Directors for the purposes of Rule 3 of the Takeover Code.

This section should be read in conjunction with the rest of this document, and in particular, paragraphs 7 and 17 Part 2 (*Explanatory Statement*).

### 1. The documents

Please check that you have received the following:

- (A) a blue Form of Proxy for use in respect of the Court Meeting on 17 May 2023;
- (B) a yellow Form of Proxy for use in respect of the General Meeting on 17 May 2023; and
- (C) a pre-paid envelope for use in the UK only for the return of the blue Form of Proxy and the yellow Form of Proxy.

If you are a Cenkos Shareholder and you have not received hard copies of all of these documents, please contact the shareholder helpline on the number indicated below.

### 2. Voting at the Court Meeting and the General Meeting

The Scheme will require approval at a meeting of Scheme Shareholders convened with the permission of the Court to be held at the offices of Simmons & Simmons LLP, CityPoint, One Ropemaker Street, London EC2Y 9SS at 11.00 am on 17 May 2023. Implementation of the Scheme will also require the approval of the Resolution by the Cenkos Shareholders at the General Meeting. The General Meeting will be held at the same place as the Court Meeting at 11.15 am (or as soon thereafter as the Court Meeting shall have concluded or been adjourned). Notices of the Court Meeting and the General Meeting are set out in Part 8 (*Notice of Court Meeting*) and Part 9 (*Notice of General Meeting*) of this document, respectively.

As set out in the opening pages of this document and in Part 8 (*Notice of Court Meeting*) and Part 9 (*Notice of General Meeting*) of this document, Scheme Shareholders or Cenkos Shareholders (as applicable) and other attendees will be able to attend and participate in the Court Meeting and the General Meeting in person. Scheme Shareholders and Cenkos Shareholders entitled to attend and vote at the Meetings are entitled to appoint a proxy to exercise all or any of their rights to attend and vote at the Court Meeting and/or General Meeting (as applicable). A proxy need not be a Cenkos Shareholder.

**It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of the opinion of Scheme Shareholders. Whether or not you intend to attend and/or vote at the Court Meeting and/or the General Meeting, please sign and return your Forms of Proxy, or deliver your voting instructions by one of the other methods described in this document, as soon as possible.**

**Scheme Shareholders or Cenkos Shareholders (as applicable) and other attendees will be able to attend the Court Meeting and the General Meeting in person. Scheme Shareholders and Cenkos Shareholders are strongly encouraged to vote by appointing the Chair of each of the Court Meeting and the General Meeting as their proxy (either electronically, by post or by hand using the printed Forms of Proxy, as set out below) before the relevant deadline.**

**The Chair of the relevant meeting will vote in accordance with the voting instructions of the appointing Scheme Shareholder or Cenkos Shareholder (as applicable).**

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

Please complete and sign the Forms of Proxy in accordance with the instructions printed on them and return them, either: (i) by post; or (ii) during normal business hours only, by hand, to Link at PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to be received as soon as possible and in any event no later than the relevant time set out below:

- (A) blue Forms of Proxy for the Court Meeting 11.00 am on 15 May 2023
- (B) yellow Forms of Proxy for the General Meeting 11.15 am on 15 May 2023

or, if in either case the meeting is adjourned, the relevant Form of Proxy should be received no later than 48 hours (excluding any part of a day that is not a business day) before the time fixed for the adjourned meeting.

If the blue Form of Proxy for the Court Meeting is not returned by such time, it may be completed and handed to the Chair at any time before the start of the Court Meeting and will still be valid. However, in the case of the General Meeting, the yellow Form of Proxy must be received by Link by the time mentioned above, or it will be invalid.

Scheme Shareholders and Cenkos Shareholders are entitled to appoint a proxy in respect of some or all of their respective Scheme Shares or Cenkos Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder. Scheme Shareholders and Cenkos Shareholders who wish to appoint more than one proxy in respect of their holding of Scheme Shares or Cenkos Shares (as applicable) should contact Link for further Forms of Proxy.

### **Electronic appointment of proxies through CREST, Proximity and Signal Shares**

If you hold Cenkos Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the Meetings (or any adjourned meeting) by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by Link by 11.00 am on 15 May 2023 in respect of the Court Meeting and 11.15 am on 15 May 2023 in respect of the General Meeting or, if in either case the meeting is adjourned, the relevant Form of Proxy should be received not less than 48 hours (excluding any part of a day that is not a business day) before the time fixed for the Court Meeting or General Meeting (or adjourned meeting), as applicable. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Link is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

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

voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Cenkos may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

Members who are institutional investors may also be able to appoint a proxy electronically via the Proxymity platform, a facility which has been arranged by the Company and approved by the Company's registrars, Link. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io).

To vote using the Signal Shares shareholder portal please visit [www.signalshares.com](http://www.signalshares.com). If you have not previously registered for this shareholder portal, you will need your Investor Code, which you can find on the accompanying Forms of Proxy.

### **3. Cenkos Share Plans**

Participants in the Cenkos Share Plans will be contacted separately regarding the effect of the Scheme on their rights under the Cenkos Share Plans.

A summary of the effect of the Scheme on Awards under the Cenkos Share Plans is set out in paragraph 6 of Part 2 (*Explanatory Statement*) of this document.

### **4. Shareholder helpline**

If you have any questions about this document, the Court Meeting or the General Meeting or on the completion and return of the Forms of Proxy, please call the Link shareholder helpline on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Link cannot provide any financial, legal or tax advice or advice on the merits of the Merger and calls may be recorded and monitored for security and training purposes.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	Expected time/date
Publication of this document	20 April 2023
Latest time for lodging Forms of Proxy or for submitting proxy instructions via the CREST electronic proxy appointment service, the Proxymity platform and the Signal Shares shareholder portal for the:	
Court Meeting (blue Form of Proxy)	11.00 am on 15 May 2023 <sup>(1)</sup>
General Meeting (yellow Form of Proxy)	11.15 am on 15 May 2023 <sup>(2)</sup>
Voting Record Time	6.30 pm on 15 May 2023 <sup>(3)</sup>
<b>Court Meeting</b>	<b>11.00 am on 17 May 2023</b>
<b>General Meeting</b>	<b>11.15 am on 17 May 2023<sup>(4)(5)</sup></b>

**The following dates are indicative only and are based on the current expectations of the Cenkos Directors and the finnCap Directors and may be subject to change; please see note (5) below.**

Event	Expected time/date
Scheme Sanction Hearing	A date expected to be during the third quarter of 2023, subject to the satisfaction (or, if applicable, waiver) of the Conditions (other than Conditions 1 and 2(c)) (D) <sup>(5)(6)</sup>
Last day of dealings in, and for registration of transfers of, and disablement of CREST for, Cenkos Shares	D + 1 business day
Scheme Record Time	6.00 pm on D + 1 business day
Suspension of dealings in Cenkos Shares	8.00 am on D + 2 business days
Effective Date of the Scheme <sup>(7)</sup>	D + 2 business days
Cancellation of admission of Cenkos Shares to trading on AIM	8.00 am on D + 3 business days
Admission and commencement of dealings of the New finnCap Shares on AIM	8.00 am on D + 3 business days
Issuance of New finnCap Shares	D + 3 business days
CREST accounts of Cenkos Shareholders credited with New finnCap Shares	at or soon after 8.00 am on D + 3 (but not later than 14 days after the Effective Date)
Despatch of share certificates for the New finnCap Shares	within 14 days after the Effective Date
Long Stop Date	11.59 pm on 31 December 2023 <sup>(8)</sup>

**Notes:**

- (1) It is requested that blue Forms of Proxy for the Court Meeting be lodged no later than 48 hours (excluding any part of a day that is not a business day) before the time appointed for the Court Meeting or, in the case of an adjourned meeting, 48 hours (excluding any part of a day that is not a business day) before the time appointed for the adjourned Court Meeting. Blue Forms of Proxy not so lodged may be completed and handed to the Chair at any time before the start of the Court Meeting.
- (2) Yellow Forms of Proxy for the General Meeting must be lodged no later than 48 hours (excluding any part of a day that is not a business day) before the time appointed for the General Meeting or, in the case of an adjourned meeting, 48 hours (excluding any part of a day that is not a business day) before the time appointed for the adjourned General Meeting.
- (3) If either the Court Meeting or the General Meeting is adjourned, the Voting Record Time for the relevant adjourned meeting will be 6.30 pm on the date which is two days (excluding any part of a day that is not a business day) before the date set for such adjourned meeting or as soon after 11.15 am as the Court Meeting shall have concluded or been adjourned.

- (4) It is also expected that the finnCap General Meeting will be convened for 9.30 am on 17 May 2023 to consider and, if thought fit, pass, *inter alia*, the finnCap Resolution.
- (5) These dates are indicative only and will depend, among other things, on the date upon which: (i) the Conditions are satisfied or (if capable of waiver) waived; (ii) the Court sanctions the Scheme; and (iii) the Court Order is delivered to the Registrar of Companies.
- (6) The Scheme Sanction Hearing is to be held on a date to be determined following the satisfaction (or, if applicable, waiver) of the Conditions (other than Conditions 1 and 2(c)), as set out in Section 1 of Part 3 (*Conditions to and Certain Further Terms of the Scheme and the Merger*) of this document.
- (7) The Scheme will become effective pursuant to its terms upon the Court Order being delivered to the Registrar of Companies.
- (8) This is the latest date by which the Scheme may become Effective unless Cenkos and finnCap agree (and, if required, the Panel consents to and the Court approves) a later date.

All references in this document to times are to London time unless otherwise stated. The dates and times given are indicative only and are based on Cenkos' and finnCap's current expectations and may be subject to change (including as a result of changes to the regulatory timetable). If any of the expected times and/or dates above change, the revised times and/or dates will be notified to Cenkos Shareholders by announcement through a Regulatory Information Service.

## PART 1 : LETTER FROM THE CHAIRMAN OF CENKOS

*Cenkos Directors:*

Lisa Gordon (Chairman)  
Julian Morse (Chief Executive Officer)  
Jeremy Osler (Executive Director, Head of Corporate Finance  
and General Counsel)  
Andrew Boorman (Non-Executive Director)  
Jeremy Miller (Non-Executive Director)

*Registered office:*

6.7.8. Tokenhouse Yard,  
London, EC2R 7AS  
Incorporated in  
England and Wales  
with registered  
number 05210733

20 April 2023

*To Cenkos Shareholders and, for information only, to persons with information rights and holders of awards under the Cenkos Share Plans*

Dear Shareholder,

### **RECOMMENDED ALL-SHARE MERGER BETWEEN CENKOS SECURITIES PLC AND FINNCAP GROUP PLC**

#### **1 Introduction**

On 23 March 2023, the Cenkos Directors and the finnCap Directors announced that they had reached agreement on the terms and conditions of a recommended all-share merger between Cenkos and finnCap, to be effected by means of a scheme of arrangement under Part 26 of the Companies Act, pursuant to which finnCap would acquire the entire issued and to be issued share capital of Cenkos.

I am writing to you to set out the background to the Merger and the reasons why the Cenkos Directors consider the terms of the Merger to be fair and reasonable and are unanimously recommending that you vote in favour of the Merger. I draw your attention to the letter from SPARK Advisory Partners in Part 2 (*Explanatory Statement*) of this document, which gives details about the Merger and to the additional information set out in Part 6 (*Additional Information*) of this document.

In order to approve the terms of the Merger, the required majority of Scheme Shareholders will need to vote in favour of the Scheme at the Court Meeting, and the required majority of Cenkos Shareholders will need to vote in favour of the Resolution at the General Meeting. The Court Meeting and the General Meeting are to be held on 17 May 2023 at 11.00 am and 11.15 am (or if later, immediately after the conclusion of the Court Meeting) respectively. Details of the actions you are asked to take are set out on pages 9 to 11 and paragraph 17 of Part 2 (*Explanatory Statement*) of this document. The recommendation of the Cenkos Directors is set out in paragraph 16 of this letter. Scheme Shareholders and Cenkos Shareholders are reminded that they can attend the Court Meeting and the General Meeting (respectively) in person.

Scheme Shareholders and Cenkos Shareholders are strongly encouraged to submit proxy appointments and instructions for the Court Meeting and the General Meeting (respectively) as soon as possible, using any of the methods (by post, by hand, or electronically through CREST) set out in this document. Scheme Shareholders and Cenkos Shareholders are also strongly encouraged to appoint "the Chair of the meeting" as their proxy. Information about the procedures for appointing proxies and giving voting instructions in relation to the Meetings is set out in paragraph 17 of Part 2 (*Explanatory Statement*) and on pages 9 to 11 of this document.

#### **2 Summary of the terms of the Merger**

The Merger will be implemented by way of a Court-sanctioned scheme of arrangement between Cenkos and the Scheme Shareholders under Part 26 of the Companies Act.

Under the terms of the Merger, which will be subject to the terms and conditions set out in Part 3 (*Conditions to and Certain Further Terms of the Scheme and the Merger*) of this document, Scheme Shareholders at the Scheme Record Time will be entitled to receive:

### **3.19420647 New finnCap Shares in exchange for each Cenkos Share**

Based on this exchange ratio (the “Exchange Ratio”) and the Closing Price of 11.625 pence per finnCap Share on 22 March 2023 (being the last business day prior to the Rule 2.7 Announcement), the Merger values each Cenkos Share at 37.13 pence, comprising an equity value of Cenkos’ entire issued ordinary share capital as at the last business day prior to the Rule 2.7 Announcement of approximately £21.1 million and finnCap’s entire issued ordinary share capital as at the last business day prior to the Rule 2.7 Announcement of approximately £21.1 million.

Upon completion of the Merger, Cenkos Shareholders and finnCap Shareholders will each hold approximately 50% of the entire issued ordinary share capital of finnCap, whose shares will continue to be traded on AIM.

The Merger is subject to the Conditions and certain further terms set out in Part 3 (*Conditions to and Certain Further Terms of the Scheme and the Merger*) of this document, including the approval of the Scheme at the Court Meeting, the passing of the Resolution at the General Meeting (in each case by the requisite majority or majorities), the finnCap Shareholder Approval Condition, the AIM Admission Condition and, given the importance to each of Cenkos and finnCap of their ability to operate as Nominated Adviser to AIM companies, the requirement that each of Cenkos and finnCap maintain their status as Nominated Adviser pursuant to the AIM Rules for Nominated Advisers for the period ending on the Effective Date. Subject to the satisfaction or (where applicable) waiver of the Conditions and to the further terms set out in Part 3 (*Conditions to and Certain Further Terms of the Scheme and the Merger*) of this document, it is expected that the Scheme will become Effective during the third quarter of 2023.

Further information about the Merger is provided in Part 2 (*Explanatory Statement*) of this document.

### **3 Background to and reasons for the Merger**

The Cenkos Board and the finnCap Board believe that there is a compelling strategic, strong financial and cultural rationale for the Merger which will benefit the shareholders, employees, clients, commercial counterparties and other stakeholders of the Combined Group.

#### ***A combined business with complementary capabilities and greater scale that is well positioned for future growth and a strong client proposition***

The Merger will combine the equity capital market practices of two complementary businesses. Each firm services a broad mix of corporate and institutional client constituencies in their respective equity capital market divisions. Cenkos and finnCap have very few shared corporate clients. The Merger will enhance and complement finnCap’s larger client base by combining with Cenkos, an institutional stockbroker which has been involved in many of the largest fundraisings and IPOs by growth companies in recent years.

The Combined Group will have its combined client base at its heart and be focussed on providing the best possible service to them.

The Merger will give Cenkos’ clients access to a wider range of services, including finnCap’s private M&A business, Cavendish, and also its debt and private capital raising advisory teams which will enhance Cenkos’ ability to provide strategic financial advice to its clients where it already enjoys a strong reputation for equity capital markets advice and capital raising.

The Merger will therefore create a leading provider in fundraising and advisory services for quoted growth and investment companies, and together with the wider offering of finnCap across M&A, debt and private growth capital, will create a leading full-service advisory firm.

The Combined Group has over 210 retained listed or quoted company clients across a complementary suite of sectors and will be able to provide the combined client base with a greater depth of expertise, transactional capacity and fundraising strength, and for Cenkos’ clients, a wider range of services and products.

***A combined business with a through-the-cycle financial performance that will underpin shareholder returns, the resources to invest and a stable platform for growth***

Both the Cenkos Board and the finnCap Board are strong believers in and supporters of the role of the public markets as a compelling source of growth capital whilst allowing their investors to achieve greater liquidity. The Combined Group will focus on delivering attractive and consistent shareholder returns through the economic cycle.

The Combined Group will have scale and greater breadth of clients, with a high level of recurring revenue and improved operating cost efficiency, which the Cenkos Board and the finnCap Board believe will allow it to perform strongly through the stock market cycle. Furthermore, the Combined Group has in excess of £20 million of combined cash on its balance sheet, which will provide both financial resilience and a platform to support the future growth of the Combined Group.

The Cenkos Board and the finnCap Board also believe there will be areas of duplicative or inefficient spending across the Combined Group (as compared to the companies on a standalone basis) where financial savings can be made following the Effective Date which, if implemented, would have a beneficial impact on the Combined Group.

The Cenkos Board and the finnCap Board are mindful of the market challenges faced by the broking sector in recent years and that as this highly fragmented market is becoming increasingly competitive, scale is becoming increasingly important. The Cenkos Board and the finnCap Board believe that the consequent financial pressures faced by many competitors is expected to lead to consolidation in the short to medium term. The Merger will offer a stable platform from which the Combined Group can take advantage of disruption amongst competitors as this consolidation accelerates.

***Shared client-centred culture with an entrepreneurial and ambitious mindset***

The Combined Group will have, on a combined proforma basis, over 230 colleagues. The Cenkos Board and the finnCap Board believe there is a strong cultural alignment between two client-centric and ambitious groups, centering around collegiate respect, teamworking, dynamism and the entrepreneurialism needed to succeed and to deliver the best results for our clients.

The Merger presents a very robust platform from which to develop the Combined Group's talent pool through the sharing of best practices, revenue generating ideas, and collaboration. The strengthened financial position of the Combined Group would also enable further investment in developing and recruiting the very best talent, at all levels and across divisions, to drive the Combined Group's growth.

**4 Irrevocable undertakings to vote in favour of the Merger**

*Cenkos Shareholders*

The Merger is supported by Cenkos Shareholders Jim Durkin, Bridger Limited, Stephen Keys, Sarah Keys and Michael Johnson, who have each irrevocably undertaken to vote in favour of the Scheme in respect of 11,492,897 Scheme Shares, representing 20.27 per cent. of the issued share capital of Cenkos as at the Latest Practicable Date.

In addition, irrevocable undertakings to vote or procure the vote in favour of the Scheme have been given by the Cenkos Directors in respect of an aggregate 1,587,653 Scheme Shares, representing 2.80 per cent. of the issued share capital of Cenkos as at the Latest Practicable Date.

Furthermore, Canaccord Genuity Asset Management Limited has given a letter of intent to procure votes in favour of the Merger in respect of 5,500,000 Scheme Shares, representing 9.70 per cent. of the issued share capital of Cenkos as at the Latest Practicable Date.

In aggregate, Cenkos has received irrevocable undertakings and a letter of intent to vote or procure votes in favour of the Merger in respect of 18,580,550 Scheme Shares, representing 32.77 per cent. of the issued share capital of Cenkos as at the Latest Practicable Date.



## *finnCap Shareholders*

The Merger is supported by finnCap Shareholders Jon Moulton, Vin Murria, Sam Smith, Lord Leigh, Mark Tubby, Peter Gray, and Rhys Williams, who have each irrevocably undertaken to vote or procure the vote in favour of the finnCap Resolution in respect of 83,860,205 finnCap Shares, representing 46.31 per cent. of the issued share capital of finnCap as at the Latest Practicable Date.

In addition, irrevocable undertakings to vote or procure the vote in favour of the finnCap Resolution have been given by finnCap Directors in respect of an aggregate 10,168,726 finnCap Shares, representing 5.62 per cent. of the issued share capital of finnCap as at the Latest Practicable Date.

In aggregate, finnCap has received irrevocable undertakings to vote or procure votes in favour of the finnCap Resolution in respect of 94,028,931 finnCap Shares, representing 51.92 per cent. of the issued share capital of finnCap as at the Latest Practicable Date.

Further details of these irrevocable undertakings (including details of the circumstances in which the irrevocable undertakings will cease to be binding) are set out in paragraph 6 of Part 6 (*Additional Information*).

## **5 Directors, management, employees, pensions, research and development and locations**

The following paragraphs are statements of intention as required to be included in this document by virtue of Rule 24.2 of the Takeover Code.

### ***Management, directors, employees and pensions***

The Combined Group will endeavour to harness the talent in both companies to optimise the benefits for clients and shareholders of the Combined Group. The Cenkos Board and the finnCap Board also recognise that the management and employees of the Combined Group are its most important assets and the success of the Combined Group in the future is attributable to their skills, knowledge and expertise, as it has been to the success of Cenkos and finnCap previously. The integration of the Cenkos and finnCap businesses will be led by key Cenkos and finnCap personnel.

The Combined Group will have a culture which is client-centric and values the relationships developed with clients by front office staff. The Boards of finnCap and Cenkos believe that employees within the equity capital markets and stockbroking functions have similar roles and can naturally be merged with limited post-integration change or disruption.

Cenkos and finnCap have had high level discussions regarding other opportunities arising from the Merger and identified, at a high level, areas of cost duplication and other inefficiencies for the Combined Group (as compared to the companies on a standalone basis). This will be explored further as part of a comprehensive review following the Effective Date. This review will consider, in particular but not limited to, the further integration of systems, operational and administrative areas of the Combined Group and, as part of this, to identify duplication or overlap in staff roles. This review will explore other efficiencies and financial benefits of the Merger, while being mindful to ensure that the Combined Group has the appropriate systems and controls in keeping with its greater scale, regulatory requirements and with best market practice. Cenkos and finnCap recognise in connection with this that the Combined Group's headcount would likely reduce over a twelve-month implementation period (and the number of affected individuals could potentially, depending on the outcome of this review, be material), some of which would take place via natural attrition, and that rationalisation is particularly likely within central and support functions across the Combined Group.

Pending this review, which will only commence after the Effective Date, it is not possible to detail the steps for and extent of any rationalisation, however it is an important strategic consideration for Cenkos and finnCap to retain and reward the best talent across the Combined Group from each business, without preference or bias. This rationalisation will be subject to any required consultation with employees and/or their representatives.

Other than as set out above, Cenkos and finnCap are not planning any material change in the balance of the skills and functions of the employees and management of the Combined Group taken as a whole.

The Cenkos Board and the finnCap Board have each confirmed that the existing statutory and contractual employment rights, including accrued pension rights of all Cenkos or finnCap employees, will be fully safeguarded upon and following completion of the Merger.

Cenkos operates a defined contribution pension scheme for its employees and contributes towards a number of personal pension plans set up by its employees pursuant to the scheme. finnCap's intention for the Combined Group is to maintain current employer contributions to existing pension arrangements. Any Cenkos employees who are not participants in such a scheme at the Effective Date will be entitled to join the finnCap pension plan after the Effective Date on the same basis as existing finnCap employees.

finnCap and Cenkos believe that the benefits of the Merger include the opportunity to establish new incentive and remuneration policies for existing and future employees of the Combined Group, based on existing practices, designed to reward revenue generation and financial performance as well as non-financial contributions to the success of the Combined Group. It is intended that a new employee incentive policy and plan will be adopted following the Effective Date.

The Combined Group will be led by the existing CEOs of Cenkos and finnCap as co-CEOs. Lisa Gordon will become Chair of the Combined Group Board which will comprise an equal number of finnCap Directors and Cenkos Directors. The remainder of the Combined Group Board will comprise Ben Procter (CFO), Richard Snow (COO), Robert Lister (*Senior Independent Non-Executive Director*) and an expected two further independent non-executive directors to be agreed, one of whom will be nominated by each of Cenkos and finnCap. Individual appointments to the Combined Group Board will be subject to the approval of the FCA.

An executive committee with day-to-day operational responsibility for the Combined Group (including during the implementation period taking particular responsibility for overseeing integration), reporting to the Combined Group Board, will be constituted, comprising the co-CEOs of the Combined Group, the CFO, the COO, Jeremy Osler and Geoff Nash. Separate management committees will be established following the Effective Date for each of the Combined Group's principal operating divisions.

### ***Incentivisation Arrangements***

Cenkos and finnCap have not entered into and have not discussed any form of incentivisation arrangements with members of Cenkos' management team. Following the Effective Date, the Combined Group may put in place incentive arrangements, including for certain members of the Cenkos management team and/or the continuing Cenkos Directors.

As set out above, it is intended that a new employee equity incentive plan will be adopted for the Combined Group following the Effective Date.

### ***Name, headquarters and locations***

The Cenkos Board and the finnCap Board are highly respectful of the value and heritage attaching to their respective names and brands amongst their clients, counterparties and employees. The Merger presents an opportunity for the Combined Group to establish its own identity and, following the Effective Date, it is intended that a working group will further consider a rebranding of the Combined Group. In the meantime, the Combined Group will be known as Cenkos finnCap Group plc, its equity capital markets business will be branded as Cenkos finnCap, and its M&A division as Cavendish.

The Combined Group will be headquartered at the current existing registered office of finnCap, being One Bartholomew Close, London EC1A 7BL, with all Cenkos' operations transferring to that address at an appropriate time following the Effective Date. No change is intended with regard to Cenkos' existing office in Edinburgh.

## ***Business, assets, research and development***

Neither Cenkos nor finnCap has any material research or development function nor do they intend to create such functions. It is intended that the fixed assets of Cenkos located at its headquarters in London will be transferred together with the combination of operations at finnCap's London office, as described above.

## ***Trading Facilities***

Cenkos Shares and finnCap Shares are both currently admitted to trading on AIM and, as explained in paragraph 13 of Part 2 (*Explanatory Statement*) of this document, Cenkos intends to make a request to the London Stock Exchange to cancel trading of the Cenkos Shares on AIM, with effect from and shortly following the Effective Date. Cenkos will be re-registered as a private company following the Effective Date.

## ***Statements***

None of the statements in this paragraph 5 is a "post-offer undertaking" for the purposes of Rule 19.5 of the Takeover Code.

## **6 Background to and reasons for the recommendation**

The Cenkos Board believes that in taking this proactive step to merge the two firms, it will create a Combined Group which will be a true market leader in advising growth and investment companies. The Combined Group will have the scale and diversity of operations to be a full-service advisory firm across equity, debt, and M&A serving the public and private capital markets. As standalone firms, the Cenkos Board believes it would be difficult for either Cenkos or finnCap to achieve this breadth and scale through organic growth alone. The Merger is made possible through the shared vision, mutual respect, cultural alignment and complementary nature of the two businesses, with very little overlap between clients or sector focus.

The Cenkos Board further believes that the enlarged business of the Combined Group, with over £50 million of proforma combined revenues, in excess of £20 million of combined cash on its balance sheet, and the potential cost benefits of economies of scale, provides the financial stability and business platform to drive future growth and deliver enhanced returns for its shareholders.

The terms of the Merger allow Cenkos Shareholders to participate fully in anticipated future value accretion and a potential rerating due to enhanced scale and business diversity.

As detailed in paragraph 5, Cenkos and finnCap will engage in a comprehensive review which will include, *inter alia*, the identification of duplication or overlap in staff roles. The Cenkos Board recognises that in connection with this the Combined Group's headcount would likely reduce over a twelve-month implementation period (and the number of affected individuals could potentially, depending on the outcome of this review, be material). In addition, the Cenkos Board recognises the benefit of the Combined Group being headquartered at finnCap's registered office, One Bartholomew Close, London EC1A 7BL, with no change being made to Cenkos' Edinburgh office. The Cenkos Board has given due consideration to the effect of the implementation of the Merger on employees and the location of its place of business in forming its opinion and recommendation.

## **7 Cenkos Share Plans**

The impact of the Scheme in relation to rights outstanding under the Cenkos Share Plans is summarised in paragraph 5 of Part 2 (*Explanatory Statement*) of this document. Participants in the Cenkos Share Plans will be contacted regarding the effect of the Merger on their rights under the Cenkos Share Plans and, where required, appropriate proposals will be made to such participants.

## **8 Cenkos trading update**

Cenkos reiterates the guidance and the outlook provided with its annual report on 10 March 2023.

## 9 **finnCap's current trading and prospects**

finnCap expects revenue in the second half of its financial year to 31 March 2023 to be broadly similar to the first half, and revenue for the financial year to be approximately £32 million.

ECM deal fees improved in the second half over the first half, with the team closing a number of fundraising transactions despite a backdrop of muted activity levels overall. Whilst M&A activity slowed in the second half, overall revenue and activity have been good.

In the second half, finnCap has also begun to see the benefit of its cost reduction programme such that finnCap believes its fixed operating expenditure in the next financial year to 31 March 2024 (on a standalone basis) would be approximately £28 million.<sup>(1)</sup> Non-recurring costs will be higher in the second half reflecting the costs of an employee restructuring and professional fees related to the lapsed bid by Panmure Gordon Group Limited.

Revenue trends in ECM improved in the second half and the ECM team has a pipeline of mandates under execution, but market conditions remain challenging.

finnCap is working on a number of M&A mandates whilst continuing to build a pipeline of M&A deals. Similarly to ECM, the frequency of completions and deal timetables have been impacted in the short term by the reduced availability and pricing of financing for private equity buyers.

## 10 **Dividends**

### **2022 Dividend**

Each Cenkos Shareholder will be entitled to receive and retain the 0.5 pence cash dividend for each Cenkos Share held on the 2022 Dividend Record Date (the "2022 Dividend") which was announced on 10 March 2023 and is to be paid in respect of the financial year ended 31 December 2022 to Cenkos Shareholders without any reduction in their entitlements under the Exchange Ratio pursuant to the Scheme. The 2022 Dividend is due to be paid on 22 June 2023 to those Cenkos Shareholders who are on Cenkos' register of members at close of business on 26 May 2023 (the "2022 Dividend Record Date").

### **Interim Dividend**

The Cenkos Board intends in due course to declare an interim dividend of 3 pence per Cenkos Share, which is intended to be formally declared after 30 June 2023 and paid before the Effective Date (the "Interim Dividend"). The timetable relating to the proposed Interim Dividend will be notified in due course. Holders of Cenkos Shares as at the record date for the Interim Dividend will be entitled to receive the Interim Dividend without any reduction in their entitlements under the Exchange Ratio pursuant to the Scheme. Further information regarding the Interim Dividend will be notified in due course. Cenkos Shareholders should be aware that Cenkos reserves the right to bring forward the declaration, vary or even cancel the Interim Dividend at any time prior to its payment.

### **Other Dividends**

finnCap does not currently expect to pay a final dividend when it announces results in respect of the financial year ended 31 March 2023.

If any dividend and/or other distribution and/or return of capital is announced, declared, made, payable or paid in respect of Cenkos Shares on or after the Rule 2.7 Announcement Date, other than the 2022 Dividend and the Interim Dividend, finnCap has reserved the right to make an equivalent reduction in the terms of the Merger, except where the Cenkos Shares are or will be acquired pursuant to the Scheme on a basis which entitles finnCap to receive the dividend, distribution or other return of capital and retain it or where it is cancelled. If finnCap exercises this right or makes such a reduction in respect of a dividend, other distribution or return of capital, Cenkos Shareholders will be entitled to receive and retain that dividend, other distribution or return of capital.

<sup>(1)</sup> *Fixed operating expense = total fixed employee costs and non-people operating expenses. It excludes any non-recurring items, third party introductory fees and staff bonuses.*

If either Cenkos or finnCap announces, declares, makes or pays any dividend or other distribution on or after the Rule 2.7 Announcement Date and prior to the Effective Date, other than the 2022 Dividend and the Interim Dividend, there will be no change to the Exchange Ratio. Each of Cenkos and finnCap reserves the right to pay an equalising dividend to their respective shareholders should any dividend other than the 2022 Dividend or the Interim Dividend be paid by the other party.

## **Dividend Policy**

Following completion of the Merger, the declaration and payment of dividends and the quantum thereof will be dependent upon the Combined Group's financial condition, future prospectus, cash requirements, levels of profits available for distribution, and any other factors regarded by the finnCap Board following completion of the Merger as relevant at that time. The Combined Group will focus on delivering attractive and consistent shareholder returns through the economic cycle.

### **11 finnCap Shareholder Approval**

In order to issue the New finnCap Shares to the Scheme Shareholders pursuant to the Scheme, finnCap will be required to seek the approval of the finnCap Resolution by the finnCap Shareholders to authorise the allotment of the New finnCap Shares at the finnCap General Meeting.

finnCap expects to send the finnCap Circular to finnCap Shareholders on or around the date of this document, summarising the background to, and reasons for, the Merger, and including a notice convening the finnCap General Meeting. The Merger is conditional on, amongst other things, the finnCap Resolution being passed by the requisite majority of finnCap Shareholders at the finnCap General Meeting.

The finnCap Directors intend unanimously to recommend that finnCap Shareholders vote in favour of the finnCap Resolution to be proposed at the finnCap General Meeting.

When published, a copy of the finnCap Circular will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on finnCap's website (at <https://announcements.finncap.com/merger>) and Cenkos' website (at [www.cenkos.com/investors](http://www.cenkos.com/investors)). When it has been published, Cenkos Shareholders may request a hard copy of the finnCap Circular by contacting Cenkos' registrars, whose contact details are set out at page 2 of this document.

### **12 UK taxation**

Your attention is drawn to paragraph 15 of Part 2 (*Explanatory Statement*) of this document headed "UK taxation". This document contains a general guide only to certain tax-related information. It does not constitute legal or tax advice and does not purport to be a complete analysis of all tax considerations relating to the Merger. If you are in any doubt about your own tax position, or you are subject to taxation in any jurisdiction other than the UK, you should consult an appropriately qualified independent professional adviser immediately.

### **13 Overseas Shareholders**

Overseas Shareholders should refer to paragraph 16 of Part 2 (*Explanatory Statement*) of this document.

### **14 Action to be taken by Cenkos Shareholders**

Details of the approvals being sought at the Court Meeting and the General Meeting and the action to be taken by Scheme Shareholders and Cenkos Shareholders in respect of the Merger are set out in paragraphs 7 and 17 of Part 2 (*Explanatory Statement*) and pages 9 to 11 of this document.

Details relating to the settlement of the Consideration are included in paragraph 14 of Part 2 (*Explanatory Statement*) of this document.

## 15 Further information

Your attention is drawn to the Explanatory Statement set out in Part 2 (*Explanatory Statement*) of this document, the full terms of the Scheme set out in Part 4 (*The Scheme of Arrangement*), the additional information set out in Part 6 (*Additional Information*) and the notices of the Meetings set out in Part 8 (*Notice of Court Meeting*) and Part 9 (*Notice of General Meeting*) of this document. **You should read the whole of this document and the accompanying Forms of Proxy and not rely solely on the information contained in this letter or the Explanatory Statement.**

A copy of this document (and all information incorporated into this document by reference to another source) and the Forms of Proxy are and will be available, subject to certain restrictions relating to Restricted Jurisdictions, for inspection on Cenkos' website at [www.cenkos.com/investors](http://www.cenkos.com/investors).

A copy of the finnCap Circular will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on finnCap's website (at <https://announcements.finncap.com/merger>) and Cenkos' website (at [www.cenkos.com/investors](http://www.cenkos.com/investors)).

## 16 Recommendation

**The Cenkos Directors, who have been so advised by SPARK Advisory Partners as to the financial terms of the Merger, consider the terms of the Merger to be fair and reasonable and in the best interests of the Cenkos Shareholders taken as a whole. Accordingly, the Cenkos Directors recommend unanimously that Cenkos Shareholders vote or procure votes to approve the Scheme at the Court Meeting and to vote or procure votes in favour of the Resolution to be proposed at the General Meeting, as they have irrevocably undertaken to do (or procure to be done) in respect of their own legal and beneficial holdings, being, in aggregate, 1,587,653 Cenkos Shares representing approximately 2.80 per cent. of the issued share capital of Cenkos as at the Latest Practicable Date.**

**In providing their advice to the Cenkos Directors, SPARK Advisory Partners has taken into account the commercial assessments of the Cenkos Directors. SPARK Advisory Partners is providing independent financial advice to the Cenkos Directors for the purposes of Rule 3 of the Takeover Code.**

Yours faithfully,

**Lisa Gordon**  
Chairman  
Cenkos Securities PLC

## PART 2 : EXPLANATORY STATEMENT

*(in compliance with section 897 of the Companies Act)*

SPARK Advisory Partners Limited  
5 St. John's Lane  
London  
EC1M 4BH

20 April 2023

*To Cenkos Shareholders and, for information only, persons with information rights and holders of awards under the Cenkos Share Plans*

Dear Shareholder,

### **RECOMMENDED ALL-SHARE MERGER BETWEEN CENKOS SECURITIES PLC AND FINNCAP GROUP PLC**

**to be effected by means of a scheme of arrangement under Part 26 of the Companies  
Act 2006**

#### **1 Introduction**

On 23 March 2023, the Cenkos Directors and the finnCap Directors announced that they had reached agreement on the terms and conditions of a recommended all-share merger between Cenkos and finnCap, to be effected by means of a scheme of arrangement under Part 26 of the Companies Act, pursuant to which finnCap would acquire the entire issued and to be issued share capital of Cenkos.

**Your attention is drawn to the letter from the Chairman of Cenkos set out in Part 1 (*Letter from the Chairman of Cenkos*) of this document, which forms part of this Explanatory Statement. That letter contains, among other things: (a) information on the background to and reasons for the Merger; and (b) the unanimous recommendation by the Cenkos Directors to Scheme Shareholders to vote in favour of the Scheme at the Court Meeting, and to Cenkos Shareholders to vote in favour of the Resolution at the General Meeting.**

The Cenkos Directors have been advised by SPARK Advisory Partners as to the financial terms of the Merger. SPARK Advisory Partners have been authorised by the Cenkos Directors to write to you to set out the terms of the Merger and to provide you with other relevant information.

This Explanatory Statement contains a summary of the provisions of the Scheme. The terms of the Scheme are set out in full in Part 4 (*The Scheme of Arrangement*) of this document. Your attention is also drawn to the other parts of this document, which are deemed to form part of this Explanatory Statement, including Part 1 (*Letter from the Chairman of Cenkos*), the Conditions and certain further terms set out in Part 3 (*Conditions to and Certain Further Terms of the Scheme and the Merger*), and the additional information set out in Part 6 (*Additional Information*) of this document.

Your attention is also drawn to the finnCap Circular, expected to be published on or around the date of this document, which will contain further information on finnCap and the New finnCap Shares to be issued in connection with the Merger. A copy of the finnCap Circular will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on finnCap's website (at <https://announcements.finncap.com/merger>) and Cenkos' website (at [www.cenkos.com/investors](http://www.cenkos.com/investors)).

Cenkos' Shareholders may request a hard copy of the finnCap Circular by contacting Cenkos' registrars, whose contact details are set out at page 2 of this document.

## 2 Summary of the terms of the Merger

The Merger will be implemented by way of a Court-sanctioned scheme of arrangement between Cenkos and the Scheme Shareholders under Part 26 of the Companies Act.

Under the terms of the Merger, which will be subject to the terms and Conditions set out in Part 3 (*Conditions to and Certain Further Terms of the Scheme and the Merger*) of this document, Scheme Shareholders at the Scheme Record Time will be entitled to receive:

### **3.19420647 New finnCap Shares in exchange for each Cenkos Share**

Based on this exchange ratio (the “Exchange Ratio”) and the Closing Price of 11.625 pence per finnCap Share on 22 March 2023 (being the last business day prior to the Rule 2.7 Announcement), the Merger values each Cenkos Share at 37.13 pence, comprising an equity value of Cenkos’ entire issued ordinary share capital as at the last business day prior to the Rule 2.7 Announcement of approximately £21.1 million and finnCap’s entire issued ordinary share capital as at the last business day prior to the Rule 2.7 Announcement of approximately £21.1 million.

Upon completion of the Merger, Scheme Shareholders will own approximately 50% of the Combined Group (based on the fully diluted ordinary share capital of each of Cenkos and finnCap as at the Latest Practicable Date).

The Merger is subject to the Conditions and certain further terms set out, respectively, in Part 3 (*Conditions to and Certain Further Terms of the Scheme and the Merger*) of this document, including the approval of the Scheme at the Court Meeting, the passing of the Resolution at the General Meeting (in each case by the requisite majority or majorities), the finnCap Shareholder Approval Condition, the AIM Admission Condition and, given the importance to each of Cenkos and finnCap of their ability to operate as Nominated Adviser to AIM companies, the requirement that each of Cenkos and finnCap maintain their status as Nominated Adviser pursuant to the AIM Rules for Nominated Advisers for the period ending on the Effective Date. Subject to the satisfaction or (where applicable) waiver of the Conditions and to the further terms set out in Part 3 (*Conditions to and Certain Further Terms of the Scheme and the Merger*) of this document, it is expected that the Scheme will become Effective during the third quarter of 2023.

## 3 Information on Cenkos

Cenkos acts as a Nominated Adviser, sponsor, broker and financial adviser to a range of companies and investment funds, at all stages of their growth and across all sectors. It concentrates on companies that seek admission of their shares to trading on AIM or the Main Market of the London Stock Exchange and companies that are already quoted on those markets. It seeks long-term relationships with its clients throughout the various stages of their development, its ethos being to focus on understanding its clients’ financing needs to deliver good outcomes for them.

With over 90 employees, Cenkos provides its range of services from offices in London and Edinburgh to 100 clients quoted on AIM, the Main Market of the London Stock Exchange or other exchanges. A particular strength of the firm is its ability to raise funds for clients and complete transactions, even in challenging markets. In calendar year 2022, Cenkos acted on the three largest AIM IPOs by new money raised and was involved in transactions raising approximately 15% of total monies raised on AIM during that period.

## 4 Information on finnCap

finnCap is a diversified financial advisory firm offering a full range of services across M&A advice, equity and debt capital raising and related services to corporate and institutional clients and high net worth investors including private equity and family offices. It has particular strength in the technology, life sciences, consumer and business services sectors. finnCap has global reach through its affiliation with the Oaklins partnership and access to a net zero and carbon economy consultancy through its partnership with Energise Limited.

finnCap acts as Nominated Adviser and/or broker for 118 retained clients. In the six months ended 30 September 2022, finnCap advised on a total of 33 transactions with an aggregate deal value of c.£740 million. In particular finnCap:



- raised c.£80 million equity through 10 public market placings (H1 22: 14 deals; c.£250 million raised);
- advised on 11 private M&A deals with aggregate value of c.£430 million (H1 22: 13 deals with aggregate value of c.£1 billion);
- advised on four public company M&A deals with an aggregate value of c.£75 million (H1 22: four deals with aggregate value of c.£500 million); and
- completed eight debt financing mandates raising c.£160 million (H1 22: six deals; c.£250 million raised).

For the year ended 31 March 2022, finnCap had total revenues of £52.5 million (FY21: £46.6 million) and profit before tax of £8.1 million (FY21: £8.4 million) and for the six months ended 30 September 2022 it had total revenue of £16.4 million (H1 22: £31.7 million) and recorded a loss before taxation of £2.6 million (H1 22: profit £6.3 million).

## 5 **Cenkos Share Plans**

Participants in the Cenkos Share Plans will be contacted regarding the effect of the Merger on their outstanding Awards under the Cenkos Share Plans and with details of the arrangements applicable to them. A summary of the effect of the Scheme on Awards under the Cenkos Share Plans is set out below. In the event of any conflict between the summary set out below and the rules of the relevant Cenkos Share Plan (as amended from time to time) and/or the communications to participants in the Cenkos Share Plans regarding the effect of the Scheme on their Awards under the Cenkos Share Plans and the details of the arrangements applicable to them, the rules of the relevant Cenkos Share Plan (as amended from time to time) or the terms of the separate communications (as the case may be) will prevail.

In priority and to the exclusion of the issue of any new Cenkos Shares, all outstanding Awards under the Cenkos Share Plans that vest and/or become exercisable between the date of the Scheme and the Effective Date shall be satisfied using existing Cenkos Shares held as unallocated shares in the Cenkos EBTs.

Subject to the above, the Scheme will apply to any Cenkos Shares which are unconditionally allotted, issued, or transferred to satisfy the vesting and/or exercise of Awards granted under the Cenkos Share Plans before the Scheme Record Time. It is proposed to amend the Cenkos Articles to ensure that any Cenkos Shares issued between the time at which the Resolution is passed and the Scheme Record Time will be subject to the Scheme. It is also proposed to amend the Cenkos Articles, subject to the Scheme becoming Effective, so that any Cenkos Shares issued to any person other than finnCap (or its nominee(s)) after the Scheme Record Time will be automatically acquired by finnCap (or its nominee(s)) on the same terms as under the Scheme. This will avoid such person being left with Cenkos Shares after dealings in such shares have ceased on the London Stock Exchange (which is currently expected to occur by no later than 8.00 am on the business day after the Effective Date).

### **Cenkos CSOP**

The exercise price of each subsisting option granted under the Cenkos CSOP (a “CSOP Option”) is in excess of the prevailing Cenkos Share price (including once the terms of the Merger are taken into account) and this is likely to remain the case until the Effective Date. Therefore, it is expected that none of the CSOP Options will be exercised prior to, or otherwise in connection with, the Merger.

Any unexercised CSOP Options will lapse on the earlier of the Effective Date and the six-month anniversary of the date of the Court Order.

### **Cenkos DBSS**

The Cenkos Board will, in accordance with the rules of the Cenkos DBSS, determine that all unvested Awards held under the Cenkos DBSS (the “DBSS Awards”) as at the date of the Court Order, shall not vest nor be released early as a consequence of the Merger. Instead, it has been agreed that Cenkos DBSS participants will, from the Effective Date receive a rollover award in

respect of finnCap Shares in accordance with the rules of the Cenkos DBSS. All material terms and conditions of the original DBSS Award, including the original vesting periods and leaver provisions, and the DBSS rules will continue to apply. The number of finnCap Shares subject to each rollover DBSS Award will be calculated by using the Exchange Ratio under the Merger, where for each Cenkos Share subject to the Award, the Cenkos DBSS participant shall receive an equivalent award over 3.19420647 finnCap Shares rounded down to the nearest whole share (the "Rollover DBSS Awards").

### **Cenkos LTIP**

The Cenkos Board will, in accordance with the rules of the Cenkos LTIP, determine that all unvested Awards held under the Cenkos LTIP as at the date of the Court Order (the "LTIP Awards"), shall not vest in light of performance against the performance conditions.

No LTIP Awards will be exercisable, therefore, as part of the Merger and will lapse 30 days after LTIP participants are notified that their LTIP Awards have not vested as part of the Merger.

### **Cenkos SIP**

As all Cenkos SIP award holders are the beneficial shareholders of the Cenkos Shares subject to their Awards, they will receive the same consideration for their Cenkos Shares as other Cenkos Shareholders.

### **Cenkos Sharesave**

Subsisting options granted under the Cenkos Sharesave which are in the money (i.e. where the market price of Cenkos Shares exceeds the strike price of such options) by reference to the closing share price of a Cenkos Share on the dealing day immediately prior to Court Sanction and which would not otherwise have been exercisable prior to the date of the Court Order (the "Sharesave Options") shall (in consequence of the Merger and in accordance with participants' contractual rights under the Cenkos Sharesave) be exercisable to the maximum extent possible immediately following the date of the Court Order and shall be exercisable over less than the full number of Cenkos Shares that could otherwise be acquired on maturity of the related savings contracts.

In accordance with the rules of the Cenkos Sharesave, Sharesave Options shall remain exercisable until the earlier of the Effective Date and the six-month anniversary of the date of the Court Order (or, if later, 12 months from the date of a Sharesave Option holders' death).

### **Cenkos Securities Short Term Incentive Plan**

Prior to completion of the Merger, the Remuneration Committee of Cenkos proposes to grant, on a basis which is materially consistent with past Cenkos policy and practice of granting discretionary bonus and equity incentive awards to employees, new awards under the Cenkos STIP over a total of up to 6,800,000 Cenkos Shares all of which are currently held as issued but unallocated Cenkos Shares in the Cenkos EBTs (the "New STIP Awards").

Any subsisting unvested Awards held under the Cenkos STIP (including New STIP Awards) that do not vest in full on, or prior to, the date of the Court Order shall be rolled over into equivalent awards over finnCap Shares. All material terms and conditions of the original STIP Award, including the original vesting periods and leaver provisions, and the STIP rules will continue to apply.

The number of finnCap Shares subject to each rollover STIP Award will be calculated by using the Exchange Ratio under the Merger, where for each Cenkos Share subject to the Award, the STIP participant shall receive an equivalent award over 3.19420647 finnCap Shares rounded down to the nearest whole share (the "Rollover STIP Awards").

SPARK Advisory Partners, in its capacity as independent financial adviser to the Cenkos Directors for the purposes of Rule 3 of the Takeover Code, considers the proposed New STIP Awards to be fair and reasonable and in the best interests of the Cenkos Shareholders taken as a whole.

## **Cenkos EBTs**

The trustee of each of the Cenkos EBTs (as applicable), has agreed to use all the existing, unallocated, Cenkos Shares that it holds from time to time to settle the vesting and/or exercise of Awards granted under the Cenkos Share Plans, up to and including the Effective Date. Thereafter, the trustee of each of the Cenkos EBTs (as applicable), has agreed to use the finnCap Shares it acquires as consideration under the Scheme to satisfy the vesting and/or exercise of Awards granted under the Cenkos Share Plans following the Effective Date, including the Rollover DBSS Awards and the Rollover STIP Awards (to the extent required).

## **6 Cenkos Directors and the effects of the Scheme on their interests**

The names of the Cenkos Directors and details of their interests in the share capital of Cenkos, and awards in respect of such share capital, are set out in paragraphs 2 and 5 of Part 6 (*Additional Information*) of this document. As with other Scheme Shareholders, Scheme Shares held by the Cenkos Directors will be subject to the Scheme and, in common with the other participants in the Cenkos Share Plans, the Cenkos Directors will receive shares under Awards, to the extent such Awards vest and/or are exercised prior to the Scheme Record Time.

Particulars of the service contracts (including termination provisions) and letters of appointment of the Cenkos Directors are set out in paragraph 8 of Part 6 (*Additional Information*) of this document.

The Cenkos Directors who hold, or are otherwise beneficially interested in, Cenkos Shares, have irrevocably undertaken to vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting (or, in the event that the Merger is implemented by a Takeover Offer, to accept or procure acceptance of such Takeover Offer) in respect of their own beneficial holdings of, in aggregate, 1,587,653 Cenkos Shares representing approximately 2.80 per cent. of Cenkos' issued share capital, on the Latest Practicable Date. The undertakings from the Cenkos Directors will remain binding in the event that a higher competing offer for Cenkos is made.

Further details of these irrevocable undertakings are set out in paragraph 6 of Part 6 (*Additional Information*) of this document.

Save as set out above in respect of the vesting of awards held by Cenkos Directors, the effect of the Scheme on the interests of the Cenkos Directors does not differ from the effect of the Scheme on the like interests of other Cenkos Shareholders.

## **7 Description of the Scheme and the Meetings**

### **The Scheme**

The Merger is to be implemented by means of a Court-sanctioned scheme of arrangement between Cenkos and the Scheme Shareholders who are on the register of members at the Scheme Record Time, under Part 26 of the Companies Act. The procedure requires approval by Scheme Shareholders at the Court Meeting and approval of the Resolution at the General Meeting, and sanction of the Scheme by the Court. The Scheme is set out in full in Part 4 (*The Scheme of Arrangement*) of this document.

The purpose of the Scheme is to provide for finnCap to become the holder of the entire issued and to be issued share capital of Cenkos. This is to be achieved by transferring the Scheme Shares held by Scheme Shareholders to finnCap, in consideration for which finnCap will allot and issue the New finnCap Shares to the Scheme Shareholders on the basis set out in this Part 2 (*Explanatory Statement*).

### **The Meetings**

Before the Court's sanction can be sought for the Scheme, the Scheme requires approval by the passing of a resolution at the Court Meeting. The resolution must be approved by a majority in number of the Scheme Shareholders present and voting, either in person or by proxy, representing not less than 75% in value of the Scheme Shares voted by such Scheme Shareholders. In addition, the Resolution must be passed at the General Meeting to authorise the Cenkos Directors to implement the Scheme and deal with certain ancillary matters (which requires the approval of

Cenkos Shareholders present and voting representing at least 75% of the votes cast at the General Meeting (either in person or by proxy)). The General Meeting will be held immediately after the Court Meeting. Notices of the Court Meeting and the General Meeting are set out in Part 8 (*Notice of Court Meeting*) and Part 9 (*Notice of General Meeting*) of this document respectively.

Save as set out below, entitlement to attend and vote at these meetings and the number of votes which may be cast thereat will be determined by reference to the register of members of Cenkos at the Voting Record Time.

Any Cenkos Shares which finnCap or any subsidiary of finnCap (or their respective nominees) owns or may acquire before the Court Meeting are not Scheme Shares and therefore none of finnCap or any of its subsidiaries (or their respective nominees) is entitled to vote at the Court Meeting in respect of the Cenkos Shares held or acquired by it. finnCap will undertake to be bound by the Scheme.

The Court Meeting and the General Meeting will be held on 17 May 2023.

Information about the procedures for appointing proxies and giving voting instructions in relation to the meetings is set out in paragraph 17 of this Part 2 (*Explanatory Statement*) and on pages 9 to 11 of this document.

If the Scheme is withdrawn or lapses, any documents of title and any other documents lodged with any Form of Proxy will be returned to the relevant Scheme Shareholder or Cenkos Shareholder (as applicable) as soon as practicable and in any event within 14 days of such lapse or withdrawal.

No revision will be made to the Scheme less than 14 days prior to the date of the Meetings or following the Meetings without the consent of the Panel.

### **The Court Meeting**

The Court Meeting has been convened with the permission of the Court for 11.00 am on 17 May 2023 for Scheme Shareholders who are registered as members of Cenkos at the Voting Record Time to consider and, if thought fit, approve the Scheme.

At the Court Meeting, voting will be by poll and each Scheme Shareholder present in person or by proxy will be entitled to one vote for each Scheme Share held as at the Voting Record Time. The approval required at the Court Meeting is a majority in number of those Scheme Shareholders present and voting in person or by proxy, representing not less than 75% in value of the Scheme Shares voted by such Scheme Shareholders.

**It is important that, for the Court Meeting in particular, as many votes as possible are cast, so that the Court may be satisfied that there is a fair representation of opinion of the Scheme Shareholders. You are therefore strongly urged to sign and return your Forms of Proxy or to appoint a proxy through CREST, via the Proximity platform or the Signal Shares shareholder portal for both the Court Meeting and the General Meeting as soon as possible. Doing so will not prevent you from attending and/or voting at the Meetings or any adjournment of either Meeting if you so wish and are so entitled.**

The result of the vote at the Court Meeting will be announced by Cenkos via a Regulatory Information Service as soon as practicable after the Court Meeting.

You will find the notice of the Court Meeting in Part 8 (*Notice of Court Meeting*) of this document.

### **The General Meeting**

The General Meeting has been convened for 11.15 am on 17 May 2023, or as soon after that time as the Court Meeting has concluded or been adjourned, for Cenkos Shareholders to consider and, if thought fit, pass the Resolution.

The Resolution is proposed to approve:

- (A) giving the Cenkos Board the authority to take all necessary action to carry the Scheme into effect; and
- (B) amendments to the Cenkos Articles as described below.

At the General Meeting, voting on the Resolution will be by poll and each Cenkos Shareholder present in person or by proxy and entitled to vote will have one vote for every Cenkos Share of which they are the holder. The approval required for the Resolution to be passed is at least 75% of the votes cast (in person or by proxy).

The result of the vote at the General Meeting will be announced by Cenkos via a Regulatory Information Service as soon as practicable after the General Meeting.

You will find the notice of the General Meeting in Part 9 (*Notice of General Meeting*) of this document.

### **The Scheme Sanction Hearing**

Under the Companies Act, the Scheme requires the sanction of the Court. The Scheme Sanction Hearing is expected to take place at The Royal Courts of Justice, The Rolls Building, Fetter Lane, London EC4A 1NL but may take place remotely. Cenkos will give adequate notice of the location, date and time of the Scheme Sanction Hearing, once known, by issuing an announcement through a Regulatory Information Service.

Scheme Shareholders are entitled to attend and be heard at the Scheme Sanction Hearing to support or oppose the sanction of the Scheme, should they wish to do so, remotely or in person (as applicable) or represented by counsel.

Cenkos will make an announcement via a Regulatory Information Service stating the decision of the Court as soon as practicable after the Scheme Sanction Hearing. Following sanction of the Scheme by the Court, the Scheme will become Effective in accordance with its terms upon a copy of the Court Order being delivered to the Registrar of Companies. This is presently expected to occur two business days after the date of the Scheme Sanction Hearing, subject to the satisfaction (or, where applicable, waiver) of the Conditions.

Cenkos will make an announcement via a Regulatory Information Service stating that the Scheme has become Effective as soon as practicable on or after the Effective Date. **Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted in favour of, or against, or abstained from voting on, the Scheme at the Court Meeting or the Resolution at the General Meeting.**

### **Amendment of the Cenkos Articles**

Currently, Cenkos Shares issued between the Voting Record Time and the Scheme Record time or after the Scheme Record Time will not be subject to the Scheme. It is proposed, as part of the Resolution, to amend the Cenkos Articles to ensure that any Cenkos Shares issued between the time at which the Resolution is passed and the Scheme Record Time will be subject to the Scheme. It is also proposed to amend the Cenkos Articles, subject to the Scheme becoming Effective, so that any Cenkos Shares issued to any person other than finnCap (or its nominee(s)) after the Scheme Record Time will be automatically acquired by finnCap (or its nominee(s)) on the same terms as under the Scheme. This will avoid any person (other than finnCap or its nominee(s)) being left with Cenkos Shares after dealings in such shares have ceased on the London Stock Exchange (which is currently expected to occur by no later than 8.00 am on the business day after the Effective Date). The Resolution in Part 9 (*Notice of General Meeting*) of this document seeks the approval for such amendment at the General Meeting.

### **Entitlement to vote at the Meetings**

Each Cenkos Shareholder who is entered in Cenkos' register of members at the Voting Record Time (expected to be 6.30 pm on 15 May 2023) will be entitled to attend and/or vote on all resolutions to be proposed at the Court Meeting. If the Court Meeting is adjourned, only those Cenkos Shareholders on the register of members at 6.30 pm on the day which is two days (excluding any part of a day that is not a business day) before the adjourned meeting will be entitled to attend and/or vote. Each eligible Cenkos Shareholder is entitled to appoint a proxy or proxies to attend the Court Meeting and, on a poll, to vote instead of them. A proxy need not be a Cenkos Shareholder.

Each eligible Cenkos Shareholder who is entered in Cenkos' register of members at the Voting Record Time (expected to be 6.30 pm on 15 May 2023) will be entitled to attend and/or vote on all resolutions to be proposed at the General Meeting. If the General Meeting is adjourned, only those Cenkos Shareholders on the register of members at 6.30 pm on the day which is two days (excluding any part of a day that is not a business day) before the adjourned meeting will be entitled to attend and/or vote. Each eligible Cenkos Shareholder is entitled to appoint a proxy or proxies to attend the General Meeting and, on a poll, to vote instead of them. A proxy need not be a Cenkos Shareholder.

The completion and return of a Form of Proxy or the appointment of a proxy or proxies electronically shall not prevent an eligible Cenkos Shareholder from attending and/or voting at either meeting or any adjournment of a meeting if such Cenkos Shareholder wishes and is entitled to do so.

If you are in any doubt as to whether or not you are permitted to vote at the Meetings, please call the Link shareholder helpline on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Link cannot provide any financial, legal or tax advice or advice on the merits of the Merger and calls may be recorded and monitored for security and training purposes. Further information on the actions to be taken is set out in paragraph 17 of this Part 2 (*Explanatory Statement*) and on pages 9 to 11 of this document.

### **Modifications to the Scheme**

The Scheme contains a provision for Cenkos and finnCap jointly to consent (on behalf of all persons concerned) to any modification of, or addition to, the Scheme or to any condition which the Court may approve or impose. The Court would be unlikely to approve or impose any modification of, or addition or condition to, the Scheme which might be adverse to the interests of Scheme Shareholders unless Scheme Shareholders were informed of any such modification, addition or condition. It would be for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in those circumstances. No amendments may be made to the Scheme once it has taken effect.

### **Implementation by way of a Takeover Offer**

Subject to obtaining the Panel's consent and the terms of the Co-operation Agreement, the right is reserved to elect to implement the Merger by way of a Takeover Offer as an alternative to the Scheme. In such event, the Takeover Offer will be implemented on substantially the same terms and conditions, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments including (without limitation) to reflect the change in method of implementing the Merger and the inclusion of an acceptance condition set at 75% (or such other percentage as finnCap may, subject to the rules of the Takeover Code and the terms of the Co-operation Agreement and with the consent of the Panel, decide) of the Cenkos Shares to which the Takeover Offer relates and those required by, or deemed appropriate by, finnCap under applicable law, so far as applicable. Further, if sufficient acceptances of such Takeover Offer are received and/or sufficient Cenkos Shares are otherwise acquired, it is the intention of finnCap to apply the provisions of the Companies Act to acquire compulsorily any outstanding Cenkos Shares to which such Takeover Offer relates.

## **8 Conditions to the Scheme and the Merger**

The Merger and, accordingly, the Scheme are subject to a number of conditions set out in full in Part 3 (*Conditions to and Certain Further Terms of the Scheme and the Merger*) of this document. In summary, the Merger is conditional upon, among other things:

- the approval by the FCA of the change of control in Cenkos in accordance with section 189 of FSMA;

- given the importance to each of Cenkos and finnCap of their ability to operate as Nominated Adviser to AIM companies, Cenkos and finnCap maintaining their status as Nominated Adviser pursuant to the AIM Rules for Nominated Advisers for the period ending on the Effective Date;
- the CMA Condition having been satisfied;
- the finnCap Shareholder Approval Condition and AIM Admission Condition having been satisfied;
- the Scheme being approved by a majority in number of the Scheme Shareholders who are on the register of members of Cenkos at the Voting Record Time and who are present and voting, whether in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court (or any adjournment thereof) and who represent 75% or more in value of the Scheme Shares voted by those Scheme Shareholders; and (ii) such Court Meeting being held on or before the 22<sup>nd</sup> day after the expected date of the Court Meeting) (or such later date as may be agreed between finnCap and Cenkos);
- the Resolution being duly passed at the General Meeting (or any adjournment thereof); and (ii) the General Meeting being held on or before the 22<sup>nd</sup> day after the expected date of the General Meeting) (or such later date as may be agreed between finnCap and Cenkos);
- the sanction of the Scheme by the Court (with or without modification (but subject to such modification being acceptable to finnCap and Cenkos)) and the delivery of a copy of the Court Order to the Registrar of Companies; and the Scheme Sanction Hearing being held on or before the 22<sup>nd</sup> day after the expected date of the Scheme Sanction Hearing once announced in accordance with this document (or such later date as may be agreed between Cenkos and finnCap (and that the Court may allow)); and
- the Scheme becoming Effective by 11.59 pm on the Long Stop Date (or such later date as may be agreed between finnCap and Cenkos and the Panel (and that the Court may allow)).

## **9 The finnCap Circular and finnCap Shareholder approval**

In order to issue the New finnCap Shares to the Scheme Shareholders pursuant to the Scheme, finnCap will be required to seek the approval of the finnCap Resolution by the finnCap Shareholders to authorise the allotment of the New finnCap Shares at the finnCap General Meeting.

finnCap expects to send the finnCap Circular to finnCap Shareholders on or around the date of this document, setting out the background to, and reasons for, the Merger, and this will also include a notice convening the finnCap General Meeting. The Merger is conditional on, amongst other things, the finnCap Resolution being passed by the requisite majority of finnCap Shareholders at the finnCap General Meeting.

The finnCap Directors intend unanimously to recommend that finnCap Shareholders vote in favour of the finnCap Resolution to be proposed at the finnCap General Meeting as the finnCap Directors who hold finnCap Shares have irrevocably undertaken to do in respect of their entire beneficial holdings, amounting in aggregate to 10,168,726 finnCap Shares representing approximately 5.62% of the issued share capital of finnCap, as at the Latest Practicable Date.

When published, a copy of the finnCap Circular will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on finnCap's website (at <https://announcements.finncap.com/merger>) and Cenkos' website (at [www.cenkos.com/investors](http://www.cenkos.com/investors)). When it has been published, Cenkos Shareholders may request a hard copy of the finnCap Circular by contacting Cenkos' registrars, whose contact details are set out on page 2 of this document.

## **10 New finnCap Shares**

The New finnCap Shares to be issued to Scheme Shareholders pursuant to the Scheme will be issued credited as fully paid and will rank *pari passu* in all respects with the finnCap Shares in issue at the time the New finnCap Shares are issued pursuant to the Scheme, including the right to receive all dividends and other distributions declared, made or paid on finnCap Shares by reference to a record date falling on or after the Effective Date (but will not, for the avoidance of doubt, carry the right to receive any dividends and other distributions for which the record date is before the

Effective Date). Further details of the rights attaching to the New finnCap Shares are set out in paragraph 7 of Part 6 of this document.

Fractions of New finnCap Shares will not be issued to Scheme Shareholders and entitlements will be rounded down to the nearest whole number of New finnCap Shares so that all fractions of New finnCap Shares will be disregarded.

The New finnCap Shares will be issued in registered form and will be capable of being held in both certificated form and uncertificated form.

The price at which finnCap Shares are publicly traded on AIM is subject to fluctuation and may be influenced by a large number of factors. These factors could be specific to finnCap and its operations or may affect the corporate advisory and/or broking sectors or listed companies generally. The price at which New finnCap Shares are publicly traded on AIM as at the Effective Date and the price which Scheme Shareholders may subsequently realise for their New finnCap Shares cannot be guaranteed.

## **11 Offer-related arrangements**

### ***Confidentiality Agreement***

On 27 January 2023, Cenkos and finnCap entered into a mutual confidentiality agreement in relation to the Merger (the "Confidentiality Agreement"), pursuant to which, amongst other things, each of Cenkos and finnCap gave certain undertakings to keep, and to procure that certain of their respective representatives keep, confidential information relating to the other party and/or to the Merger confidential, to use such information solely for the agreed purpose in relation to the Merger and not to disclose it to third parties (subject to certain exceptions). These confidentiality obligations will remain in force until 27 January 2025.

The Confidentiality Agreement also contains undertakings from each of Cenkos and finnCap that, for a period of 12 months from the date of the Confidentiality Agreement, they shall not, without the prior written consent of the counterparty, approach certain employees or officers of the counterparty nor employ or otherwise engage certain employees or visit or inspect any of the counterparty's premises.

Each of Cenkos and finnCap has also agreed to customary standstill arrangements pursuant to which they agree not to, without the prior written consent of the counterparty, for a period of 12 months from the date of the Confidentiality Agreement acquire Cenkos Shares or any interest in Cenkos Shares (in the case of finnCap) or finnCap Shares or any interest in finnCap Shares (in the case of Cenkos). These restrictions fell away on the Rule 2.7 Announcement Date.

### ***Co-operation Agreement***

On 23 March 2023, finnCap and Cenkos entered into a co-operation agreement in relation to the Merger (the "Co-operation Agreement"), pursuant to which, amongst other things: (i) Cenkos and finnCap have agreed to co-operate to ensure the satisfaction of certain regulatory conditions, and finnCap has entered into certain commitments in relation to obtaining regulatory clearances; (ii) finnCap has agreed to provide Cenkos with certain information for the purposes of the Scheme Document and to otherwise assist with the preparation of the Scheme Document; (iii) finnCap has agreed to certain provisions if the Scheme should switch to a Takeover Offer; and (iv) each of Cenkos and finnCap has agreed to take certain actions to implement certain proposals in relation to the Cenkos Share Plans.

The Co-operation Agreement will terminate if: (i) the parties agree in writing prior to the Effective Date that it shall be terminated; or (ii) amongst other things: (a) the Merger is withdrawn or lapses; (b) (at finnCap's election) prior to the Long Stop Date any Condition becomes incapable of satisfaction; (c) (at finnCap's election) the Cenkos Directors withdraw their recommendation of the Merger; (d) (at finnCap's election) the Cenkos Directors recommend or intend to recommend a competing proposal; (e) (at either party's election) a competing proposal completes, becomes effective or is declared unconditional; or (f) the Scheme does not become Effective in accordance with its terms by the Long Stop Date.



## 12 **Disclosure of interests in Cenkos Shares**

As at the Latest Practicable Date, save for the irrevocable undertakings referred to in paragraph 4 of Part 1 (*Letter from the Chairman of Cenkos*) of this document, neither finnCap, nor any of its directors, nor, so far as finnCap is aware, any person acting in concert (within the meaning of the Takeover Code) with any of them for the purposes of the Merger had:

- any interest in or right to subscribe for any relevant securities of Cenkos;
- any short positions in respect of relevant securities of Cenkos (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery;
- borrowed or lent any relevant securities of Cenkos (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Takeover Code), save for any borrowed relevant securities of Cenkos which had been either on-lent or sold; or
- entered into any dealing arrangement of the kind referred to in Note 11 on the definition of acting in concert in the Takeover Code.

“Interests in securities” for these purposes and within the meaning of the Takeover Code arise, in summary, when a person has long economic exposure, whether absolute or conditional, to changes in the price of securities (and a person who only has a short position in securities is not treated as interested in those securities). Notwithstanding the above, a person will be treated as having an “interest” by virtue of the ownership, voting rights or control of securities, or by virtue of any agreement to purchase, option in respect of, or derivative referenced to, securities.

## 13 **Admission to trading of New finnCap Shares, cancellation of trading of Cenkos Shares and re-registration**

### **Admission to trading of New finnCap Shares**

Application will be made to the London Stock Exchange for the New finnCap Shares to be admitted to trading on AIM. It is expected that admission of the New finnCap Shares to trading on AIM will become effective, and that dealings for normal settlement in the New finnCap Shares will commence, at 8.00 am on the business day immediately following the Effective Date.

No application has been made or is currently intended to be made by finnCap for the New finnCap Shares to be admitted to listing or trading on any other exchange.

### **Cancellation of trading of Cenkos Shares and re-registration**

Prior to the Scheme becoming Effective, an application will be made to the London Stock Exchange for the cancellation of admission to trading of the Cenkos Shares on AIM, to take effect shortly after the Effective Date once the Scheme Shares have been transferred to finnCap. The last day of dealings in Cenkos Shares on the AIM is expected to be the date of the business day immediately after the Scheme Sanction Hearing. No transfers of Cenkos Shares will be registered after 6.00 pm on that date, other than the registration of the transfer of Cenkos Shares to finnCap pursuant to the Scheme or the Cenkos Articles, as proposed to be amended by the Resolution at the General Meeting.

From the Scheme Effective Time, share certificates in respect of Scheme Shares will cease to be valid. Such share certificates should be destroyed or, at the request of Cenkos, delivered up to Cenkos, or to any person appointed by Cenkos to receive the same. In addition, as from the Scheme Record Time, each holding of Cenkos Shares credited to any stock account in CREST will be disabled and all entitlements to Cenkos Shares held within the CREST system will be cancelled promptly thereafter.

It is also proposed that, as soon as practicable following the Effective Date and after the cancellation of the admission to trading of the Cenkos Shares, Cenkos will be re-registered as a private limited company pursuant to section 97 of the Companies Act.

## 14 **Settlement**

Subject to the Scheme becoming Effective, settlement of the Consideration to which any Scheme Shareholder is entitled under the Scheme will be effected in the following manner:

### **Cenkos Shares in uncertificated form (that is, in CREST)**

Where, at the Scheme Record Time, a Scheme Shareholder holds Cenkos Shares in uncertificated form, settlement of entitlements to New finnCap Shares due pursuant to the Scheme will be effected through CREST. finnCap will procure that Euroclear is instructed to credit the appropriate stock account in CREST of the relevant Scheme Shareholder with such relevant Scheme Shareholder's entitlement to New finnCap Shares by no later than 14 days after the Effective Date.

As from the Scheme Record Time, each holding of Cenkos Shares credited to any stock account in CREST will be disabled and all Cenkos Shares will be removed from CREST in due course.

As at the close of trading on the last day of dealings in Cenkos Shares prior to the Effective Date, there may be unsettled, open trades for the sale and purchase of Cenkos Shares within CREST. The Cenkos Shares that are the subject of such unsettled trades will be treated under the Scheme in the same way as any other Cenkos Share registered in the name of the relevant seller under that trade. Consequently, those Cenkos Shares will be transferred under the Scheme and the seller will receive the appropriate consideration in accordance with the terms of the Scheme.

finnCap reserves the right to issue New finnCap Shares to any Scheme Shareholder who holds Cenkos Shares in uncertificated form in the manner referred to below if, for any reason, it is not able to effect settlement in the manner described above.

### **Cenkos Shares in certificated form**

Where, at the Scheme Record Time, a holder of Scheme Shares holds such shares in certificated form, settlement of entitlements to New finnCap Shares due pursuant to the Scheme will be effected by issuing New finnCap Shares in certificated form to such Cenkos Shareholders. Certificates for the New finnCap Shares shall be despatched:

- (A) by first class post (or international standard post, if overseas), to the address appearing on Cenkos' register of members at the Scheme Record Time (or, in the case of joint holders, to the address of that joint holder whose name stands first in the said register in respect of such joint holding); or
- (B) by such other methods as may be approved by the Panel.

Share certificates will be despatched no later than 14 days after the Effective Date to the person entitled to them at the address as appearing in the register of members of Cenkos at the Scheme Record Time (or in the case of any joint holders, at the address of the joint holder whose name stands first in the register of members of Cenkos in respect of such joint holding at the Scheme Record Time). None of Cenkos, finnCap, Link or any of their respective nominees or agents shall be responsible for any loss or delay in the transmission of share certificates sent in this way, and such share certificates shall be sent at the risk of the person entitled to them.

From the Scheme Effective Time, each certificate representing a holding of Scheme Shares will cease to be a valid document of title and should be destroyed or, at the request of Cenkos, delivered up to Cenkos, or to any person appointed by Cenkos to receive the same.

### **General**

All documents sent to, by or on behalf of Cenkos Shareholders will be sent at their own risk.

Except with the consent of the Panel, settlement of the consideration to which any Cenkos Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme free of any lien, right of set-off, counterclaim or other analogous right to which finnCap might otherwise be, or claim to be, entitled against such Cenkos Shareholder.

Fractions of New finnCap Shares will not be issued to Scheme Shareholders and entitlements will be rounded down to the nearest whole number of New finnCap Shares so that all fractions of New finnCap Shares will be disregarded.

## 15 UK taxation

The comments set out below summarise certain limited aspects of the UK taxation treatment of Cenkos Shareholders under the Scheme and do not purport to be a complete analysis of all tax considerations relating to the Scheme. They are based on current UK legislation and what is understood to be the current practice of HMRC (which may not be binding on HMRC), both of which are subject to change at any time, possibly with retrospective effect. They do not constitute legal or tax advice.

The comments are intended as a general guide and do not deal with certain categories of Cenkos Shareholder such as (but not limited to) charities, financial institutions, pension schemes, trustees, dealers in securities, brokers, persons who have or could be treated for tax purposes as having acquired their Cenkos Shares by reason of their employment or as holding Cenkos Shares as carried interest, collective investment schemes, persons who hold their investments in any HMRC-approved arrangements or schemes, persons connected to Cenkos or finnCap, persons subject to UK tax on the remittance basis and insurance companies. The comments relate to the Consideration only and do not relate to the treatment for tax purposes of any dividend payable to Cenkos Shareholders. The comments do not address any possible tax consequence relating to an investment in New finnCap Shares.

References below to “UK Holders” are to Cenkos Shareholders who are solely resident for tax purposes in the UK (and, in the case of individuals, domiciled or deemed domiciled in the UK and to whom “split year” treatment does not apply), who hold their Cenkos Shares as an investment (other than (a) under a personal equity plan, self-invested personal pension plan or individual savings account (ISA), or (b) in the case of a company that holds more than 10% of the ordinary share capital of Cenkos) and who are the absolute beneficial owners of their Cenkos Shares.

Cenkos Shareholders in the US also should be aware that the transaction contemplated herein may have tax consequences in the US and that such consequences, if any, are not described herein. Cenkos Shareholders in the US are urged to consult with independent professional advisers regarding the legal, tax and financial consequences of the Merger applicable to them. Similar considerations may also apply to Cenkos Shareholders in other jurisdictions.

**IF YOU ARE IN ANY DOUBT ABOUT YOUR TAX POSITION, AND IN PARTICULAR IF YOU ARE SUBJECT TO TAXATION IN ANY JURISDICTION OTHER THAN THE UK, YOU SHOULD CONSULT AN APPROPRIATELY QUALIFIED INDEPENDENT PROFESSIONAL ADVISER IMMEDIATELY.**

### 15.1 **UK taxation of chargeable gains**

The exchange of Cenkos Shares for New finnCap Shares by UK Holders should, subject to the following paragraphs, be treated as a reorganisation for the purposes of the UK taxation of chargeable gains (“UK CGT”). This means that UK Holders should not be treated as disposing of their Cenkos Shares for UK CGT purposes and, instead, the New finnCap Shares issued to them should be treated as the same asset, and as having been acquired at the same time and for the same consideration, as their Cenkos Shares. The New finnCap Shares should therefore have the same base cost for UK CGT purposes as the Cenkos Shares they replace.

Any UK Holder who alone, or together with persons connected with them, holds more than 5% of Cenkos Shares (or of any class of shares or debentures in Cenkos) will be eligible for the above treatment only if the exchange is effected for *bona fide* commercial reasons and does not form part of a scheme or arrangements of which the main purpose, or one of the main purposes, is the avoidance of a liability to UK CGT (the “no-avoidance conditions”). UK Holders are advised that no clearance has been or will be sought under section 138 of the Taxation of Chargeable Gains Act 1992 to confirm that HMRC agree that the no-avoidance conditions are satisfied.

Any Cenkos Shareholder that is a company subject to corporation tax in respect of its holding of Cenkos Shares and holds more than 10% of the ordinary share capital of Cenkos will, if certain conditions are satisfied, be required to apply the “substantial shareholdings exemption” to its disposal of Cenkos Shares, in which case the reorganisation treatment described above will not apply to it. The substantial shareholdings exemption applies automatically and in priority to the reorganisation rules, without the need to make a claim, nor is it possible to opt out of the substantial shareholdings exemption where the conditions are satisfied. Any such shareholder is recommended to seek professional advice.

## 15.2 **UK stamp duty and stamp duty reserve tax (“SDRT”)**

No UK stamp duty or SDRT should be payable by Scheme Shareholders as a result of the transfer of Cenkos Shares held by them under the Scheme. No UK stamp duty or SDRT will be payable in respect of the issue of New finnCap Shares to Scheme Shareholders.

## 16 **Overseas Shareholders**

The availability of the Scheme and the Merger to Overseas Shareholders may be affected by the laws of the relevant jurisdictions in which: (a) they are located, (b) are resident for tax purposes, (c) are incorporated, (d) are domiciled and/or, (e) hold citizenship. Overseas Shareholders should inform themselves about and should observe any applicable legal, tax, or regulatory requirements. It is the responsibility of all Overseas Shareholders to satisfy themselves as to the full compliance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction. Cenkos Shareholders who are in any doubt regarding such matters should consult an appropriate independent financial adviser in their relevant jurisdiction without delay.

If finnCap reasonably believes or is advised that a Scheme Shareholder is a Restricted Overseas Shareholder, finnCap may at its discretion determine that either: (i) such Restricted Overseas Shareholder shall not have allotted and issued to them New finnCap Shares and that the New finnCap Shares which would otherwise have been attributable to such Restricted Overseas Shareholder under the terms of the Merger shall instead be allotted, issued and delivered to a person appointed by finnCap for such Scheme Shareholder on terms that such person shall as soon as practicable following their allotment and issue, sell the New finnCap Shares so allotted and issued in the market and the cash proceeds of such sale (after deduction of all expenses and commissions incurred in connection with the sale) shall be forwarded to such Restricted Overseas Shareholder as soon practicable following such sale; or (ii) the New finnCap Shares shall not be allotted and issued to such Restricted Overseas Shareholder but instead a cash amount equal to the value of the New finnCap Shares that would otherwise have been allotted and issued to the Restricted Overseas Shareholder shall be paid to them as soon as practicable.

The release, publication or distribution of this document and/or any accompanying documents in or into or from jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are not resident in the UK to vote their Cenkos Shares with respect to the Scheme at the Court Meeting or the General Meeting, or to appoint another person as proxy may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Merger disclaim any responsibility or liability for the violation of such restrictions by any person. This document and any accompanying documents have been prepared for the purposes of complying with English law and the Takeover Code, and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside of England and Wales.

Unless otherwise determined by finnCap or required by the Takeover Code, and permitted by applicable law and regulation, no person may vote in favour of the Merger by any use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would

constitute a violation of the laws of that jurisdiction. Accordingly, copies of this document and all documents relating to the Merger are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction, and persons receiving this document and all documents relating to the Merger (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction.

For Overseas Shareholders that are located in the US, please see “*Important Notice—Certain notices to US investors*” at the beginning of this document for additional information.

## 17 **Action to be taken**

### **The documents**

Please check that you have received the following:

- (A) a blue Form of Proxy for use in respect of the Court Meeting on 17 May 2023;
- (B) a yellow Form of Proxy for use in respect of the General Meeting on 17 May 2023; and
- (C) a pre-paid envelope for use in the UK only for the return of the blue Form of Proxy and the yellow Form of Proxy.

If you are a Cenkos Shareholder and you have not received hard copies of, or you have not been able to access online, all of these documents, please contact the shareholder helpline on the number indicated below.

### **Arrangements for, and voting at, the Court Meeting and the General Meeting**

Scheme Shareholders and Cenkos Shareholders are strongly encouraged to vote by appointing the Chair of each of the Court Meeting and the General Meeting as their proxy (either electronically or by post or by hand using the printed Forms of Proxy, as set out below) before the relevant deadline. The Chair of the relevant meeting will vote in accordance with the voting instructions of the appointing Scheme Shareholder or Cenkos Shareholder.

The Scheme will require approval at a meeting of Scheme Shareholders convened with the permission of the Court to be held at the offices of Simmons & Simmons LLP, CityPoint, One Ropemaker Street, London EC2Y 9SS at 11.00 am on 17 May 2023. Implementation of the Scheme will also require approval of the Resolution by the Cenkos Shareholders at the General Meeting. The General Meeting will be held at the same place as the Court Meeting, at 11.15 am on 17 May 2023 (or as soon thereafter as the Court Meeting shall have concluded or been adjourned). Notices of the Court Meeting and the General Meeting are set out in Part 8 (*Notice of Court Meeting*) and Part 9 (*Notice of General Meeting*) of this document.

Scheme Shareholders and Cenkos Shareholders entitled to attend and vote at the Meetings are entitled to appoint a proxy to exercise all or any of their rights to attend and vote at the Court Meeting and/or General Meeting. A proxy need not be a Cenkos Shareholder.

**It is important that, for the Court Meeting in particular, as many votes as possible are cast, so that the Court may be satisfied that there is a fair representation of the opinion of Scheme Shareholders. Whether or not you intend to attend the Court Meeting and/or the General Meeting, please sign and return your Forms of Proxy, or deliver your voting instructions by one of the other methods mentioned below, as soon as possible.**

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

Please complete and sign the Forms of Proxy in accordance with the instructions printed on them and return them, either: (i) by post; or (ii) during normal business hours only, by hand, to PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to be received as soon as possible and in any event no later than the relevant time set out below:

- |   |                         |
|---|-------------------------|
| (a) blue Forms of Proxy for the Court Meeting     | 11.00 am on 15 May 2023 |
| (b) yellow Forms of Proxy for the General Meeting | 11.15 am on 15 May 2023 |

or, if in either case the meeting is adjourned, the relevant Form of Proxy should be received no later than 48 hours (excluding any part of a day that is not a business day) before the time fixed for the adjourned meeting.

If the blue Form of Proxy for the Court Meeting is not returned by such time, it may be completed and handed to the Chair at any time before the start of that meeting and will still be valid. However, in the case of the General Meeting, the yellow Form of Proxy must be received by Link by the time mentioned above, or it will be invalid.

Scheme Shareholders and Cenkos Shareholders are entitled to appoint a proxy in respect of some or all of their Cenkos Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder. Scheme Shareholders and Cenkos Shareholders who wish to appoint more than one proxy in respect of their holding of Cenkos Shares should contact Link for further Forms of Proxy.

### **Electronic appointment of proxies through CREST, Proxymity and Signal Shares**

If you hold Cenkos Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the Meetings (or any adjourned meeting) by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by Link by 11.00 am on 15 May 2023 in respect of the Court Meeting and 11.15 am on 15 May 2023 in respect of the General Meeting or, if in either case the meeting is adjourned, the relevant Form of Proxy should be received not less than 48 hours (excluding any part of a day that is not a business day) before the time fixed for the Court Meeting or General Meeting (or adjourned meeting), as applicable. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Link is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Cenkos may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

Members who are institutional investors may also be able to appoint a proxy electronically via the Proxymity platform, a facility which has been arranged by the Company and approved by the Company's registrars, Link. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io).

To vote using the Signal Shares shareholder portal please visit [www.signalshares.com](http://www.signalshares.com). If you have not previously registered for this shareholder portal, you will need your Investor Code, which you can find on the accompanying Forms of Proxy.

## **Shareholder helpline**

If you have any questions about this document, the Court Meeting or the General Meeting or how to complete the Forms of Proxy or to appoint a proxy online or electronically through the CREST electronic proxy appointment service, please call the Link shareholder helpline on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Link cannot provide any financial, legal or tax advice or advice on the merits of the Merger and calls may be recorded and monitored for security and training purposes.

## **Further information**

The terms of the Scheme are set out in full in Part 4 (*The Scheme of Arrangement*) of this document. Further information regarding Cenkos and finnCap is set out in Part 6 (*Additional Information*) of this document. Documents published and available for inspection are listed in paragraph 14 of Part 6 (*Additional Information*) of this document.

Yours faithfully,

**Matt Davis**

For and on behalf of  
**SPARK Advisory Partners Limited**

## **PART 3 : CONDITIONS TO AND CERTAIN FURTHER TERMS OF THE SCHEME AND THE MERGER**

### **SECTION 1 : CONDITIONS TO THE SCHEME AND THE MERGER**

#### **Long Stop Date**

1. The Merger will be conditional upon the Scheme becoming unconditional and becoming Effective, subject to the provisions of the Takeover Code, by no later than 11.59 pm on the Long Stop Date or such later date (if any) as finnCap and Cenkos may agree, with the consent of the Panel, and (if required) the Court may allow.

#### **Scheme approval**

2. The Scheme will be conditional upon:
  - (a)
    - (i) its approval by a majority in number of the Scheme Shareholders who are on the register of members of Cenkos (or the relevant class or classes thereof, if applicable) at the Voting Record Time and who are, present and voting (and entitled to vote), either in person or by proxy, at the Court Meeting and at any separate class meeting which may be required (or at any adjournment of such meeting) and who represent at least 75 per cent. in value of the Scheme Shares voted by those Scheme Shareholders; and
    - (ii) such Court Meeting (and any separate class meeting which may be required) being held on or before the 22<sup>nd</sup> day after the expected date of the Court Meeting to be set out in the Scheme Document (or such later date as may be agreed by finnCap and Cenkos, with the consent of the Panel, and the Court may allow (if required));
  - (b)
    - (i) the Resolution being duly passed by the requisite majority or majorities of Cenkos Shareholders at the General Meeting (or at any adjournment of that Meeting); and
    - (ii) such General Meeting being held on or before the 22<sup>nd</sup> day after the expected date of such meeting to be set out in the Scheme Document (or such later date as may be agreed by finnCap and Cenkos with the consent of the Panel, and the Court may allow (if required)); and
  - (c)
    - (i) the sanction of the Scheme by the Court (with or without modification, but subject to any modification being on terms acceptable to Cenkos and finnCap) and the delivery of a copy of the Court Order to the Registrar of Companies; and
    - (ii) the Sanction Hearing being held on or before the 22<sup>nd</sup> day after the expected date of such hearing to be set out in the Scheme Document (or such later date as may be agreed by finnCap and Cenkos with the consent of the Panel, and the Court may allow (if required)).

#### **Other conditions**

In addition, subject as stated in Section 2 below and to the requirements of the Panel, finnCap and Cenkos have agreed that the Merger will be conditional upon the following Conditions and, accordingly, the Court Order will not be delivered to the Registrar of Companies unless such Conditions (as amended if appropriate) have been satisfied (and continue to be satisfied pending the commencement of the Sanction Hearing) or, where relevant, waived:



### **finnCap Shareholder approval**

3. the passing at the finnCap General Meeting (or at any adjournment thereof) of the finnCap Resolution to authorise the allotment and issue of New finnCap Shares to Scheme Shareholders (and any other Cenkos Shareholders whose Cenkos Shares are issued after the Scheme becomes Effective) by no later than the Long Stop Date;

### **Admission to trading**

4. the London Stock Exchange having acknowledged to finnCap or its agent (and such acknowledgement not having been withdrawn) that the New finnCap Shares will be admitted to trading on AIM by no later than the Long Stop Date;

### **Regulatory approvals**

#### ***FCA change in control***

5. the FCA:
  - (a) giving written notice in accordance with section 189(4)(a) of FSMA of its approval of the acquisition of control (within the meaning of section 181 of FSMA) in respect of Cenkos; or
  - (b) being treated as having given such approval pursuant to section 189(6) of FSMA;

#### ***Nominated Adviser Status***

6. prior to the Effective Date, the London Stock Exchange having not removed or suspended the Nominated Adviser status of either Cenkos or finnCap or imposed any conditions on the ability of either Cenkos or finnCap to act as Nominated Adviser (including by way of imposing a moratorium) pursuant to the AIM Rules for Nominated Advisers, unless successfully appealed prior to the Effective Date;

#### ***Anti-trust and regulatory***

7. one of the following has occurred:
  - (i) the CMA having indicated in a response to a briefing paper that it has no further questions at that stage in relation to the Merger; and as at the date on which all other Conditions are satisfied or waived, the CMA has not:
    - (a) requested submission of a merger notice;
    - (b) given notice to either party that it is commencing a Phase I investigation;
    - (c) indicated that the statutory review period in which the CMA has to decide whether to make a reference under section 34ZA Enterprise Act 2002 has begun; or
    - (d) requested documents or attendance by witnesses under section 109 of the Enterprise Act 2002 which may indicate that it intends to commence the aforementioned statutory review period in respect of the Merger; or
  - (ii) where the CMA has commenced an investigation following the submission of a merger notice or a briefing paper, the CMA:
    - (a) in accordance with section 33(1) of the Enterprise Act 2002, announcing that it has decided not to refer the Merger to the chair of the CMA for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013 (a "Referral"); or
    - (b) in accordance with section 73(2) of the Enterprise Act 2002, formally accepting undertakings in lieu of a Referral offered by finnCap, or a modified version of them.

## **Notifications, waiting periods and Authorisations**

8. all notifications, filings or applications which are necessary or reasonably considered appropriate or desirable by finnCap having been made in connection with the Merger and all necessary waiting periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with in each case in respect of the Merger and its implementation and all Authorisations reasonably necessary or appropriate for or in respect of the Merger and, except pursuant to Chapter 3 of Part 28 of the Companies Act, the Merger of any shares or other securities in, or control or management of, Cenkos or any other member of the Wider Cenkos Group by any member of the Wider finnCap Group having been obtained in terms and in a form reasonably satisfactory to finnCap from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider Cenkos Group or the Wider finnCap Group has entered into contractual arrangements and all such Authorisations necessary, appropriate or desirable to carry on the business of any member of the Wider Cenkos Group in any jurisdiction having been obtained and all such Authorisations remaining in full force and effect and filings necessary for such purpose have been made and at the time at which the Merger becomes otherwise unconditional and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;

## **General antitrust and regulatory**

9. no antitrust regulator or Third Party having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything, or having enacted, made or proposed any statute, regulation, decision, order or change to published practice or having taken any other steps (and in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to, in any case to an extent or in a manner which is or would be material in the context of the Wider Cenkos Group or Wider finnCap Group (as the case may be) taken as a whole or in the context of the Merger:
  - (a) require, prevent or materially delay the divestiture or materially alter the terms envisaged for such divestiture by any member of the Wider finnCap Group or by any member of the Wider Cenkos Group of all or any part of its businesses, assets or property or impose any limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof);
  - (b) except pursuant to Chapter 3 of Part 28 of the Companies Act, require any member of the Wider finnCap Group or the Wider Cenkos Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Cenkos Group or any asset owned by any third party (other than in connection with the implementation of the Merger);
  - (c) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider finnCap Group directly or indirectly to acquire, hold or to exercise effectively all or any rights of ownership in respect of shares, loans or securities convertible into shares or any other securities in any member of the Wider Cenkos Group or on the ability of any member of the Wider Cenkos Group or any member of the Wider finnCap Group directly or indirectly to hold or exercise effectively all or any rights of ownership in respect of shares, loans or securities convertible into shares or any other securities (or the equivalent) in, or to exercise voting or management control over, any member of the Wider Cenkos Group;
  - (d) otherwise adversely affect any or all of the business, assets, profits, financial or trading position or prospects of any member of the Wider Cenkos Group or any member of the Wider finnCap Group;

- (e) result in any member of the Wider Cenkos Group or any member of the Wider finnCap Group ceasing to be able to carry on business under any name under which it presently carries on business;
- (f) make the Scheme or the Merger, its implementation or the acquisition of any shares or other securities in, or control or management of, Cenkos or any member of the Wider Cenkos Group by any member of the Wider finnCap Group void, unenforceable and/or illegal under the laws of any relevant jurisdiction, or otherwise, directly or indirectly prevent or prohibit, restrict, restrain, or delay or otherwise materially interfere with the implementation of, or impose additional conditions or obligations with respect to, or otherwise challenge, impede, interfere or require material amendment of the Scheme and/or the Merger or the acquisition of any shares or other securities in, or control or management of, Cenkos or any member of the Wider Cenkos Group by any member of the Wider finnCap Group;
- (g) require, prevent or materially delay a divestiture by any member of the Wider finnCap Group of any shares or other securities (or the equivalent) in any member of the Wider Cenkos Group or any member of the Wider finnCap Group;
- (h) impose any limitation on the ability of any member of the Wider finnCap Group or any member of the Wider Cenkos Group to conduct, integrate or co-ordinate all or any part of its business with all or any part of the business of any other member of the Wider finnCap Group and/or the Wider Cenkos Group;
- (i) require any member of the Wider Cenkos Group or the Wider finnCap Group to terminate or vary in any material way any material contract to which any member of the Wider Cenkos Group or the Wider finnCap Group is a party;
- (j) require any member of the Wider finnCap Group or any member of the Wider Cenkos Group or any of their respective affiliates to: (i) invest, contribute or loan any capital or assets to; or (ii) guarantee or pledge capital assets for the benefit of any member of the Wider finnCap Group or any member of the Wider Cenkos Group; or
- (k) otherwise materially adversely affect any or all of the business, assets, profits or prospects of any member of the Wider Cenkos Group or any member of the Wider finnCap Group,

and all applicable waiting and other time periods (including any extensions thereof) during which any such antitrust regulator or Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Merger or the acquisition of any Cenkos Shares or otherwise intervene having expired, lapsed or been terminated;

**Certain matters arising as a result of any arrangement, agreement, etc.**

10. except as Disclosed, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider Cenkos Group or any member of the Wider finnCap Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or subject to or any event or circumstance which, as a consequence of the Merger or the proposed acquisition or the acquisition by any member of the Wider finnCap Group or any member of the Wider Cenkos Group of any shares or other securities (or the equivalent) in Cenkos or finnCap or because of a change in the control or management of any member of the Wider Cenkos Group or any member of the Wider finnCap Group or otherwise, would or might reasonably be expect to result in, in each case to an extent which is material in the context of the Wider Cenkos Group or the Wider finnCap Group as a whole:

- (a) any monies borrowed by, or any other indebtedness or liabilities, actual or contingent, of, or any grant available to, any member of the Wider Cenkos Group or any member of the Wider finnCap Group being or becoming repayable, or capable of being declared repayable, immediately or before its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;

- (b) save in the ordinary course of business, the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interests of any member of the Wider Cenkos Group or any member of the Wider finnCap Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen) being enforced or becoming enforceable;
- (c) any such arrangement, agreement, lease, licence, franchise, permit or other instrument being terminated or becoming capable of being terminated or adversely modified or the rights, liabilities, obligations or interests of any member of the Wider Cenkos Group or any member of the Wider finnCap Group being terminated or adversely modified or affected or any obligation or liability arising or any adverse action being taken or arising thereunder;
- (d) any liability of any member of the Wider Cenkos Group or any member of the Wider finnCap Group to make any severance, termination, bonus or other payment to any of its directors, or other officers;
- (e) the rights, liabilities, obligations, interests or business of any member of the Wider Cenkos Group or any member of the Wider finnCap Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider Cenkos Group or any member of the Wider finnCap Group in or with any other person or body or firm or company (or any arrangement or agreement relating to any such interests or business) being or becoming capable of being terminated, or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
- (f) any member of the Wider Cenkos Group or any member of the Wider finnCap Group ceasing to be able to carry on business under any name under which it presently carries on business;
- (g) the business, assets, profits, value of, or the financial or trading position or prospects of, any member of the Wider Cenkos Group or any member of the Wider finnCap Group being prejudiced or adversely affected; or
- (h) the creation or acceleration of any material liability (actual or contingent) by any member of the Wider Cenkos Group or any member of the Wider finnCap Group other than trade creditors or other liabilities incurred in the ordinary course of business or in connection with the Merger,

and, except as Disclosed, no event having occurred which, under any provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Cenkos Group or any member of the Wider finnCap Group is a party or by or to which any such member or any of its assets are bound, entitled or subject, would or might result in any of the events or circumstances as are referred to in Conditions 10(a) to (h);

**Certain events occurring since 31 December 2022 in respect of the Wider Cenkos Group or since 30 September 2022 in respect of the Wider finnCap Group**

11. Except as Disclosed, no member of the Wider Cenkos Group having since 31 December 2022 and no member of the Wider finnCap Group having since 30 September 2022:
  - (a) issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue, of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of Cenkos Shares or finnCap Shares out of treasury (except, where relevant (i) as between Cenkos and wholly-owned subsidiaries of Cenkos or between the wholly-owned subsidiaries of Cenkos; and (ii) as between finnCap and wholly-owned subsidiaries of finnCap or between the wholly-owned subsidiaries of finnCap, and except for (i) the issue or transfer out of treasury of Cenkos Shares on the grant of restricted share awards, the exercise of employee share options and/or the vesting of employee share awards in the ordinary

course under the Cenkos Share Plans); or the issue or transfer out of treasury of finnCap Shares on the exercise of employee share options or vesting of employee share awards in the ordinary course under the finnCap Share Plans);

- (b) except for the 2022 Dividend or the Interim Dividend, recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus issue, dividend or other distribution (whether payable in cash or otherwise) other than dividends (or other distributions whether payable in cash or otherwise) lawfully paid or made by: (i) any wholly-owned subsidiary of Cenkos to Cenkos or any of its wholly-owned subsidiaries; or (ii) any wholly-owned subsidiary of finnCap to finnCap or any of its wholly-owned subsidiaries;
- (c) other than pursuant to the Merger (and except for: (i) transactions between Cenkos and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of Cenkos; (ii) transactions between finnCap and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of finnCap; and (iii) transactions in the ordinary course of business) implemented, effected, authorised or proposed or announced its intention to implement, effect, authorise or propose any merger, demerger, reconstruction, amalgamation, scheme, commitment or offer or disposal of assets or shares or loan capital (or the equivalent thereof), in each case to an extent which is material in the context of the Wider Cenkos Group or the Wider finnCap Group taken as a whole;
- (d) except for: (i) transactions between Cenkos and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of Cenkos; (ii) transactions between finnCap and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of finnCap; and (iii) transactions in the ordinary course of business, disposed of, or transferred, mortgaged or created any security interest over any material asset or any right, title or interest in any asset or authorised, proposed or announced any intention to do so, in each case to an extent which is material in the context of the Wider Cenkos Group or the Wider finnCap Group taken as a whole;
- (e) (except for: (i) transactions between Cenkos and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of Cenkos; and (ii) transactions between finnCap and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of finnCap, issued, authorised or proposed or announced an intention to authorise or propose, the issue of or made any change in or to the terms of any debentures or become subject to any contingent liability or incurred or increased any indebtedness which is material in the context of the Wider Cenkos Group taken as a whole or is material in the context of the Merger), in each case to an extent which is material in the context of the Wider Cenkos Group or Wider finnCap Group taken as a whole or in the context of the Merger;
- (f) entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, arrangement, agreement, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, unusual or onerous nature or magnitude or which is or which involves or could involve an obligation of a nature or magnitude which is or could be materially restrictive on the business of any member of the Wider Cenkos Group or any member of the Wider finnCap Group to an extent which is or is reasonably likely to be material to the Wider Cenkos Group or the Wider finnCap Group, taken as a whole;
- (g) entered into or varied the terms of, or made any offer (which remains open for acceptance) to enter into or vary the terms of any contract, service agreement, commitment or arrangement with any director except for salary increases, bonuses or variations of terms in the ordinary course, or senior executive of any member of the Wider Cenkos Group or any member of the Wider finnCap Group;
- (h) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any employee of the Wider Cenkos Group or the Wider finnCap Group which are material in the context of the Wider Cenkos Group or the Wider finnCap Group taken as a whole;

- (i) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, except in respect of the matters mentioned in sub-paragraph (a) above, made any other change to any part of its share capital;
- (j) except in the ordinary course of business, waived, compromised or settled any claim which is material in the context of the Wider Cenkos Group or the Wider finnCap Group taken as a whole or in the context of the Merger;
- (k) terminated or varied the terms of any agreement or arrangement between any member of the Wider Cenkos Group or the Wider finnCap Group and any other person in a manner which would or might reasonably be expected to have a material adverse effect on the financial position of the Wider Cenkos Group or the Wider finnCap Group taken as a whole;
- (l) (except as disclosed on publicly available registers) made any alteration to its memorandum or articles of association or other constitutional documents (other than in connection with the Scheme) which is material in the context of the Merger;
- (m) except in relation to changes made or agreed as a result of, or arising from, changes to legislation, made or agreed or consented, in each case to an extent which is material in the context of the Wider Cenkos Group or the Wider finnCap Group taken as a whole or in the context of the Merger, to any change to:
  - (i) the terms of the trust deeds and rules constituting the pension scheme(s) established by any member of the Wider Cenkos Group for its directors, employees or their dependants;
  - (ii) the contributions payable to any such scheme(s) or to the benefits which accrue, or to the pensions which are payable, thereunder;
  - (iii) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
  - (iv) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued, made, agreed or consented to;
- (n) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business which is material in the context of the Wider Cenkos Group or the Wider finnCap Group taken as a whole or in the context of the Merger;
- (o) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any of its assets or revenues or any analogous or equivalent steps or proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;
- (p) (except for transactions between Cenkos or finnCap and its wholly-owned subsidiaries or between the wholly-owned subsidiaries), made, authorised, proposed or announced an intention to propose any change in its loan capital;
- (q) entered into, implemented or authorised the entry into, any joint venture, asset or profit sharing arrangement, partnership, composition, assignment, reconstruction, amalgamation, commitment, scheme or other similar transaction or arrangement (other than the Scheme) which is material in the context of the Wider Cenkos Group or the Wider finnCap Group taken as a whole or in the context of the Merger;
- (r) having taken (or agreed or proposed to take) any action which requires or would require, the consent of the Panel or the approval of Cenkos Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code; or

- (s) entered into any agreement, arrangement, commitment or contract or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition 11 which is material in the context of the Wider Cenkos Group or the Wider finnCap Group taken as a whole or in the context of the Merger;

**No adverse change, litigation, regulatory enquiry or similar**

12. except as Disclosed, since 31 December 2022 in respect of Cenkos and since 30 September 2022 in respect of finnCap, there having been:

- (a) no adverse change and no circumstance having arisen which would be expected to result in any adverse change or deterioration in, the business, assets, value, financial or trading position or profits or prospects or operational performance of any member of the Wider Cenkos Group or any member of the Wider finnCap Group which is material in the context of the Wider Cenkos Group or the Wider finnCap Group taken as a whole or is material in the context of the Merger;
- (b) no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced or instituted by or against or remaining outstanding against or in respect of, any member of the Wider Cenkos Group or any member of the Wider finnCap Group or to which any member of the Wider Cenkos Group or any member of the Wider finnCap Group is or may become a party (whether as claimant, defendant or otherwise) having been threatened, announced, instituted or remaining outstanding by, against or in respect of, any member of the Wider Cenkos Group or any member of the Wider finnCap Group, in each case which is or might reasonably be expected to be material in the context of the Wider Cenkos Group or the Wider finnCap Group taken as a whole or is material in the context of the Merger;
- (c) no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Cenkos Group or any member of the Wider finnCap Group having been threatened, announced or instituted or remaining outstanding by, against or in respect of any member of the Wider Cenkos Group or any member of the Wider finnCap Group, in each case which might reasonably be expected to have a material adverse effect on the Wider Cenkos Group or the Wider finnCap Group taken as a whole or is material in the context of the Merger;
- (d) no contingent or other liability having arisen or become apparent to finnCap or Cenkos increased which is reasonably likely to affect adversely the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Wider Cenkos Group or the Wider finnCap Group to an extent which is material in the context of the Wider Cenkos Group or the Wider finnCap Group taken as a whole or is material in the context of the Merger;
- (e) no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Cenkos Group or any member of the Wider finnCap Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which might reasonably be expected to have a material adverse effect on the Wider Cenkos Group or the Wider finnCap Group taken as a whole or is material in the context of the Merger; and
- (f) no member of the Wider Cenkos Group and no member of the Wider finnCap Group having conducted its business in material breach of any applicable laws or regulations to an extent which might reasonably be expected to have a material adverse effect on the Wider Cenkos Group or the Wider finnCap Group taken as a whole or is material in the context of the Merger;

## **No discovery of certain matters regarding information or liabilities**

13. except as Disclosed, neither finnCap nor Cenkos having discovered that:
- (a) any financial, business or other information concerning the Wider Cenkos Group or the Wider finnCap Group publicly announced before the Rule 2.7 Announcement Date or disclosed at any time: (i) to any member of the Wider finnCap Group by or on behalf of any member of the Wider Cenkos Group; or (ii) to any member of the Wider Cenkos Group by or on behalf of any member of the Wider finnCap Group, before the date of Rule 2.7 Announcement Date is misleading, contains a misrepresentation of any fact, or omits to state a fact necessary to make that information not misleading and which is, in any case, material in the context of the Wider Cenkos Group or the Wider finnCap Group taken as a whole in the context of the Merger;
  - (b) any member of the Wider Cenkos Group or any member of the Wider finnCap Group is subject to any liability, contingent or otherwise which is material in the context of the Wider Cenkos Group or the Wider finnCap Group taken as a whole or material in the context of the Merger;

## **Anti-corruption, sanctions and criminal property**

14. except as Disclosed, neither Cenkos nor finnCap having discovered that, to an extent that is material in the context of the Wider Cenkos Group or Wider finnCap Group taken as a whole:
- (a) (i) any past or present member of the Wider Cenkos Group or any member of the Wider finnCap Group is or has at any time engaged in any activity, practice or conduct would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977, as amended, or any other applicable anti-corruption legislation; or (ii) any person that performs or has performed services for or on behalf of the Wider Cenkos Group or the Wider finnCap Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977, as amended, or any other applicable anti-corruption legislation;
  - (b) any asset of any member of the Wider Cenkos Group or any member of the Wider finnCap Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition) or proceeds of crime under any other applicable law, rule, or regulation concerning money laundering or proceeds of crime or any member of the Wider Cenkos Group or any member of Wider finnCap Group is found to have engaged in activities constituting money laundering under any applicable law, rule, or regulation concerning money laundering;
  - (c) any past or present member, director, officer or employee of the Wider Cenkos Group or the Wider finnCap Group, or any other person for whom any such person may be liable or responsible, has engaged in any business with, made any investments in, made any funds or assets available to or received any funds or assets from: (i) any government, entity or individual in respect of which US, UK or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by applicable US, UK or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control or HM Treasury & Customs; or (ii) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the United Kingdom, the European Union or any of its member states; or
  - (d) a member of the Wider Cenkos Group or of the Wider finnCap Group has engaged in any transaction or conduct which would cause any member of the Wider finnCap Group or of the Wider Cenkos Group to be in breach of any applicable law or regulation upon completion of the Merger, including the economic sanctions of the United States Office of Foreign Assets Control or HM Treasury & Customs, or any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the United Kingdom, the European Union or any of its member states.



## SECTION 2 : FURTHER TERMS OF THE MERGER

1. Conditions 2(a), 2(b) and 3 to 14 (inclusive) of Section 1 above must each be fulfilled, determined by Cenkos or finnCap (as applicable) to be or to remain satisfied or (if capable of waiver) be waived by Cenkos or finnCap (as applicable) prior to the commencement of the Sanction Hearing, failing which the Scheme will, with the consent of the Panel, lapse.
2. Notwithstanding paragraph 1 of this Section 2, subject to the requirements of the Panel and the Takeover Code, finnCap reserves the right at its sole discretion to waive:
  - (a) the deadline set out in Condition 1 of Section 1 above, and any deadlines set out in Condition 2 of Section 1 above for the timing of the Court Meeting, the General Meeting and the Sanction Hearing. If any such deadline is not met, finnCap shall make an announcement by 8.00 am on the business day following such deadline confirming whether it has invoked or waived the relevant Condition or agreed with Cenkos to extend the deadline in relation to the relevant Condition; and
  - (b) in whole or in part, all or any of Conditions 8 to 14 (inclusive) of Section 1 above (only so far as such Conditions relate to Cenkos, the Wider Cenkos Group or any part thereof).
3. Notwithstanding paragraph 1 of this Section 2, subject to the requirements of the Panel and the Takeover Code, Cenkos reserves the right in its sole discretion to waive:
  - (a) the deadline set out in Condition 3 of Section 1 above. If such deadline is not met, Cenkos shall make an announcement by 8.00 am on the business day following such deadline confirming whether it has invoked the relevant Condition or agreed with finnCap to extend the deadline in relation to the relevant Condition; and
  - (b) in whole or in part, all or any of the Conditions 8 to 14 (inclusive) of Section 1 above (only so far as such Conditions relate to finnCap, the Wider finnCap Group or any part thereof):
4. Save as set out in paragraphs 2 and 3 in this Section 2, the Conditions in paragraphs 1 to 3 in Section 1 above cannot be waived.
5. Neither Cenkos nor finnCap shall be under any obligation to waive or treat as satisfied any of the Conditions that it is entitled (with the consent of the Panel and subject to the requirements of the Takeover Code) to invoke, by a date earlier than the latest date specified above for the fulfilment or waiver thereof, notwithstanding that the other Conditions may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
6. If finnCap is required by the Panel to make an offer for Cenkos Shares under the provisions of Rule 9 of the Takeover Code, finnCap may make such alterations to any of the above Conditions and terms of the Merger as are necessary to comply with the provisions of that Rule.
7. Under Rule 13.5(a) of the Takeover Code, finnCap may only invoke a Condition that is subject to Rule 13.5(a) of the Takeover Code so as to cause the Merger not to proceed, to lapse or to be withdrawn with the consent of the Panel.
8. Under Rule 13.6(a) of the Takeover Code, Cenkos may only invoke a Condition that is subject to Rule 13.6(a) of the Takeover Code so as to cause the Merger not to proceed, to lapse or to be withdrawn with the consent of the Panel.
9. The Panel will normally only give its consent to the invocation of Conditions pursuant to paragraphs 7 and 8 if the circumstances which give rise to the right to invoke the Condition are of material significance to finnCap or Cenkos (as applicable) in the context of the Merger. This will be judged by reference to the facts of each case at the time that the relevant circumstances arise. Conditions 1, 2(a), 2(b) and 2(c) of Section 1 above and, if applicable, any acceptance condition if the Merger is implemented by means of a Takeover Offer, are not subject to Rule 13.5(a) of the Takeover Code.
10. Any Condition that is subject to Rule 13.5(a) of the Takeover Code may be waived by finnCap.
11. Fractions of New finnCap Shares will not be allotted or issued to Scheme Shareholders.

12. The New finnCap Shares to be issued pursuant to the Merger have not been and will not be registered under the United States Securities Act of 1933 (as amended) nor under any of the relevant securities laws of any Restricted Jurisdiction. Accordingly, the New finnCap Shares may not be offered, sold or delivered, directly or indirectly, into any Restricted Jurisdiction, except pursuant to exemptions from applicable requirements of any such jurisdiction.
13. The New finnCap Shares will be issued credited as fully paid and will rank *pari passu* in all respects with finnCap Shares in issue at the time that the New finnCap Shares are issued pursuant to the Merger, including the right to receive and retain dividends and other distributions declared, made or paid by reference to a record date falling on or after the Effective Date. An application will be made to the London Stock Exchange for the New finnCap Shares to be admitted to trading on AIM.
14. finnCap reserves the right to elect to implement the Merger by way of a Takeover Offer as an alternative to the Scheme (subject to the Panel's consent and the terms of the Co-operation Agreement). In such event, the Merger will be implemented on the same terms (subject to appropriate amendments including (without limitation) the inclusion of an acceptance condition which, unless otherwise agreed in writing between finnCap and Cenkos or otherwise required by the Panel, will be set at 90 per cent. (or such lesser percentage as may be agreed between finnCap and Cenkos in writing after, to the extent necessary, consultation with the Panel, being in any case more than 75 per cent. of the voting rights attaching to Cenkos Shares) of shares to which the Merger relates and those required by, or deemed appropriate by, finnCap under applicable law, so far as applicable) as those which would apply to the Scheme. Further, if sufficient acceptances of such Takeover Offer are received and/or sufficient Cenkos Shares are otherwise acquired, it is the intention of finnCap to apply the provisions of the Companies Act to acquire compulsorily any outstanding Cenkos Shares to which such Takeover Offer relates.
15. The Cenkos Shares to be acquired pursuant to the Merger will be acquired with full title guarantee, fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of value (whether by reduction of share capital or share premium account or otherwise) made, on or after the Effective Date other than in respect of the 2022 Dividend and the Interim Dividend.
16. If either Cenkos or finnCap announces, declares, makes or pays any dividend or other distribution on or after the Rule 2.7 Announcement Date and prior to the Effective Date, including each of the 2022 Dividend and the Interim Dividend, there will be no change to the Exchange Ratio. Each of Cenkos and finnCap reserves the right to pay an equalising dividend to their respective shareholders should any dividend other than the 2022 Dividend or the Interim Dividend be paid by the other party.
17. The availability of New finnCap Shares pursuant to the Merger to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Any person who is subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about and observe any applicable requirements. Further information in relation to Overseas Shareholders is set out in paragraph 16 of Part 2 (*Explanatory Statement*).
18. The Merger is not being made or implemented, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction.
19. The Scheme will be governed by the laws of England and will be subject to the jurisdiction of the courts of England and Wales and to the Conditions and further terms set out in this Part 3. The Scheme will be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the AIM Rules, the FCA and the Registrar of Companies.
20. Each of the Conditions will be regarded as a separate Condition and will not be limited by reference to any other Condition.

## PART 4 : THE SCHEME OF ARRANGEMENT

IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES  
COMPANIES COURT (ChD)

CR-2023-001357

### IN THE MATTER OF CENKOS SECURITIES PLC

and

### IN THE MATTER OF THE COMPANIES ACT 2006

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#### SCHEME OF ARRANGEMENT (under Part 26 of the Companies Act 2006)

between

CENKOS

and

#### THE SCHEME SHAREHOLDERS (as hereinafter defined)

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#### PRELIMINARY

1. In this Scheme, unless inconsistent with the subject or context, the following expressions have the following meanings:

“2022 Dividend” has the meaning given to it in the Scheme Document.

“AIM” means the market of that name operated by the London Stock Exchange.

“business day” means a day (other than a Saturday, Sunday or a public or bank holiday in the UK) on which banks are open for general business in London, United Kingdom.

“Cenkos” or the “Company” means Cenkos Securities PLC, a company incorporated in England and Wales with registered number 05210733.

“Cenkos Group” means Cenkos and its subsidiary undertakings and where the context permits, each of them.

“Cenkos Shareholders” means the holders of Cenkos Shares from time to time.

“Cenkos Shares” means the existing unconditionally allotted or issued and fully paid ordinary shares of 1 penny each in the capital of Cenkos and any further shares which are unconditionally allotted or issued before the Scheme becomes Effective.

“certificated” or “in certificated form” means in relation to a Scheme Share, one which is not in uncertificated form (that is, not in CREST).

“Companies Act” means the Companies Act 2006, as amended, modified, consolidated, reenacted or replaced from time to time.

“Conditions” means the conditions to the implementation of the Scheme, as set out in Part 3 (*Conditions to and Certain Further Terms of the Scheme and the Merger*) of the Scheme Document.

“Consideration” means the allotment and issue by finnCap of 3.19420647 New finnCap Shares in exchange for each Scheme Share.

“Co-operation Agreement” means the co-operation agreement dated 23 March 2023 between finnCap and Cenkos relating, among other things, to the implementation of the Scheme.

“Court” means the High Court of Justice in England and Wales.

“Court Meeting” means the meeting or meetings of Scheme Shareholders (or any class or classes thereof) convened pursuant to an order of the Court pursuant to section 896 of the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without modification), including any adjournment, postponement or reconvention thereof.

“Court Order” means the order of the Court sanctioning this Scheme under section 899 of the Companies Act.

“CREST” means the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations) for the paperless settlement of trades in securities and the holding of uncertificated securities.

“CREST Regulations” means the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended.

“Effective Date” means the date on which this Scheme becomes effective in accordance with its terms.

“Euroclear” means Euroclear UK & International Limited.

“Exchange Ratio” means 3.19420647 New finnCap Shares for each Cenkos Share.

“Excluded Shares” means any (i) finnCap Cenkos Shares, and (ii) any Cenkos Shares held as treasury shares (as defined in section 724(5) of the Companies Act) (if any in either case) at the Scheme Record Time.

“finnCap” means finnCap Group PLC a company incorporated in England and Wales with registered number 11540126.

“finnCap Cenkos Shares” means any Cenkos Shares registered in the name of, or beneficially owned by, any member of the finnCap Group at the Scheme Record Time.

“finnCap Group” means finnCap and its subsidiaries and its subsidiary undertakings and where the context permits, each of them.

“finnCap Shares” means the issued and fully paid ordinary shares of 1 penny each in the capital of finnCap .

“holder” means a registered holder and includes any person(s) entitled by transmission.

“Interim Dividend” has the meaning given to it in the Scheme Document.

“Latest Practicable Date” means 19 April 2023 (being the latest practicable date before the publication of the Scheme Document).

“Link” means Cenkos’ registrars, Link Group of Central Square, 29 Wellington Street, Leeds LS1 4DL.

“London Stock Exchange” means London Stock Exchange plc, together with any successor thereto.

“Merger” means the proposed merger by finnCap of the entire issued and to be issued ordinary share capital of Cenkos which a member of the finnCap Group does not already beneficially own, to be effected by means of the Scheme or, should finnCap so elect, subject to the terms of the Co-operation Agreement and with the consent of the Panel, by means of a Takeover Offer, and where context admits, any subsequent revision, variation, extension or renewal thereof.

“New finnCap Shares” means the new finnCap Shares to be issued pursuant to the Scheme.

“Overseas Shareholders” means Cenkos Shareholders who are resident in, ordinarily resident in, or citizens or nationals of, jurisdictions outside of the UK or who are nominees of, or custodians or trustees for, residents, citizens or nationals of countries other than the UK.

“Panel” means the Panel on Takeovers and Mergers, or any successor to it.

“Registrar of Companies” means the registrar of companies in England and Wales.

“Restricted Jurisdiction” means any jurisdiction where the relevant action would constitute a violation of the relevant laws and regulations of such jurisdiction or would result in a requirement to comply with any governmental or other consent or any registration, filing or other formality which Cenkos or finnCap regards as unduly onerous.

“Restricted Overseas” means Overseas Shareholders who are resident in, ordinarily resident in, or “Shareholders” means citizens or nationals of, Restricted Jurisdictions or who are nominees of, or custodians or trustees for, residents, citizens or nationals of Restricted Jurisdictions.

“Rule 2.7 Announcement Date” means 23 March 2023.

“Scheme” or “Scheme of Arrangement” means the proposed scheme of arrangement under Part 26 of the Companies Act between Cenkos and the Scheme Shareholders in connection with the Merger, with or subject to any modification, addition or condition which Cenkos and finnCap may agree and, if required, approved or imposed by the Court.

“Scheme Document” means the circular dated 20 April 2023 sent by Cenkos to Cenkos Shareholders and persons with information rights, of which this Scheme forms a part.

“Scheme Effective Time” means the time on the Effective Date at which this Scheme becomes effective in accordance with clause 7.

“Scheme Record Time” means 6.00 pm on the business day immediately prior to the Effective Date.

“Scheme Sanction Hearing” means the hearing of the Court at which the Court Order will be sought.

“Scheme Shareholders” means holders of Scheme Shares at any relevant date or time and a “Scheme Shareholder” shall mean any of those Scheme Shareholders.

“Scheme Shares” means all Cenkos Shares:

- (A) in issue at the date of the Scheme Document;
- (B) (if any) issued after the date of the Scheme Document but before the Voting Record Time; and
- (C) (if any) issued at or after the Voting Record Time and before the Scheme Record Time on terms that the original or any subsequent holders thereof are bound by the Scheme or in respect of which such holders are, or shall have agreed in writing to be, so bound,

in each case remaining in issue at the Scheme Record Time, but excluding the Excluded Shares.

“Takeover Code” means the City Code on Takeovers and Mergers from time to time issued, amended and interpreted by the Panel.

“subsidiary undertaking” has the meaning given in section 1162 of the Companies Act.

“uncertificated” or in “uncertificated form” means in relation to a Scheme Share, one which is recorded on the relevant register as being held in uncertificated form (that is, in CREST).

“UK” or “United Kingdom” means the United Kingdom of Great Britain and Northern Ireland.

“Voting Record Time” means 6.30 pm on the day which is two days (excluding any part of a day that is not a business day) before the date of the Court Meeting or any adjournment of it (as the case may be).

2. References to clauses, sub-clauses and paragraphs are to clauses, sub-clauses and paragraphs of this Scheme.
3. The issued share capital of Cenkos as at the Latest Practicable Date was £566,947.83, divided into 56,694,783 ordinary shares of 1 penny each, all of which were issued and credited as fully paid. As at the Latest Practicable Date, no ordinary shares were held in treasury.

4. finnCap has, subject to the terms of the Co-operation Agreement and the satisfaction or, where capable, waiver of the Conditions agreed to appear by counsel at the Scheme Sanction Hearing and to undertake to the Court to be bound by the provisions of this Scheme insofar as it relates to finnCap and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it to give effect to this Scheme.
5. References to times are to London time.
6. All references to sterling, £, penny and pence are to the lawful currency of the United Kingdom.
7. Where the context so admits or requires, all references to the singular include the plural and vice versa.
8. Any reference to “includes” shall mean “including without limitation”, and references to “including” and any other similar term shall be interpreted accordingly.

## THE SCHEME

### 1. Transfer of Scheme Shares

- 1.1 At the Scheme Effective Time, finnCap (and/or its nominee(s)) shall acquire all the Scheme Shares fully paid with full title guarantee, free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third-party rights or interests of any nature, and together with all rights attaching or accruing to such Scheme Shares at the Scheme Effective Time or thereafter, including (without limitation) voting rights and the right to receive and retain, in full, (subject to sub-clause 2.2) all dividends, other distributions or return of capital (if any), announced, declared, made, paid or payable in respect of the Scheme by reference to a record date after the Scheme Record Time.
- 1.2 For the purposes of such acquisition, the Scheme Shares shall be transferred to finnCap (and/or its nominee(s)) by means of a form or forms of transfer or other instrument or instruction of transfer, or by means of CREST, and, to give effect to such transfer(s), any person may be appointed by finnCap as attorney and/or agent and/or otherwise on behalf of the holder or holders concerned, and is authorised as such attorney and/or agent and/or otherwise, on behalf of the holder or holders concerned, to execute and deliver as transferor a form of transfer or other instrument of transfer (whether as a deed or otherwise) or give instruction to transfer by means of CREST in respect of such Scheme Shares and every form, instrument or instruction of transfer so executed or given shall be effective as if it had been executed or given by the holder or holders of the Scheme Shares transferred by it. Such instrument or form of transfer shall be deemed to be the principal instrument of transfer of the relevant Scheme Shares and the equitable or beneficial interest in such Scheme Shares shall only be transferred to finnCap (and/or its nominee(s)), together with the legal interest in such Scheme Shares, pursuant to such form or instrument of transfer.
- 1.3 With effect from the Scheme Effective Time and until the register of members of Cenkos is updated to reflect the transfer of the Scheme Shares pursuant to sub-clauses 1.1 and 1.2, each Scheme Shareholder irrevocably:
  - (A) appoints finnCap (and/or its nominee(s)) with effect from the Scheme Effective Time to act, as its attorney and/or agent to exercise on its behalf (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to the Scheme Shares and any or all rights and privileges (including the right to receive notice of or requisition the convening of a general meeting of the Company or meeting of any class of its shareholders) attaching to its Scheme Shares and to receive any distribution or other benefit accruing or payable in respect thereof;
  - (B) appoints finnCap (and/or its nominee(s)) and any one or more of its directors or agents as its attorney and/or agent and/or otherwise to act on its behalf to sign on behalf of such Scheme Shareholder any such documents, and do all such things, as may in the opinion of finnCap and/ or any one or more of its directors or agents be necessary or desirable in connection with the exercise of any votes or other rights or privileges

attaching to the relevant Scheme Shares (including, without limitation, an authority to sign any consent to short notice of any general or separate class meetings of Cenkos as attorney and/or agent for, and on behalf of, such Scheme Shareholder and/or to attend and/or execute a form of proxy in respect of its Scheme Shares appointing any person nominated by finnCap and/or any one or more of its directors or agents to attend any general and separate class meetings of Cenkos (or any adjournment thereof) and to exercise or refrain from exercising the votes attaching to the Scheme Shares on such Scheme Shareholder's behalf); and

(C) authorises Cenkos and/or its agents to send to finnCap (and/or its nominee(s)) at its registered office any notice, circular, warrant or other document or communication which may be required to be sent to a Scheme Shareholder as a member of Cenkos in respect of such Scheme Shares (including any share certificate(s) or other document(s) of title issued as a result of conversion of their Scheme Shares into certificated form), such that from the Scheme Effective Time, no Scheme Shareholder shall be entitled to exercise any voting rights attached to the Scheme Shares or (subject to sub-clause 2.2) any other rights or privileges attaching to the Scheme Shares.

1.4 The authorities granted pursuant to sub-clauses 1.2 and 1.3 shall be treated for all purposes as having been granted by deed.

1.5 Cenkos shall register, or procure the registration of, any transfer(s) of Scheme Shares effected in accordance with sub-clauses 1.1 and 1.2.

## **2. Consideration for the transfer of Scheme Shares**

2.1 In consideration for the transfer of the Scheme Shares to finnCap (and/or its nominee(s)) referred to in sub-clause 1.2, finnCap shall, subject to the provisions of this clause 2, allot and issue to each Scheme Shareholder 3.19420647 New finnCap Shares for each Scheme Share held by such Scheme Shareholder at the Scheme Record Time.

2.2 If on or after the Rule 2.7 Announcement Date any dividend, and/or other distribution and/or return of capital is announced, declared, made or paid, or becomes payable in respect of the Cenkos Shares with a record date falling on or before the Scheme Record Time, other than the 2022 Dividend and the Interim Dividend, finnCap reserves the right to reduce the consideration payable under the terms of the Merger for the Cenkos Shares by way of an adjustment to the Exchange Ratio reflecting an amount up to the aggregate amount of such dividend and/or other distribution and/or return of capital per Cenkos Share, in which case any reference to the Consideration payable under the terms of the Scheme will be deemed to be a reference to the Consideration as so reduced.

2.3 If finnCap exercises the right referred to in sub-clause 2.2 to reduce the Consideration payable under the terms of the Merger for the Cenkos Shares by way of an adjustment to the Exchange Ratio reflecting an amount up to the aggregate amount of such dividend and/or other distribution and/or return of capital per Cenkos Share, then: (a) Scheme Shareholders shall be entitled to receive and retain that dividend and/or other distribution and/or return of capital in respect of the Scheme Shares they hold; (b) any reference in this Scheme to the Consideration payable under the Scheme shall be deemed to be a reference to the Consideration as so reduced; and (c) the exercise of such rights shall not be regarded as constituting any revision or variation of the terms of this Scheme.

2.4 finnCap's obligations to allot and issue New finnCap Shares pursuant to sub-clause 2.1 is subject to any prohibition or condition imposed by law. Without prejudice to the generality of the foregoing, if finnCap reasonably believes or is advised that a Scheme Shareholder is a Restricted Overseas Shareholder, finnCap may at its discretion determine that such Scheme Shareholder shall not have allotted, issued and delivered to them New finnCap Shares and that the New finnCap Shares which would otherwise have been attributable to such Scheme Shareholder under the terms of the Merger shall instead be allotted, issued and delivered to a person appointed finnCap for such Scheme Shareholder on terms that such person shall, as soon as practicable after the allotment and issue of such New finnCap Shares, sell the New finnCap Shares so allotted and issued and the cash proceeds of such sale (after deduction of

all expenses and commission, together with any value added tax thereon, incurred in connection with such sale, including any tax or foreign exchange conversion fees payable on the proceeds of sale) shall be forwarded to such Scheme Shareholder.

- 2.5 Any such sale under sub-clause 2.4 shall be carried out at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale (after the deduction of all expenses and commission, together with any value added tax thereon, incurred in connection with such sale, including any tax or foreign exchange conversion fees payable on the proceeds of sale) shall be paid to such Scheme Shareholder by sending a cheque or creating an assured payment obligation in accordance with the provisions of clause 4.

### **3. Share certificates and cancellation of CREST entitlements**

- 3.1 To give effect to any sale under sub-clause 2.4, the person appointed by finnCap in accordance with clause 2.4 shall be authorised as attorney or agent on behalf of the Scheme Shareholder concerned to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer and to give such instructions and to do all things which he may consider necessary or expedient in connection with such sale. In the absence of bad faith or wilful default, none of finnCap, Cenkos or the persons so appointed shall have any liability for any determination made pursuant to sub-clause 2.4 or for any loss or damage arising as a result of the timing or terms of any sale pursuant to sub-clause 2.4.
- 3.2 With effect from, and including, the Scheme Effective Time, all certificates representing Scheme Shares shall cease to have effect as documents of title to the Scheme Shares comprised in the certificates and every Scheme Shareholder shall destroy the same, or be bound at the request of Cenkos to deliver up the same to Cenkos (or any person appointed by Cenkos to receive them).
- 3.3 Cenkos shall procure that entitlements to Scheme Shares held within CREST are disabled as from the Scheme Record Time and Euroclear is instructed to cancel or transfer the entitlements of Scheme Shareholders to Scheme Shares in uncertificated form and (if necessary) that entitlements to such Scheme Shares are rematerialised as soon as practicable after the Scheme Effective Time.
- 3.4 Subject to completion and delivery of any form of transfer or other instrument or instruction of transfer as may be required in accordance with sub-clause 1.2 and, if applicable, the payment of any stamp duty on them, Cenkos shall make, or procure to be made, as soon as practicable, appropriate entries in the register of members of Cenkos to reflect the transfer of the Scheme Shares to finnCap (and/or its nominee(s)) and Cenkos shall comply with its obligations set out in sub-clause 1.5 in this respect.

### **4. Settlement**

- 4.1 No later than 14 days after the Effective Date (or such other period as may be agreed between Cenkos and finnCap and approved by the Panel), finnCap shall, allot and issue the New finnCap Shares which it is required to allot and issue to Scheme Shareholders pursuant to clause 2 and:
- (A) in the case of Scheme Shares which at the Scheme Record Time are in certificated form, despatch, or procure the despatch of share certificates of such New finnCap Shares to the persons entitled thereto in accordance with the provisions of sub-clause 4.2; and
- (B) in the case of Scheme Shares which at the Scheme Record Time are in uncertificated form, procure that Euroclear is instructed to credit the appropriate stock account in CREST of the relevant Scheme Shareholder with such Scheme Shareholder's entitlement to such New finnCap Shares in accordance with clause 2 and in accordance with the CREST assured payment arrangements, provided that finnCap shall be entitled to settle all or part of the Consideration as aforesaid in sub-clause 4.1(A) if, for any reason outside of its control, it is not able to effect settlement in accordance with this sub-clause 4.1(B).



- 4.2 All deliveries of share certificates and/or cheques required to be made pursuant to this Scheme shall be effected by sending the same by first class post or (if overseas) by international standard post (or by such other method as may be approved by the Panel) in pre-paid envelopes addressed to the persons entitled to them at their respective registered addresses as appearing in the register of members of Cenkos at the Scheme Record Time (or in the case of any joint holders, at the address of the joint holder whose name stands first in the register of members of Cenkos in respect of such joint holding at the Scheme Record Time) and none of Cenkos or finnCap any member of the Cenkos Group, finnCap Group or their respective agents or nominees or Link shall be responsible for any loss or delay in the transmission of any share certificates and/or cheques sent in accordance with this sub-clause 4.2 which shall be sent at the risk of the person or persons entitled to them.
- 4.3 All cheques shall be in sterling drawn on a branch of a UK clearing bank and shall be made payable to the Scheme Shareholder concerned, or, in the case of joint holders, the joint holder whose name stands first in the register of members of Cenkos in respect of such joint holding at the Scheme Record Time (save that, in the case of joint holders, finnCap reserves the right to make the cheque payable to all joint holders).
- 4.4 The preceding paragraphs of this clause 4 shall take effect subject to any prohibition or condition imposed by law.

5. **Fractional entitlements**

Fractions of New finnCap Shares will not be issued to Scheme Shareholders and entitlements will be rounded down to the nearest whole number of New finnCap Shares so that all fractions of New finnCap Shares will be disregarded.

6. **Mandates**

Each mandate and other instructions given to Cenkos by Scheme Shareholders in force at the Scheme Record Time shall, unless and until amended or revoked, under the terms of the Scheme be deemed as from the Effective Date to be an effective mandate or instruction in respect of the corresponding New finnCap Shares.

7. **Effective time**

- 7.1 This Scheme shall become effective upon a copy of the Court Order being delivered to the Registrar of Companies.
- 7.2 Unless this Scheme has become effective on or before 31 December 2023, or such later date (if any) as finnCap and Cenkos may agree and (if required) the Panel and the Court may allow, this Scheme shall never become effective.

8. **Modification**

Cenkos and finnCap may jointly consent on behalf of all persons concerned to any modification of or addition to this Scheme or to any condition which the Court may approve or impose. Any such modification or addition shall require the consent of the Panel where such consent is required under the Takeover Code. For the avoidance of doubt, no modification to the Scheme pursuant to this clause 8 may be made once the Scheme has taken effect.

9. **Governing law**

- 9.1 This Scheme and all rights and obligations arising from it are governed by the laws of England and Wales.
- 9.2 Any dispute of any kind whatsoever arising directly or indirectly as a result of or in connection with this Scheme initiated by Cenkos, finnCap, any present or future shareholder of finnCap, or any director of Cenkos or finnCap, irrespective of the causes of action, including whether

based on contract or tort, shall be exclusively subject to the jurisdiction of the courts of England. The rules of the Takeover Code will apply to this Scheme on the basis provided in the Takeover Code.

Dated: 20 April 2023

## PART 5 : FINANCIAL INFORMATION

### 1 Cenkos financial information

The following sets out the financial information in respect of Cenkos as required by Rule 24.3 of the Takeover Code. The documents (or parts thereof) referred to below, the contents of which have previously been announced through a Regulatory Information Service, are incorporated by reference into this document pursuant to Rule 24.15 of the Takeover Code:

Information incorporated by reference	Hyperlinks	Pages
Annual report and accounts for Cenkos and its subsidiaries for the year ended 31 December 2022	<a href="https://www.cenkos.com/wp-content/uploads/2023/03/Annual-Report-2022-Final.pdf">https://www.cenkos.com/wp-content/uploads/2023/03/Annual-Report-2022-Final.pdf</a>	54 to 83
Annual report and accounts for Cenkos and its subsidiaries for the year ended 31 December 2021	<a href="https://www.cenkos.com/wp-content/uploads/2022/03/Annual-Report-2021.pdf">https://www.cenkos.com/wp-content/uploads/2022/03/Annual-Report-2021.pdf</a>	59 to 91

There are no current ratings or outlooks publicly accorded to Cenkos by any rating agencies.

### 2 finncap financial information

The following sets out the financial information in respect of finncap required by Rule 24.3 of the Takeover Code. The documents (or parts thereof) referred to below, the contents of which have previously been announced through a Regulatory Information Service are incorporated into this document by reference pursuant to Rule 24.15 of the Takeover Code.

Information incorporated by reference	Hyperlinks	Pages
Interim results for the six months ended 30 September 2022	<a href="https://www.finncap.com/uploads/media/63b3fea719990/fy23-h1-interim-results.pdf">https://www.finncap.com/uploads/media/63b3fea719990/fy23-h1-interim-results.pdf</a>	N/A
Annual report and accounts for finncap and its subsidiaries for the year ended 31 March 2022	<a href="https://www.finncap.com/uploads/media/62ebcb4b58319/finncap-fy22-report-and-accounts.pdf">https://www.finncap.com/uploads/media/62ebcb4b58319/finncap-fy22-report-and-accounts.pdf</a>	47 to 86
Annual report and accounts for finncap and its subsidiaries for the year ended 31 March 2021	<a href="https://www.finncap.com/uploads/media/60e564da8bacd/annual-report-and-accounts-for-the-year-ended-31-march-2021.pdf">https://www.finncap.com/uploads/media/60e564da8bacd/annual-report-and-accounts-for-the-year-ended-31-march-2021.pdf</a>	44 to 83

There are no current ratings or outlooks publicly accorded to finncap by any rating agencies.

### 3 Effect of the Scheme becoming Effective on finncap

Following the Scheme becoming Effective, the earnings, assets and liabilities of finncap will include the consolidated earnings, assets and liabilities of Cenkos on the Effective Date.

### 4 Hard copies

- 4.1 Recipients of this document may request hard copies of the information incorporated into this document by reference by contacting Link on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Please note that calls may be monitored or recorded and the helpline cannot provide financial, legal or tax advice or advice on the merits of the Merger.
- 4.2 Hard copies of the information incorporated into this document by reference will not be sent to recipients of this document unless specifically requested.

5 **No other incorporation of website information**

Save as expressly stated in this document, the contents of the websites referred to in this document are not incorporated into and do not form part of this document.

## PART 6 : ADDITIONAL INFORMATION

### 1 Responsibility

- 1.1 The Cenkos Directors, whose names are set out in paragraph 2.1 below, each accept responsibility for the information contained in this document (including any expressions of opinion), other than the information for which responsibility is taken by the finnCap Directors pursuant to paragraph 1.2 below. To the best of the knowledge and belief of the Cenkos Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document (including any expressions of opinion) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The finnCap Directors, whose names are set out in paragraph 2.2 below, each accept responsibility for the information contained in this document (including any expressions of opinion) relating to finnCap, the finnCap Group, themselves and their respective close relatives, related trusts and connected companies, and any other person acting or deemed to be acting in concert (as such term is defined in the Takeover Code) with finnCap. To the best of the knowledge and belief of the finnCap Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document (including any expressions of opinion) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

### 2 Directors, other officers and registered office

- 2.1 The Cenkos Directors and their respective positions are:

<u>Name</u>	<u>Position</u>
Lisa Gordon	Non-Executive Chairman
Julian Morse	Chief Executive Officer
Jeremy Osler	Executive Director, Head of Corporate Finance and General Counsel
Andrew Boorman	Non-Executive Director
Jeremy Miller	Non-Executive Director

Cenkos' registered office and the business address of each of the Cenkos Directors is 6.7.8. Tokenhouse Yard, London, EC2R 7AS.

Cenkos' Company Secretary is Jeremy Osler.

- 2.2 The finnCap Directors and their respective positions are:

<u>Name</u>	<u>Position</u>
Robert Lister	Independent Non-Executive Chairman
John Farrugia	Chief Executive Officer
Richard Snow	Chief Financial Officer
Geoffrey Nash	Executive Director
Andy Hogarth	Senior Independent Non-Executive Director
Barbara Ann Firth	Independent Non-Executive Director
Annette Andrews	Independent Non-Executive Director

finnCap's registered office and the business address of each of the finnCap Directors is One Bartholomew Close, London, England, EC1A 7BL.

finnCap's Company Secretary is Simon Maynard.

### 3 **Persons acting in concert**

- 3.1 In addition to the Cenkos Directors (together with their close relatives and related trusts) and members of the Wider Cenkos Group, the persons who, for the purposes of the Takeover Code, are acting in concert with Cenkos in respect of the Merger and who are required to be disclosed are:

<b>Name</b>	<b>Registered office</b>	<b>Relationship with Cenkos</b>
SPARK Advisory Partners Limited	5 St. John's Lane, London, EC1M 4BH	Connected adviser

- 3.2 There are no persons in addition to the finnCap Directors (together with their close relatives and related trusts) and members of the Wider finnCap Group, who, for the purposes of the Takeover Code, are acting in concert with finnCap in respect of the Merger and who are required to be disclosed.

- 3.3 James Firth, a close relative of Barbara Firth (a non-executive director of finnCap), is presumed to be acting in concert with finnCap in respect of the Merger and his interest in Cenkos securities is set out in paragraph 5.3 below.

### 4. **Market quotations**

#### 4.1 **Cenkos**

The following table shows the closing middle market prices for Cenkos Shares as derived from the AIM Appendix to the Official List for the first dealing day in each of the six months prior to the date of this document, for 22 March 2023 (being the last business day before the Rule 2.7 Announcement) and for 19 April 2023 (being the Latest Practicable Date).

<b>Date</b>	<b>Cenkos Share price (pence)</b>
October 2022	42.50 pence
November 2022	44.50 pence
December 2022	45.50 pence
January 2023	44.00 pence
February 2023	49.00 pence
March 2023	50.50 pence
22 March 2023	39.00 pence
Latest Practicable Date	38.00 pence

#### 4.2 **finnCap**

The following table shows the closing middle market prices for finnCap Shares as derived from the AIM Appendix to the Official List for the first dealing day in each of the six months prior to the date of this document, for 22 March 2023 (being the last business day before the Rule 2.7 Announcement) and for 19 April 2023 (being the Latest Practicable Date).

<b>Date</b>	<b>finnCap Share price (pence)</b>
October 2022	14.25 pence
November 2022	18.75 pence
December 2022	14.98 pence
January 2023	12.10 pence
February 2023	12.75 pence
March 2023	12.63 pence
22 March 2023	11.63 pence
Latest Practicable Date	11.13 pence

## 5 **Disclosures of interests and dealings**

5.1 For the purposes of paragraphs 3 to 5 of this Part 6 (*Additional Information*):

- (A) “acting in concert” has the meaning given to it in the Takeover Code;
- (B) “arrangement” includes indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to securities which may be an inducement to deal or refrain from dealing;
- (C) “connected adviser” has the meaning given to it in the Takeover Code;
- (D) “dealing” has the meaning given to it in the Takeover Code;
- (E) “derivative” has the meaning given to it in the Takeover Code;
- (F) “disclosure period” means the period beginning on 23 March 2022 (being the date that is 12 months before the commencement of the Offer Period) and ending on the Latest Practicable Date;
- (G) “financial collateral arrangements” are arrangements of the kind referred to in Note 3 on Rule 4.6 of the Takeover Code;
- (H) “interest” or “interests” in relevant securities shall have the meaning given to it in the Takeover Code and references to interests of finnCap Directors or interests of Cenkos Directors in relevant securities shall include all interests of any other person whose interests in shares the finnCap Directors or, as the case may be, the Cenkos Directors, are taken to be interested in pursuant to Part 22 of the Companies Act;
- (I) “Note 11 arrangement” includes any indemnity or option arrangement, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing (other than irrevocable commitments and letters of intent to vote in favour of the Scheme and/or related resolutions, details of which are set out in paragraph 6 of this Part 6 (*Additional Information*));
- (J) “relevant Cenkos securities” means relevant securities (such term having the meaning given to it in the Takeover Code in relation to an offeree) of Cenkos including equity share capital of Cenkos (or derivatives referenced to them) and securities convertible into, rights to subscribe for and options (including traded options) in respect of them;
- (K) “relevant finnCap securities” means relevant securities (such term having the meaning given to it in the Takeover Code in relation to an offeror) of finnCap including equity share capital in finnCap (or derivatives referenced to them) and securities convertible into, rights to subscribe for and options (including traded options) in respect of them; and
- (L) “short position” means any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

## Interests and dealings in relevant Cenkos securities

### Interests

5.2 As at the Latest Practicable Date, the following Cenkos Directors had the following interests in, or rights to subscribe in respect of, relevant Cenkos securities:

#### *Cenkos Shares*

Name	Number of Cenkos Shares	Percentage of total issued share capital
Lisa Gordon	100,000	0.18
Julian Morse	1,221,556	2.15
Jeremy Osler	82,945	0.15
Andrew Boorman	128,152	0.23
Jeremy Miller	55,000	0.10

#### *Cenkos Share Awards*

Name	Description of award/option	Number of Cenkos Shares	Date of Award / Grant	Exercise Price	Vesting Date from	Expiry Date
Julian Morse	Deferred Bonus Scheme	453,371	177,365 shares based on a 74.0p share price. Awarded on 8 April 2021	n/a	88,682 shares on 8 April 2023 88,683 shares on 8 April 2024	n/a
			276,006 shares based on a 74.5p share price. Awarded on 8 April 2022	n/a	92,002 shares on 8 April 2023 92,002 shares on 8 April 2024 92,002 shares on 8 April 2025	
	Long Term Incentive Plan	1,460,000	6 April 2021	Nil Paid Options	Subject to performance conditions being met 486,666 shares on 6 April 2024 486,667 shares on 6 April 2025 486,667 shares on 6 April 2026	5 April 2031
	Company Share Option Plan	40,000	26 March 2021	73.50p	26 March 2024	25 March 2031
	Save As You Earn	44,698	16 Nov 2020	40.27p	1 Jan 2024	30 June 2024



Name	Description of award/option	Number of Cenkos Shares	Date of Award / Grant	Exercise Price	Vesting Date from	Expiry Date
Jeremy Osler	Deferred Bonus Scheme	143,188	43,356 shares based on a 74.0p share price. Awarded on 8 April 2021	n/a	21,678 shares on 8 April 2023	n/a
					21,678 shares on 8 April 2024	
			99,832 shares based on a 74.5p share price. Awarded on 8 April 2022	n/a	33,277 shares on 8 April 2023	
					33,277 shares on 8 April 2024	
					33,278 shares on 8 April 2025	
	Long Term Incentive Plan	510,000	6 April 2021	Nil	Subject to performance conditions being met	5 April 2031
					170,000 shares on 6 April 2024	
					170,000 shares on 6 April 2025	
					170,000 shares on 6 April 2026	
	Company Share Option Plan	40,000	26 March 2021	73.50p	26 March 2024	25 March 2031
	Save As You Earn	44,698	16 Nov 2020	40.27p	1 Jan 2024	30 June 2024

5.3 As at the Latest Practicable Date, the following person acting in concert with finnCap held the following interests in, or rights to subscribe in respect of, relevant Cenkos securities:

Name	Number of Cenkos Shares	Percentage of total issued share capital
James Firth	100	0.000176%

5.4 As at the Latest Practicable Date, the following persons acting in concert with Cenkos held the following interests in, or rights to subscribe in respect of, relevant Cenkos securities:

Name	Number of Cenkos Shares	Percentage of total issued share capital
Zedra Trust Company (Guernsey) Limited in its capacity as trustee of the Cenkos Securities EBT	5,353,524 <sup>2</sup>	9.44%
Apex Financial Services (Trust Company) Limited in its capacity as trustee of the Cenkos Employee Benefit Trust	6,916,454 <sup>3</sup>	12.2%

<sup>2</sup> Total represents total number of Cenkos Shares that are held within the EBT, all of which are unallocated under any Cenkos Share Plans and accordingly can be voted by the trustee, subject to its discretion, in accordance with the recommendations of Cenkos.

<sup>3</sup> Total represents total number of Cenkos Shares held within the EBT, of which 1,958,252 (3.45%) are unallocated under any Cenkos Share Plans and accordingly can be voted by the trustee, subject to its discretion, in accordance with the recommendations of Cenkos.

## Dealings

5.5 During the disclosure period, the following Cenkos Directors dealt in the following relevant Cenkos securities:

Name	Transaction type	Number of Cenkos Shares	Date	Price	Notes
<b>Julian Morse</b>	Vested shares received under the Cenkos DBSS	185,795	20 April 2022	n/a	Vested shares under the terms of the Cenkos DBSS – off market transaction
	Sale of shares	92,945	20 April 2022	72.0p	Sale of shares to cover income tax and NI liabilities on the vesting of shares under the Cenkos DBSS – market transaction
	Vested shares received under the Cenkos STIP	293,000	16 May 2022	n/a	Vested shares under the terms of the Cenkos STIP – off market transaction
	Sale of shares	145,884	16 May 2022	67.0p	Sale of shares to cover income tax and NI liabilities on the vesting of shares under the Cenkos STIP – market transaction
<b>Jeremy Osler</b>	Vested shares received under the Deferred Bonus Scheme	50,114	20 April 2022	n/a	Vested shares under the terms of the Cenkos DBSS – off market transaction
	Sale of shares	25,070	20 April 2022	72.0p	Sale of shares to cover income tax and NI liabilities on the vesting of the Cenkos DBSS – market transaction

Under Rule 6 of the Takeover Code, dealings in shares in the three months prior to the commencement of and during the offer period by a concert party require the offer being made to holders of the same class of shares to not be on less favourable terms.

5.6 During the disclosure period, the following persons acting in concert with Cenkos dealt in the following relevant Cenkos securities:

Name	Transaction type	Number of Cenkos Shares	Date	Price
<b>Zedra Trust Company (Guernsey) Limited in its capacity as trustee of the Cenkos Securities EBT</b>	Market purchase for Cenkos Employee Benefit Trust	70,000	31 March 2022	80.00p
	Market purchase for Cenkos Employee Benefit Trust	100,000	01 April 2022	79.00p
	Market purchase for Cenkos Employee Benefit Trust	100,000	01 April 2022	81.00p
	Market purchase for Cenkos Employee Benefit Trust	50,000	01 April 2022	76.50p
	Market purchase for Cenkos Employee Benefit Trust	25,000	07 April 2022	75.75p
	Off Market transfer to Apex Financial Services (Trust Company) Limited in its capacity as trustee of the Cenkos Securities EBT to satisfy requirements under the Cenkos DBSS	2,250,000	08 April 2022	Nil
	Market purchase for Cenkos Employee Benefit Trust	40,000	12 April 2022	74.50p
	Market purchase for Cenkos Employee Benefit Trust	50,000	13 April 2022	74.50p

<b>Name</b>	<b>Transaction type</b>	<b>Number of Cenkos Shares</b>	<b>Date</b>	<b>Price</b>
	Market purchase for Cenkos Employee Benefit Trust	21,250	19 April 2022	82.00p
	Market purchase for Cenkos Employee Benefit Trust	30,000	3 May 2022	69.00p
	Market purchase for Cenkos Employee Benefit Trust	25,000	4 May 2022	69.00p
	Market purchase for Cenkos Employee Benefit Trust	18,000	4 May 2022	70.00p
	Market purchase for Cenkos Employee Benefit Trust	25,000	6 May 2022	69.00p
	Market purchase for Cenkos Employee Benefit Trust	50,000	09 May 2022	68.50p
	Market purchase for Cenkos Employee Benefit Trust	25,000	09 May 2022	68.50p
	Market purchase for Cenkos Employee Benefit Trust	25,000	12 May 2022	68.00p
	Market purchase for Cenkos Employee Benefit Trust	40,000	16 May 2022	67.50p
	Market purchase for Cenkos Employee Benefit Trust	15,000	18 May 2022	67.50p
	Market purchase for Cenkos Employee Benefit Trust	25,000	30 May 2022	64.50p
	Market purchase for Cenkos Employee Benefit Trust	25,000	16 June 2022	64.50p
	Market purchase for Cenkos Employee Benefit Trust	25,000	20 June 2022	64.50p
	Market purchase for Cenkos Employee Benefit Trust	25,000	22 June 2022	64.50p
	Market purchase for Cenkos Employee Benefit Trust	50,000	23 June 2022	64.50p
	Market purchase for Cenkos Employee Benefit Trust	11,400	27 June 2022	64.00p
	Market purchase for Cenkos Employee Benefit Trust	25,000	28 June 2022	64.00p
	Market purchase for Cenkos Employee Benefit Trust	25,000	29 June 2022	64.00p
	Market purchase for Cenkos Employee Benefit Trust	50,000	29 June 2022	63.50p
	Market purchase for Cenkos Employee Benefit Trust	25,000	29 June 2022	63.50p
	Market purchase for Cenkos Employee Benefit Trust	50,000	29 June 2022	63.00p
	Market purchase for Cenkos Employee Benefit Trust	125,000	30 June 2022	63.00p
	Market purchase for Cenkos Employee Benefit Trust	15,870	30 June 2022	63.00p
	Market purchase for Cenkos Employee Benefit Trust	476,190	01 July 2022	63.00p
	Market purchase for Cenkos Employee Benefit Trust	50,000	01 August 2022	62.00p
	Market purchase for Cenkos Employee Benefit Trust	25,000	01 August 2022	61.00p
	Market purchase for Cenkos Employee Benefit Trust	50,000	16 August 2022	62.00p

Name	Transaction type	Number of Cenkos Shares	Date	Price
	Market purchase for Cenkos Employee Benefit Trust	40,000	17 August 2022	62.00p
	Market purchase for Cenkos Employee Benefit Trust	20,000	26 August 2022	62.00p
	Market purchase for Cenkos Employee Benefit Trust	25,000	01 September 2022	61.50p
	Market purchase for Cenkos Employee Benefit Trust	12,000	02 September 2022	61.00p
	Market purchase for Cenkos Employee Benefit Trust	15,000	05 September 2022	61.00p
	Market purchase for Cenkos Employee Benefit Trust	450,000	08 September 2022	56.11p
	Market purchase for Cenkos Employee Benefit Trust	65,000	01 November 2022	43.50p
	Market purchase for Cenkos Employee Benefit Trust	48,820	07 November 2022	44.50p
	Market purchase for Cenkos Employee Benefit Trust	50,000	07 December 2022	46.00p
	Market purchase for Cenkos Employee Benefit Trust	25,000	20 December 2022	45.00p
	Market purchase for Cenkos Employee Benefit Trust	25,000	05 January 2023	45.00p
	Market purchase for Cenkos Employee Benefit Trust	40,000	16 January 2023	45.00p
	Market purchase for Cenkos Employee Benefit Trust	25,000	17 January 2023	45.75p
	Market purchase for Cenkos Employee Benefit Trust	25,000	21 February 2023	53.00p
	Market purchase for Cenkos Employee Benefit Trust	25,000	23 February 2023	52.13p
	Market purchase for Cenkos Employee Benefit Trust	25,000	28 February 2023	52.00p
	Market purchase for Cenkos Employee Benefit Trust	20,630	28 February 2023	51.50p
	Market purchase for Cenkos Employee Benefit Trust	25,000	07 March 2023	50.50p
	Market purchase for Cenkos Employee Benefit Trust	25,000	07 March 2023	51.00p
	Market purchase for Cenkos Employee Benefit Trust	25,000	08 March 2023	50.50p
	Market purchase for Cenkos Employee Benefit Trust	29,250	13 March 2023	41.00p
	Market purchase for Cenkos Employee Benefit Trust	50,000	4 April 2023	36.00p
<b>Apex Financial Services (Trust Company) Limited in its capacity as trustee of the Cenkos Employee Benefit Trust</b>	Transfer to individuals allocated accounts under the terms and conditions of the Cenkos DBSS	913,447	08 April 2022	Nil
	Market purchase of shares	676,736	19 April 2022	72.00p
	Market purchase of shares	18,925	19 April 2022	72.00p
	Acquired shares forfeited from leaver to unallocated account	1,174	11 May 2022	Nil
	Market purchase of shares	653,972	16 May 2022	67.00p
	Acquired forfeited shares from Cenkos STIP leavers to unallocated account	198,500	18 May 2022	Nil

Name	Transaction type	Number of Cenkos Shares	Date	Price
	Acquired shares forfeited from leaver to unallocated account	8,555	31 October 2022	Nil
	Acquired shares forfeited from leaver to unallocated account	7,456	11 November 2022	Nil
	Acquired shares forfeited from leaver to unallocated account	4,629	25 November 2022	Nil
	Acquired shares forfeited from leaver to unallocated account	76,532	26 January 2023	Nil
	Acquired shares forfeited from leaver to unallocated account	1,174	3 March 2023	Nil
	Acquired shares forfeited from leaver to unallocated account	18,050	29 March 2023	Nil

## Interests and dealings in relevant finnCap securities

### Interests

5.7 As at the Latest Practicable Date, the following finnCap Directors held the following interests in, or rights to subscribe in respect of, relevant finnCap securities:

#### *finnCap Shares*

<b>Name</b>	<b>Number of finnCap Shares</b>	<b>Percentage of total issued share capital</b>
Robert Lister	65,640	0.04%
John Farrugia	1,927,669	1.06%
Richard Snow	328,697	0.18%
Geoffrey Nash	7,132,626*	3.94%
Andy Hogarth	357,142	0.20%
Barbara Ann Firth	357,142	0.20%
Annette Andrews	Nil	N/A

\* This figure includes 6,860,000 finnCap Shares which are legally and/or beneficially held by Geoffrey Nash's wife.

*finnCap Share Awards*

Name	Description of award/ option	Number of finnCap Shares	Date of Award / Grant	Exercise Price	Vesting Date from	Expiry Date
John Farrugia	finnCap Group plc Company Share Option plan	305,045	5 December 2018	£0.280	05/12/2020	05/12/2023
	finnCap Group plc Company Share Option plan	152,523	5 December 2018	£0.280	05/12/2021	05/12/2023
	finnCap Group plc Company Share Option plan	152,523	5 December 2018	£0.280	05/12/2022	05/12/2023
	finnCap Group plc Company Share Option plan	425,000	1 April 2020	£0.175	09/07/2024	09/07/2027*
	finnCap Group plc Company Share Option plan	666,667	18 August 2020	£0.010	01/04/2022	31/03/2025
	finnCap Group plc Company Share Option plan	666,667	18 August 2020	£0.010	01/04/2023	31/03/2026
	finnCap Group plc Enterprise Management Share Option Plan	775,000	1 April 2020	£0.175	09/07/2024	09/07/2027*
Richard Snow	finnCap Group plc Company Share Option plan	250,000	13 August 2020	£0.155	20/05/2025	20/05/2028*

5.8 Save as disclosed in this paragraph 5 and paragraph 6 (*Irrevocable undertakings and letter of intent*), as at the Latest Practicable Date:

- (A) none of: (i) finnCap; (ii) any finnCap Director or any close relative, related trust or connected person of any such director; or (iii) any other person acting in concert with finnCap, had any interest in, right to subscribe in respect of, or short position in respect of, relevant Cenkos securities, and no such person has dealt in any relevant Cenkos securities during the disclosure period;
- (B) none of: (i) finnCap; (ii) any finnCap Director or any close relative, related trust or connected person of any such director; or (iii) any other person acting in concert with finnCap, had any interest in, right to subscribe in respect of, or short position in respect of, relevant finnCap securities, and no such person has dealt in any relevant finnCap securities during the disclosure period;
- (C) neither finnCap nor any person acting in concert with finnCap had borrowed or lent any relevant Cenkos securities or any relevant finnCap securities (including any financial collateral arrangements), save for borrowed shares which have been either on-lent or sold;
- (D) none of: (i) Cenkos; (ii) any Cenkos Director, or any close relative, related trust or connected person of any Cenkos Director; or (iii) any other person acting in concert with Cenkos, had any interest in, right to subscribe in respect of, or short position in relation to, relevant Cenkos securities; and no such person has dealt in any relevant Cenkos securities during the Offer Period;
- (E) neither: (i) Cenkos; nor (ii) any Cenkos Director, or any close relative, related trust or connected person of any Cenkos Director; or (iii) any other person acting in concert with Cenkos, had any interest in, right to subscribe in respect of, or short position in relation to, relevant finnCap securities, and no such person has dealt in any relevant finnCap securities during the Offer Period;

- (F) neither Cenkos nor any person acting in concert with it had borrowed or lent any relevant Cenkos securities or any relevant finnCap securities (including any financial collateral arrangements), save for borrowed shares which have been either on-lent or sold;
- (G) neither finnCap nor any person acting in concert with finnCap had any Note 11 arrangement with any other person; and
- (H) neither Cenkos nor any person acting in concert with Cenkos had any Note 11 arrangement with any other person.

## 6 **Irrevocable undertakings and letter of intent**

### 6.1 **Cenkos Directors**

The following Cenkos Directors have given irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting (or in the event that the Merger is implemented by a Takeover Offer, to accept or procure acceptance of such Takeover Offer) in relation to the following Cenkos Shares currently held by them as well as any further Cenkos Shares which they may acquire:

<b>Name</b>	<b>Number of Cenkos Shares for which undertaking is given</b>	<b>Percentage of total issued share capital at Latest Practicable Date</b>
Julian Morse	1,221,556	2.15%
Jeremy Osler	82,945	0.15%
Lisa Gordon	100,000	0.18%
Andrew Boorman	128,152	0.23%
Jeremy Miller	55,000	0.10%
<b>Total</b>	<b>1,587,653</b>	<b>2.80%</b>

The obligations of the Cenkos Directors under the irrevocable undertakings shall lapse and cease to have effect to the extent not already undertaken and without prejudice to any liability for antecedent breach if, among other things:

- (1) finnCap announces, with the consent of the Panel, that it does not intend to proceed with the Merger and no new, revised or replacement scheme of arrangement or Takeover Offer is announced by finnCap in accordance with Rule 2.7 of the Takeover Code at the same time;
- (2) the Merger lapses or is withdrawn in accordance with its terms and no new, revised or replacement scheme of arrangement or Takeover Offer is announced by finnCap by such time;
- (3) the Scheme has not become Effective by 5.00 pm on the Long Stop Date or such later time and date as Cenkos and finnCap may agree with the approval of the Court and/or Panel if required (other than in circumstances where finnCap has, prior to such date, elected to exercise its right to proceed by way of a Takeover Offer and announced the same in accordance with the requirements of paragraph 8 of Appendix 7 to the Takeover Code, and such Takeover Offer has not lapsed or been withdrawn); and/or
- (4) any competing offer for the entire issued and to be issued share capital of Cenkos is declared unconditional or, if proceeding by way of a scheme of arrangement, becomes effective.

## 6.2 Cenkos Shareholders

The following Cenkos Shareholders have given irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting (or in the event that the Merger is implemented by way of a Takeover Offer, to accept or procure acceptance of such Takeover Offer) in relation to the following Cenkos Shares currently held by them as well as, in some cases, any further Cenkos Shares which they may acquire:

<b>Name</b>	<b>Number of Cenkos Shares for which undertaking is given</b>	<b>Percentage of total issued share capital at Latest Practicable Date</b>
Jim Durkin	4,677,343	8.25%
Bridger Limited	5,477,162	9.66%
Stephen Keys	19,376	0.03%
Sarah Keys	858,206	1.51%
Michael Johnson	460,810	0.81%
<b>Total</b>	<b>11,492,897</b>	<b>20.27%</b>

These irrevocable undertakings remain binding in the event a higher competing offer is made for Cenkos and will cease to be binding if, among other things:

- (1) finnCap announces, with the consent of the Panel, that it does not intend to proceed with the Merger and no new, revised or replacement scheme of arrangement or Takeover Offer is announced by finnCap in accordance with Rule 2.7 of the Takeover Code at the same time;
- (2) the Merger lapses or is withdrawn in accordance with its terms and no new, revised or replacement scheme of arrangement or Takeover Offer is announced by finnCap by such time;
- (3) the Scheme has not become Effective by 5.00 pm on the Long Stop Date or such later time and date as Cenkos and finnCap may agree with the approval of the Court and/or Panel if required (other than in circumstances where finnCap has, prior to such date, elected to exercise its right to proceed by way of a Takeover Offer and announced the same in accordance with the requirements of paragraph 8 of Appendix 7 to the Takeover Code, and such Takeover Offer has not lapsed or been withdrawn); and/or
- (4) any competing offer for the entire issued and to be issued share capital of Cenkos is declared unconditional or, if proceeding by way of a scheme of arrangement, becomes effective.



### 6.3 finnCap Directors

The following finnCap Directors have given irrevocable undertakings to vote in favour of the finnCap Resolution to be proposed at the finnCap General Meeting which will be convened in connection with the Merger in relation to the following finnCap Shares currently held by them (or their close relatives, related trusts and connected persons) as well as any further finnCap Shares which they may acquire:

Name of finnCap Director	Number of finnCap Shares for which undertaking is given	Percentage of total issued share capital at Latest Practicable Date
Robert Lister	65,640	0.04%
Barbara Firth	357,142	0.20%
Andrew Hogarth	357,142	0.20%
Geoffrey Nash	7,132,626*	3.94%
John Farrugia	1,927,669	1.06%
Richard Snow	328,697	0.18%
<b>Total</b>	<b>10,168,726</b>	<b>5.62%</b>

\* This figure includes 6,860,000 finnCap Shares which are legally and/or beneficially held by Geoffrey Nash's wife.

These irrevocable undertakings will cease to be binding if, among other things:

- (1) finnCap announces, with the consent of the Panel, that it does not intend to proceed with the Merger and no new, revised or replacement scheme of arrangement or Takeover Offer is announced by finnCap in accordance with Rule 2.7 of the Takeover Code at the same time;
- (2) the Merger lapses or is withdrawn in accordance with its terms and no new, revised or replacement scheme of arrangement or Takeover Offer is announced by finnCap by such time;
- (3) the Scheme has not become Effective by 5.00 pm on the Long Stop Date or such later time and date as Cenkos and finnCap may agree with the approval of the Court and/or Panel if required (other than in circumstances where finnCap has, prior to such date, elected to exercise its right to proceed by way of a Takeover Offer and announced the same in accordance with the requirements of paragraph 8 of Appendix 7 to the Takeover Code, and such Takeover Offer has not lapsed or been withdrawn);
- (4) any competing offer for the entire issued and to be issued share capital of Cenkos is declared unconditional or, if proceeding by way of a scheme of arrangement, becomes effective; and/or
- (5) the finnCap Resolution is duly passed by the requisite majority of finnCap Shareholders at the finnCap General Meeting.

## 6.4 finnCap Shareholders

The following finnCap Shareholders have given irrevocable undertakings to vote in favour of the finnCap Resolution to be proposed at the finnCap General Meeting which will be convened in connection with the Merger in relation to the following finnCap Shares currently held by them as well as any further finnCap Shares which they may acquire:

Name of finnCap Shareholder	Number of finnCap Shares for which undertaking is given	Percentage of total issued share capital at Latest Practicable Date
Jon Moulton	20,022,854	11.06%
Vin Murria	18,305,198*	10.11%
Sam Smith	17,730,000	9.79%
Lord Leigh	16,327,892	9.02%
Mark Tubby	4,705,763	2.60%
Peter Gray	4,179,943	2.31%
Rhys Williams	2,588,555	1.43%
<b>Total</b>	<b>83,860,205</b>	<b>46.31%</b>

\* This figure includes 15,268,640 finnCap Shares which are legally held by Lynchwood Nominees Ltd.

These irrevocable undertakings will cease to be binding if, among other things:

- (1) finnCap announces, with the consent of the Panel, that it does not intend to proceed with the Merger and no new, revised or replacement scheme of arrangement or Takeover Offer is announced by finnCap in accordance with Rule 2.7 of the Takeover Code at the same time;
- (2) the Merger lapses or is withdrawn in accordance with its terms and no new, revised or replacement scheme of arrangement or Takeover Offer is announced by finnCap by such time;
- (3) the Scheme has not become Effective by 5.00 pm on the Long Stop Date or such later time and date as Cenkos and finnCap may agree with the approval of the Court and/or Panel if required (other than in circumstances where finnCap has, prior to such date, elected to exercise its right to proceed by way of a Takeover Offer and announced the same in accordance with the requirements of paragraph 8 of Appendix 7 to the Takeover Code, and such Takeover Offer has not lapsed or been withdrawn);
- (4) any competing offer for the entire issued and to be issued share capital of Cenkos is declared unconditional or, if proceeding by way of a scheme of arrangement, becomes effective; and/or
- (5) the finnCap Resolution is duly passed by the requisite majority of finnCap Shareholders at the finnCap General Meeting.

## 6.5 Canaccord Letter of Intent

The following controller and/or beneficial owner of Cenkos Shares has given a non-binding letter of intent to procure votes in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting and, if finnCap exercises its right to implement the Merger by way of a Takeover Offer (subject to the consent of the Panel and the terms of the Co-operation Agreement), to procure acceptance of such Takeover Offer, in each case in respect of their beneficial holdings (or those Cenkos Shares over which they have control) of Cenkos Shares.

<u>Name</u>	<u>Total Number of Cenkos Shares</u>	<u>Percentage of existing issued share capital of Cenkos at Latest Practicable Date</u>
Canaccord Genuity Asset Management Limited	5,500,000	9.70%

## 7 Summary of rights attached to New finnCap Shares

In this summary reference to finnCap Shareholders includes Scheme Shareholders holding New finnCap Shares following the Merger.

### 7.1 Variation of rights

Subject to the provisions of the Companies Act and every other statute for the time being in force concerning companies and affecting finnCap (the “Statutes”) and to the rights of any existing class of shares from time to time, whenever the capital of finnCap is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, whether or not finnCap is being wound up, either with the consent in writing of the holders of not less than three-quarters in nominal amount of the issued shares of the affected class (excluding any shares of that class held as treasury shares), or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class (but not otherwise).

At every such separate general meeting the necessary quorum at any such meeting other than an adjourned meeting shall be two persons holding or representing by proxy at least one-third in nominal amount of the issued shares of the class in question (excluding treasury shares) and at an adjourned meeting one person holding shares of the class in question or his prox. Every holder of shares of the class present in person or by proxy shall, on a poll, have one vote in respect of every share of the class held by him and shall be entitled to demand a poll.

Where the rights of some only of the shares of any class are to be varied, the foregoing provisions apply as if each group of shares of the class differently treated formed a separate class whose rights are to be varied.

### 7.2 Alteration of share capital

FinnCap may, subject to the passing of a resolution authorising it to do so in accordance with the Companies Act:

- (A) alter its share capital in accordance with the Companies Act, including sub-dividing its shares, or any of them, into shares of smaller nominal amount than its existing shares; and
- (B) determine that, as between the holders of such shares resulting from the sub-division, any of them may have any preference or advantage, or deferred or other right, or be subject to any restriction as compared with the other.

### 7.3 Share rights

Subject to the provisions of the Statutes and without prejudice to the rights attaching to any existing shares or class of shares, any share may be issued with such rights or such restrictions as finnCap may from time to time by ordinary resolution determine or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the finnCap Board may determine. Such rights and restrictions shall apply to the relevant shares as if the same were set out in the finnCap Articles.

### 7.4 Pre-emption rights

There are no rights of pre-emption under the finnCap Articles in respect of transfers of issued New finnCap Shares. In certain circumstances, the finnCap Shareholders may have statutory pre-emption rights under the Companies Act in respect of the allotment of new shares in finnCap. These statutory pre-emption rights would require finnCap to offer new shares for allotment to existing finnCap Shareholders on a *pro rata* basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory pre-emption rights would be set out in the documentation by which such shares would be offered to the finnCap Shareholders.

### 7.5 Dividends and other distributions

- (A) Subject to the provisions of the Companies Act and the finnCap Articles, finnCap may by ordinary resolution declare dividends to be paid to finnCap Shareholders in accordance with their respective rights and priorities. However, the dividends shall not exceed the amount recommended by the finnCap Board. Subject to the provisions of the Companies Act and, so far as in the opinion of the finnCap Board the profits justify such payments, the finnCap Board may declare and pay interim dividends, of fixed dividends payable as it sees fit.
- (B) Except as otherwise provided by the finnCap Articles or the rights attached to any shares, all dividends shall be declared and paid according to the amounts paid on the shares in respect of which the dividend is paid; but no amount paid on a share in advance of the date upon which a call is payable shall be treated for these purposes as paid on the share.
- (C) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date, such share shall rank for or be entitled to dividends accordingly.

### 7.6 Voting rights

- (A) Subject to any rights or restrictions as to voting attached to any shares, on a show of hands every Shareholder present in person has one vote, every proxy present who has been duly appointed by one or more finnCap Shareholder entitled to vote has one vote and every corporate representative who has been duly authorised by a corporation has the same voting rights as the corporation would be entitled to.
- (B) On a poll every finnCap Shareholder (whether present in person or by a duly appointed proxy or corporate representative) has one vote for every share of which he is the holder or in respect of which his appointment as proxy or corporate representative has been made. A finnCap Shareholder entitled to more than one vote need not, if he votes use all his votes or cast all the votes he uses the same way. In the case of joint holders only the vote of the most senior joint holder shall count (to the exclusion of any other joint holders) and seniority shall be determined by the order in which the names of the holders appear in the register of finnCap.
- (C) Unless the finnCap Board determines otherwise, no finnCap Shareholder shall be entitled to vote at any general meeting or meeting of the holders of any class of

shares of finnCap either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of finnCap or of the holders of any class of shares of finnCap if any call or other sum then payable by him in respect of that share remains unpaid to finnCap.

#### **7.7 Transfer of shares**

- (A) A share in finnCap in certificated form shall be transferred by instrument of transfer in any usual or common form, or in any other form approved by the finnCap Board, signed by or on behalf of the transferor and, in the case of partly paid shares, by or on behalf of the transferee.
- (B) All transfers or shares in uncertificated form shall be made in accordance with and be subject to the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended from time to time) (the "Regulations") and in accordance with any arrangements made by the finnCap Board pursuant to the finnCap Articles.
- (C) The finnCap Board may, in their absolute discretion, refuse to register the transfer of a share which is not fully paid up. The finnCap Board may also refuse to register a transfer of a share in certificated form unless the instrument of transfer:
  - (1) is duly stamped or duly certificated;
  - (2) is delivered for registration at the registered office of finnCap or such other place as the finnCap Board may appoint and is accompanied by the certificate for the share to which it relates and such other evidence as the finnCap Board may reasonably require to show the right of the transferor to make the transfer;
  - (3) is in respect of only one class of share; and
  - (4) is not in favour of more than four transferees.
- (D) The finnCap Board may refuse to register a transfer of a share in uncertificated form in any case where finnCap is entitled to refuse to register the transfer in such other circumstances as may be permitted by the Regulations.
- (E) If the finnCap Board refuse to register a transfer of a share they shall send the transferee notice of the refusal within two months after the date on which the transfer was lodged with finnCap or, in the case of an un certificated share, the date on which the appropriate instruction was received by or on behalf of finnCap in accordance with the Regulations.
- (F) No fees shall be charged for the registration of any instrument of transfer or other document or instruction relating to or affecting the title to any share.

#### **7.8 Distribution of assets on a winding-up**

If finnCap shall be wound up the liquidator may, with the sanction of a special resolution and with any other sanction required by the Companies Act or the Insolvency Act 1986 (as amended) or the rights of any other class of shares, divide among the finnCap Shareholders in specie or kind the whole or any part of the assets of FinnCap and for such purposes may set such value upon any assets and may determine how such division shall be carried out as between the finnCap Shareholders or different classes of FinnCap Shareholders. With the like sanction, the liquidator may vest the whole or any part of the assets in trustees upon such trusts for the benefit of the finnCap Shareholders as he shall think fit, but no finnCap Shareholder shall be compelled to accept any shares or other securities upon which there is a liability.

#### **7.9 Restrictions on rights: failure to respond to a section 793 notice**

- (A) If a finnCap Shareholder, or any other person appearing to be interested in any shares, fails to provide the information requested in a notice given to him under section 793 of the Companies Act by finnCap in relation to his interest in shares (the "default shares") within 14 clear days after the notice has been given and the nominal

value of the default shares represents at least 0.25 per cent, of their class, the holder of the default shares shall not be entitled:

- (1) to attend or vote (whether in person or by representative or proxy) at any general meeting or annual general meeting of finnCap;
  - (2) to receive any dividend or other distribution; or
  - (3) to transfer or agree to transfer any of the shares or rights in them.
- (B) The restrictions set out in paragraph 7.9(A) shall continue for the period specified by the finnCap Board, being not more than seven clear days after the earlier of:
- (1) finnCap being notified that the default shares have been sold pursuant to an exempt transfer (an exempt transfer being a sale of the share on a recognised investment exchange as defined in FSMA in the United Kingdom or in any stock exchange outside the United Kingdom on which those shares are listed or normally traded, a sale of the whole beneficial interest in the share or an acceptance of a takeover offer) or;
  - (2) due compliance, to the satisfaction of the finnCap Board, with the section 793 notice.

#### **7.10 Untraced FinnCap Shareholders**

Subject to certain notice requirements, finnCap shall be entitled to sell at the best price reasonably obtainable at the time of sale any share held by a finnCap Shareholder if and provided that:

- (A) during a period of 12 years, at least three cash dividends have been declared in respect of the share in question and no dividend has been claimed during that period in respect of such shares;
- (B) finnCap has, after expiration of that period, sent a notice of its intention to sell such share to the registered address or last known address of the finnCap Shareholder or of the person entitled to the share by transmission at which service of notices might be effected in accordance with the finnCap Articles and, before sending such notice, finnCap is satisfied that it has taken such steps as it considers reasonable in the circumstances to trace the finnCap Shareholder or other person entitled, including engaging, if considered appropriate in relation to such share, a professional asset reunification company or other tracing agent; and
- (C) during the said period of 12 years and the period of three months following the date of such notice, finnCap shall not have received an indication either of the whereabouts or of the existence of such member or person.

#### **7.11 Unclaimed Dividends**

Any dividend unclaimed after a period of six years from the date when it was declared or became due for payment shall be forfeited and shall revert to finnCap.

## 8 Directors' service contracts and emoluments

### 8.1 **Cenkos executive directors**

- (A) The particulars of the service contracts between Cenkos and each executive director are set out below.

<b>Name of executive director</b>	<b>Position</b>	<b>Date of service contract</b>
Julian Morse	Chief Executive Officer	23 November 2020
Jeremy Osler	Executive Director, Head of Corporate Finance and General Counsel	6 May 2021

- (B) Julian Morse and Jeremy Osler are paid annual base salaries of £275,000 and £200,000 respectively. The executive directors are eligible to receive an additional discretionary bonus. Both executive directors are also entitled to a pension contribution on a statutory minimum basis based on qualifying earnings and will receive life assurance and private medical insurance. They are also eligible for cover under any director or officer insurance that Cenkos maintains from time to time.
- (C) Under their service agreements, each of the executive director's employment may be terminated by either party providing written notice to the other of not less than six months. Cenkos has the ability to make a payment in lieu of notice equal to the base salary and benefits element of each of the executive director's remuneration for any unexpired portion of the notice period. Cenkos also reserves the right to place each executive director on garden leave during their notice period (for all or an element of the notice period). Cenkos is also entitled to dismiss them without notice in certain circumstances such as serious misconduct or following a serious breach of his duties. The service agreements also contain six-month non-competition and six-month non-solicitation post-termination restrictive covenants.

### 8.2 **Cenkos non-executive directors**

- (A) The particulars of the letters of appointment between Cenkos and each non-executive director are set out below. No such letter of appointment has been entered into or amended during the six months preceding publication of this document.

<b>Name of non-executive director</b>	<b>First appointment date</b>	<b>Date of expiry of current appointment period</b>
Lisa Gordon	25 June 2020	10 May 2023
Andrew Boorman	13 November 2017	10 May 2023
Jeremy Miller	22 July 2019	10 May 2023

- (B) Lisa Gordon, as Chairman of the Cenkos Board, is entitled to receive an annual gross fee of £150,000. Andrew Boorman and Jeremy Miller, as independent non-executive directors, are each entitled to receive an annual gross fee of £66,000. Andrew Boorman and Jeremy Miller, as chairs of the Remuneration Committee and Audit Risk and Compliance Committee, respectively, are each entitled to additional annual fees of £5,000.
- (C) The fees payable to all of the non-executive directors are subject to annual review.
- (D) In addition, each non-executive director is entitled to be reimbursed for all reasonable and properly documented expenses incurred, and any taxation payable, in the performance of their duties.
- (E) Lisa Gordon's service contract includes a three-month notice period.

8.3 Save as disclosed in this paragraph 8:

- (A) no Cenkos Director is entitled to commission or profit-sharing arrangements;
- (B) other than statutory compensation and payment in lieu of notice, no compensation is payable to any Cenkos Director upon early termination of their contract or appointment; and
- (C) there are no service contracts or letters of appointment between any Cenkos Director or proposed director of Cenkos and any member of the Cenkos Group and no such contract has been entered into or amended within the six months preceding the date of this document.

8.4 Save as otherwise disclosed in this document, the effect of the Scheme on the interests of the Cenkos Directors does not differ from its effect on the like interests of any other holder of Scheme Shares.

### 8.5 **finnCap Directors' emoluments**

The emoluments of the finnCap Directors will not be affected by the Merger or any other associated transaction.

## 9 **Material contracts**

### 9.1 **Cenkos material contracts**

Save for the offer-related arrangements referred to in paragraph 10 of this Part 6 (*Additional Information*) and in paragraph 11 of Part 2 (Explanatory Statement), no member of the Cenkos Group has entered into, during the period beginning on 23 March 2021 (being two years before the commencement of the Offer Period) and ending on the Latest Practicable Date, any material contract otherwise than in the ordinary course of business.

### 9.2 **finnCap material contracts**

In addition to the offer-related arrangements referred to in paragraph 10 of this Part 6 (*Additional Information*) and in paragraph 11 of Part 2 (Explanatory Statement), no member of the finnCap Group has entered into, during the period beginning on 23 March 2021 (being two years before the commencement of the Offer Period) and ending on the Latest Practicable Date, any material contract otherwise than in the ordinary course of business, save for the following:

#### ***Energise transaction***

On 27 April 2022, finnCap entered into: (i) a share subscription and purchase agreement (the "Subscription Agreement"), pursuant to which it acquired a 50% interest in Energise Limited ("Energise") for consideration of c.£2.1m payable as cash of c.£1.9 million and the issue of 902,090 finnCap Shares of which c.£1.5 million was used to subscribe for new ordinary shares in Energise; and (ii) a shareholders' agreement relating to finnCap's investment in Energise (the "Shareholders' Agreement").

The sellers of Energise provided customary warranties under the Subscription Agreement.

Pursuant to the Shareholders' Agreement, finnCap has an option to acquire the Energise shares that it does not own for 12 months after approval of the Energise accounts for the year ended 30 September 2025 based on normalised EBITDA for that year and an EBITDA multiple of between 6-8x linked to the achievement of its business plan and the proportion of revenue from digital products. The option exercise consideration can be paid up to 50% in new finnCap Shares at finnCap's option. If finnCap does not elect to exercise the option, the shareholders shall, subject to market conditions, explore a sale or IPO. In addition, finnCap has also agreed to loan up to £0.31 million on arms' length terms to support the growth of Energise.



## 10 **Offer-related arrangements**

### 10.1 **Confidentiality Agreement**

See paragraph 11 of Part 2 (*Explanatory Statement*) of this document for details of the Confidentiality Agreement.

### 10.2 **Co-operation Agreement**

See paragraph 11 of Part 2 (*Explanatory Statement*) of this document for details of the Co-operation Agreement.

## 11 **No significant change**

11.1 There has been no significant change in the financial or trading position of the Cenkos Group since 31 December 2022, being the date to which the latest published financial statements of the Cenkos Group were prepared.

11.2 There has been no significant change in the financial or trading position of the finnCap Group since 30 September 2022, being the date to which the latest published financial statements of the finnCap Group were prepared.

## 12. **Offer-related fees and expenses**

### 12.1 **finnCap fees and expenses**

The aggregate fees and expenses which are expected to be incurred by finnCap in connection with the Merger are estimated to amount to approximately £610,000, plus applicable VAT and other taxes. The aggregate fees and expenses consist of the following categories:

<b>Category</b>	<b>Amount (excluding applicable VAT)</b>
Legal advice <sup>1</sup>	£450,000
Public relations advice	£15,000
Other professional services	£125,000
Other costs and expenses	£20,000
<b>Total</b>	<b>£610,000</b>

#### **Notes**

<sup>1</sup> These services include services charged by reference to hourly or daily rates. The amounts included here reflect the services incurred up to the Latest Practicable Date and an estimate of the residual amount of time required until the Effective Date.

## 12.2 Cenkos fees and expenses

The aggregate fees and expenses which are expected to be incurred by Cenkos in connection with the Merger are estimated to amount to approximately £843,000, plus applicable VAT and other taxes and disbursements. The aggregate fees and expenses consist of the following categories:

<b>Category</b>	<b>Amount (excluding applicable VAT)</b>
Financial advice <sup>1</sup>	£280,000
Legal advice <sup>2</sup>	£450,000
Public relations advice	£15,000
Other professional services	£94,000
Other costs and expenses	£4,000
<b>Total</b>	<b>£843,000</b>

### Notes

<sup>1</sup> The total amount payable in respect of the aggregate fees and expenses for these services depends on whether the merger becomes Effective.

<sup>2</sup> These services include services charged by reference to hourly or daily rates. The amounts included here reflect the services incurred up to the Latest Practicable Date and an estimate of the residual amount of time required until the Effective Date.

## 13 Other information

- 13.1 SPARK Advisory Partners has given and not withdrawn its consent to the publication of this document with the inclusion herein of the references to its name, in each case, in the form and context in which it appears.
- 13.2 Save as disclosed in this document, there is no agreement, arrangement or understanding (including any compensation arrangement) between finnCap or any person acting in concert with it and any of the directors, recent directors, shareholders or recent shareholders of finnCap, or any person interested or recently interested in Cenkos Shares, having any connection with or dependence on or which is conditional upon the outcome of the Merger.
- 13.3 There is no agreement, arrangement or understanding pursuant to which the beneficial ownership of any of the Cenkos Shares to be acquired by finnCap will be transferred to any other person.
- 13.4 Save with the consent of the Panel, settlement of the Consideration to which each Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme without regard to any lien or right of set-off, counterclaim or other analogous right to which finnCap may otherwise be, or claim to be, entitled against any such Scheme Shareholder.
- 13.5 Save as disclosed in this document, there is no agreement or arrangement to which finnCap is a party which relates to the circumstances in which it may or may not invoke a Condition to the Scheme.

### 13.6 **Financial effects of the Merger for Cenkos**

If the Scheme becomes Effective, Scheme Shareholders will receive 3.19420647 New finnCap Shares for each Cenkos Share held. The following table sets out, for illustrative purposes only and on the bases and assumptions set out in the notes below, the financial effects of the Merger on the capital value and income for a holder of 1,000 Cenkos Shares if the Scheme becomes Effective.

Column (A) is based on the market value of Cenkos Shares and finnCap Shares on 22 March 2023 (being the last business day prior to the Rule 2.7 Announcement).

Column (B) is based on the market value of Cenkos Shares and finnCap Shares on the Latest Practicable Date.

In assessing the effects of the Merger, no account has been taken of any potential liability to taxation of a Cenkos Shareholder.

<b>Illustrative impact on capital value under the Merger:</b>	<b>(A)</b>	<b>(B)</b>
Market value of 3.19420647 New finnCap Shares <sup>(1)</sup>	£0.371	£0.355
<b>Total value of consideration in respect of 1,000 Cenkos Shares</b>	<b>£371.33</b>	<b>£355.36</b>
Value of Interim Dividend in respect of 1,000 Cenkos Shares <sup>(2)</sup>	£30.00	£30.00
<b>Total Value of consideration and dividends received in respect of 1,000 Cenkos Shares</b>	<b>£401.33</b>	<b>£385.36</b>
Less: Market value of 1,000 Cenkos Shares <sup>(3)</sup>	£390.00	£380.00
<b>Illustrative increase/(decrease) in capital value<sup>(4)</sup></b>	<b>£11.33</b>	<b>£5.36</b>
<i>Illustrative difference</i>	2.90%	1.41%

<b>Illustrative impact on gross income under the terms of the Merger:</b>	<b>(A)</b>	<b>(B)</b>
Gross annual dividend income from 3.19420647 New finnCap Shares <sup>(5)</sup>	£0.037	£0.037
<b>Gross income in respect of consideration for 1,000 Cenkos Shares</b>	<b>£36.73</b>	<b>£36.73</b>
Less: Gross annual dividend income from 1,000 Cenkos Shares <sup>(6)</sup>	£15.00	£15.00
<b>Illustrative increase/(decrease) in gross income</b>	<b>£21.73</b>	<b>£21.73</b>
<i>Illustrative difference</i>	144.89%	144.89%

**Notes:**

- (1) The market value of the New finnCap Shares is based on the closing middle market prices of:
  - (a) 11.625 pence per finnCap Share as derived from the Daily Official List for 22 March 2023 (being the last business day prior to the Rule 2.7 Announcement); and
  - (b) 11.125 pence per finnCap Share as derived from the Daily Official List for the Latest Practicable Date.
- (2) The Cenkos Board intends in due course to declare the Interim Dividend of 3 pence per Cenkos Share, which is intended to be formally declared after 30 June 2023 and paid before the Effective Date. The timetable relating to the proposed Interim Dividend will be notified in due course. Holders of Cenkos Shares as at the record date for the Interim Dividend will be entitled to receive the Interim Dividend without any reduction in their entitlements under the Exchange Ratio pursuant to the Scheme. Further information regarding the Interim Dividend will be notified in due course. Cenkos Shareholders should be aware that Cenkos reserves the right to bring forward the declaration, vary or even cancel the Interim Dividend at any time prior to its payment. The value of the Interim Dividend is considered here in order that the illustrative effect on capital value gives a meaningful comparison against the market value of Cenkos Shares as at 22 March 2023 (being the last business day prior to the Rule 2.7 Announcement and the Latest Practicable Date, in columns (A) and (B) respectively).
- (3) The market value of the Cenkos Shares is based on the closing middle market prices of:
  - (a) 37.13 pence per Cenkos Share as derived from the Daily Official List for 22 March 2023 (being the last business day prior to the Rule 2.7 Announcement); and
  - (b) 38.00 pence per Cenkos Share as derived from the Daily Official List for the Latest Practicable Date.
- (4) In assessing the financial effects of the capital value, no account has been taken of any dividend to be paid in the future by Cenkos or finnCap other than the 2022 Dividend and the Interim Dividend.
- (5) The gross dividend income from 3.19420647 New finnCap Shares is based on aggregate gross dividends of 1.15 pence per finnCap Share paid in respect of the 52 week period ended 31 March 2022.
- (6) The gross dividend income from 1,000 Cenkos Shares is based on aggregate gross dividend of 1.5 pence per Cenkos Share paid or to be paid in respect of the 52 week period ended 31 December 2022. It does not include the Interim Dividend of 3 pence per Cenkos Share.

**14 Documents available on website**

Copies of the following documents are available on Cenkos' website ([www.cenkos.com/investors](http://www.cenkos.com/investors)) and on finnCap's website (<https://announcements.finncap.com/merger/>) (subject to any applicable restrictions relating to persons resident in Restricted Jurisdictions) up to and including the Effective Date or the date the Scheme lapses or is withdrawn, whichever is earlier:

- (A) this document;
- (B) the Forms of Proxy;

- (C) the irrevocable undertakings and letter of intent referred to in paragraph 6 of this Part 6 (*Additional Information*);
- (D) the Confidentiality Agreement and the Co-operation Agreement;
- (E) the written consent referred to in paragraph 13.1 of this Part 6 (*Additional Information*);
- (F) the Rule 2.7 Announcement;
- (G) the audited accounts for Cenkos for the financial year ended 31 December 2022;
- (H) the audited accounts for Cenkos for the financial year ended 31 December 2021;
- (I) the audited accounts for finnCap for the financial year ended 31 March 2022;
- (J) the audited accounts for finnCap for the financial year ended 31 March 2021;
- (K) the interim results for finnCap for the six months ended 30 September 2022;
- (L) the Memorandum of Association and Articles of Association of finnCap;
- (M) the Cenkos Articles; and
- (N) the Cenkos Articles, as proposed to be amended by the Resolution.

Save as expressly stated in this document, the contents of the websites referred to in this document are not incorporated into and do not form part of this document.

## 15 **Sources of information and bases of calculation**

- 15.1 The “Latest Practicable Date” for the purposes of this document means close of business on 19 April 2023 (being the last business day before the date of this document).
- 15.2 The equity value of Cenkos’ entire issued and to be issued ordinary share capital has been calculated on the basis of 56,694,783 Cenkos Shares, being the number of Cenkos Shares in issue as at the last business day prior to the Rule 2.7 Announcement, and references in this document to the “entire issued and to be issued ordinary share capital of Cenkos” are each based on such number of Cenkos Shares.
- 15.3 As at the Latest Practicable Date, (i) 4,958,202 Cenkos Shares are held (in aggregate) by the trustees of the Cenkos EBTs as nominee on behalf of participants of the DBSS, STIP or otherwise for Cenkos employees and (ii) 7,311,776 Cenkos Shares are held (in aggregate) by the trustees of the Cenkos EBTs, which have not been allocated to beneficiaries of the Cenkos EBTs and are expected to be used to satisfy Awards under the Cenkos Share Plans in full.
- 15.4 Based on the proposals for the Cenkos Share Plans summarised in paragraph 5 of Part 2 (*Explanatory Statement*) of this document, Cenkos expects that no Cenkos Shares would be required to be issued on or after the date of this document to satisfy in full the Awards granted or agreed to be granted under the Cenkos Share Plans.
- 15.5 The equity value of finnCap’s entire issued ordinary share capital has been calculated on the basis of 181,094,844 finnCap Shares, being the number of finnCap Shares in issue as at the last business day prior to the Rule 2.7 Announcement.
- 15.6 finnCap:
- (A) as at the Latest Practicable Date, has outstanding option and/or incentive awards under the finnCap Share Plans in respect of in aggregate 23,744,910 finnCap Shares; and
  - (B) intends to grant new option and/or incentive awards under the finnCap Share Plans following the date of this document and prior to the Effective Date in respect of in aggregate 12,065,000 finnCap Shares.
- 15.7 As at the Latest Practicable Date, 11,165,597 finnCap Shares are held by the finnCap Group Employee Benefit Trust which are expected to be used to part-satisfy the exercise of options and vesting of awards described in paragraph 15.6 above.

- 15.8 As at the Latest Practicable Date, neither Cenkos nor finnCap holds any ordinary shares in treasury.
- 15.9 The enlarged issued ordinary share capital of the Combined Group (being 362,189,687 finnCap Shares) has been calculated on the basis of:
- (A) 181,094,844 finnCap Shares (as referred to in paragraph 15.5) above); and
  - (B) 181,094,843 New finnCap Shares which would be issued under the terms of the Merger,
- and references in this document to the “entire issued ordinary share capital of the Combined Group” are each based on such number of finnCap Shares including for the purposes of calculating the aggregate holdings of Cenkos Shareholders in the entire issued ordinary share capital of the Combined Group following completion of the Merger as described in paragraph 15.10 below.
- 15.10 The percentage of the enlarged issued ordinary share capital of the Combined Group that will be owned by Cenkos Shareholders following completion of the Merger is calculated by dividing the number of New finnCap Shares to be issued pursuant to the terms of the Merger referred to in paragraph 15.9 by the enlarged issued share capital of the Combined Group (as set out in paragraph 15.9 above) and multiplying the resulting amount by 100 to produce a percentage.
- 15.11 The percentage of the enlarged issued ordinary share capital of the Combined Group that will be owned by the existing finnCap Shareholders following completion of the Merger is calculated by dividing the number that is equal to the enlarged issued share capital of the Combined Group (as set out in paragraph 15.9 above) less the New finnCap Shares to be issued pursuant to the terms of the Merger by the enlarged issued share capital of the Combined Group and multiplying the resulting amount by 100 to produce a percentage.
- 15.12 The Closing Price on any particular date is taken from the AIM Appendix to the Daily Official List.
- 15.13 As at the Latest Practicable Date there were 56,694,783 Scheme Shares in issue.
- 15.14 Unless otherwise stated:
- (A) the financial information relating to Cenkos is extracted from the annual report and audited accounts of the Cenkos Group for the financial year ended 31 December 2022, prepared in accordance with IFRS; and
  - (B) the client and employee information relating to Cenkos is as at the Latest Practical Date.
- 15.15 Unless otherwise stated:
- (A) the financial information relating to finnCap is extracted from the annual report and audited accounts of the finnCap Group for the financial year ended 31 March 2022, prepared in accordance with IFRS, the interim results for the six months ended 30 September 2022 or the trading update for finnCap in this document; and
  - (B) the client and employee information relating to finnCap is stated as at the Latest Practicable Date.
- 15.16 *Pro forma* revenue of the Combined Group has been calculated using the sum of the consolidated revenue of Cenkos for the year ended 31 December 2022 of £20.3m (as set out in its audited accounts for the year then ended) and the estimated consolidated revenue of the finnCap of £32m as set out in the current trading update for finnCap in this document.
- 15.17 *Pro forma* combined cash of the Combined Group has been calculated using the sum of the cash for Cenkos of £14.2 million at 31 December 2022 (as set out in the consolidated balance sheet in Cenkos’ annual report and accounts for the year then ended) and the cash of finnCap of £11.1 million at 30 September 2022 (as set out in the consolidated balance sheet in its Interim Results statement for the period then ended) less £2.0 million being the cash payment of the final dividend made by finnCap to its shareholders in October 2022 and up to £2.0 million being the aggregate of the Interim Dividend and the 2022 Dividend.

15.18 Certain figures included in this document have been subject to rounding adjustments.

15.19 The International Securities Identification Number (ISIN) of Cenkos' ordinary shares is GB00B1FLHR07.

15.20 The International Securities Identification Number (ISIN) of finnCap's ordinary shares is GB00BGKPX309.

## PART 7 : DEFINITIONS

The following definitions apply throughout this document, other than in the Scheme set out in Part 4 (*The Scheme of Arrangement*) of this document and in the notices of the Meetings, unless the context requires otherwise:

“2022 Dividend” has the meaning given to it in Part 1 (*Letter from the Chairman of Cenkos*) of this document.

“2022 Dividend Record Date” has the meaning given to it in Part 1 (*Letter from the Chairman of Cenkos*) of this document.

“AIM” means AIM, a market operated by the London Stock Exchange.

“AIM Admission Condition” means the Condition set out at paragraph 4 of Part 3 (*Conditions to and Certain Further Terms of the Scheme and the Merger*) of this document.

“AIM Rules” means the rules of AIM as set out in the “AIM Rules for Companies” issued by the London Stock Exchange from time to time relating to AIM traded securities and the operation of AIM.

“AIM Rules for Nominated Advisers” the rules of AIM as set out in the “AIM Rules for Nominated Advisers” issued by the London Stock Exchange from time to time relating to Nominated Advisers.

“Articles” means the articles of association of Cenkos from time to time.

“associated undertaking” means shall be construed in accordance with paragraph 19 of Schedule 6 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) but for this purpose ignoring paragraph 19(1)(b) of Schedule 6 to those regulations.

“Authorisation(s)” means regulatory authorisations, orders, grants, recognitions, confirmations, consents, licences, clearances, certificates, permissions or approvals, in each case of a Third Party.

“Award” means any restricted share or conditional share award over, and/or any option to acquire Cenkos Shares pursuant to the Cenkos Share Plans.

“business day” means a day (other than a Saturday, Sunday or public or bank holiday, on which banks are open for general banking business in London, United Kingdom).

“Cenkos” or the “Company” means Cenkos Securities PLC.

“Cenkos Articles” means Cenkos’ articles of association from time to time.

“Cenkos Board” or “Cenkos Directors” means the directors of Cenkos.

“Cenkos CSOP” means the Cenkos Company Share Option Plan adopted on 15 May 2018 and consisting of Part I: The Cenkos 2018 Approved Share Option Plan and Part II: The Cenkos 2006 Unapproved Company Share Option Plan, (as amended from time to time).

“Cenkos DBSS” means the Cenkos Deferred Bonus Share Scheme adopted on 19 March 2021 (as amended from time to time).

“Cenkos EBTs” means the Cenkos Employee Benefit Trust and the Cenkos Securities EBT;

“Cenkos Employee Benefit Trust” means the Cenkos Employee Benefit Trust established by way of trust deed dated 4 April 2016 (as amended and restated from time to time) with Capita Trustees Limited as its original trustee.

“Cenkos Group” means Cenkos and its subsidiary undertakings and where the context permits, each of them.

“Cenkos LTIP” means the Cenkos 2021 Long Term Incentive Plan adopted on 25 March 2021 (as amended from time to time).

“Cenkos Securities EBT” means the Cenkos Securities EBT established by way of a trust deed dated 20 October 2006 (as amended and restated from time to time) with Zedra Trust Company (Guernsey) Limited as its trustee.

“Cenkos Share Plans” means the Cenkos CSOP, the Cenkos DBSS, the Cenkos LTIP, the Cenkos Sharesave, the Cenkos SIP and the Cenkos STIP.

“Cenkos Shareholder(s)” means holders of Cenkos Shares.

“Cenkos Shares” means the existing unconditionally allotted or issued and fully paid ordinary shares of 1 penny each in the capital of Cenkos and any further shares which are unconditionally allotted or issued before the Scheme becomes Effective.

“Cenkos Sharesave” means the Cenkos Sharesave Plan adopted on 18 March 2014 (as amended from time to time).

“Cenkos SIP” means the Cenkos Share Incentive Plan adopted on 27 March 2014 (as amended from time to time).

“Cenkos STIP” means the Cenkos Short-Term Incentive Plan 2020 adopted on 30 April 2020 (as amended from time to time).

“certificated” or “in certificated form” means in relation to a Cenkos Share, one which is not in uncertificated form (that is, not in CREST).

“Closing Price” means the closing middle market price of a Cenkos Share or finnCap Share (as applicable) on a particular trading day as derived from the AIM Appendix to the Daily Official List on any particular date.

“CMA” means the UK Competition and Markets Authority.

“CMA Condition” means the Condition set out in paragraph 7 of Part 3 (*Conditions to and Certain Further Terms of the Scheme and the Merger*) of this document.

“Combined Group” means the enlarged group following the Scheme becoming Effective, comprising the finnCap Group and the Cenkos Group.

“Combined Group Board” means the board of directors of finnCap with effect from the Effective Date.

“Companies Act” means the Companies Act 2006, as amended, modified, consolidated, reenacted or replaced from time to time.

“Conditions” means the conditions to the implementation of the Merger, as set out in Part 3 (*Conditions to and Certain Further Terms of the Scheme and the Merger*) of this document.

“Confidentiality Agreement” means the confidentiality agreement entered into between finnCap and Cenkos dated 27 January 2023 in respect of the Merger.

“Consideration” means the allotment and issue to the Scheme Shareholders on the register of members of Cenkos at the Scheme Record Time of 3.19420647 New finnCap Shares by finnCap in exchange for each Cenkos Share held pursuant to the Scheme.

“Co-operation Agreement” means the co-operation agreement entered into between finnCap and Cenkos dated 23 March 2023 relating to, amongst other things, the implementation of the Merger.

“Court” means the High Court of Justice in England and Wales.

“Court Meeting” means the meeting or meetings of Scheme Shareholders (or any class or classes thereof) convened pursuant to an order of the Court pursuant to section 896 of the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without modification), including any adjournment, postponement or reconvention thereof.

“Court Order” means the order of the Court sanctioning the Scheme under section 899 of the Companies Act.

“Court Sanction” means the sanction of the Scheme by the Court under section 899 of the Companies Act.

“CREST” means the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations) for the paperless settlement of trades in securities and the holding of uncertificated securities.

“CREST Manual” means the CREST Manual published by Euroclear, as amended from time to time.



“CREST Proxy Instruction” means the proxy appointment or instruction made using the CREST service, properly authenticated in accordance with the specifications of Euroclear and containing the information required by the CREST Manual.

“CREST Regulations” means the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended.

“Daily Official List” means the Daily Official List published by the London Stock Exchange.

“Dealing Disclosure” means an announcement pursuant to Rule 8 of the Takeover Code containing details of dealings in interests in relevant securities of a party to an offer.

“Disclosed” means:

- (A) in respect of the information fairly disclosed by, or on behalf of Cenkos: (i) in the annual report and audited accounts of the Cenkos Group for the financial year ended 31 December 2022; (ii) in the interim results of the Cenkos Group for the six month period ended 30 June 2022 (iii) in the Rule 2.7 Announcement; (iv) in any other announcement to a Regulatory Information Service by, or on behalf of Cenkos before the publication of the Rule 2.7 Announcement; and/or (v) as otherwise fairly disclosed in writing prior to the Rule 2.7 Announcement Date to finnCap (or its officers, employees, agents or advisers (in their capacity as such)).
- (B) in respect of the information fairly disclosed by, or on behalf of finnCap: (i) in the annual report and audited accounts of the finnCap Group for the financial year ended 31 March 2022; (ii) in the interim results of the finnCap Group for the six month period ended 30 September 2022 (iii) in the Rule 2.7 Announcement; (iv) in any other announcement to a Regulatory Information Service by, or on behalf of finnCap before the publication of the Rule 2.7 Announcement; and/or (v) as otherwise fairly disclosed in writing prior to the Rule 2.7 Announcement Date to Cenkos (or its officers, employees, agents or advisers (in their capacity as such)).

“Disclosure Guidance and Transparency Rules” means the disclosure guidance and transparency rules made by the FCA pursuant to section 73A of FSMA, as amended from time to time.

“Effective” means in the context of the Merger:

- (A) if the Merger is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or
- (B) (if the Merger is implemented by way of a Takeover Offer, the Takeover Offer having been declared or having become unconditional in accordance with the requirements of the Takeover Code.

“Effective Date” means the date on which the Merger becomes Effective.

“Euroclear” means Euroclear UK & International Limited.

“Exchange Ratio” means 3.19420647 New finnCap Shares for each Cenkos Share.

“Excluded Shares” means any Cenkos Shares at the Scheme Record Time which (if any):

- (A) are owned or controlled by the finnCap Group; or
- (B) are held by Cenkos as treasury shares (within the meaning of the Companies Act).

“FCA or “Financial Conduct Authority” means the Financial Conduct Authority of the United Kingdom or its successor from time to time, acting in its capacity as the competent authority for the purposes of Part VI of FSMA.

“FCA Handbook” means the FCA's Handbook of rules and guidance as amended from time to time.

“finnCap” means finnCap Group plc.

“finnCap Articles” means the articles of association of finnCap from time to time.

“finnCap Board” or “finnCap Directors” means the directors of finnCap from time to time.

“finnCap Circular” means the circular to be sent by finnCap to finnCap Shareholders in connection with the Merger, which will include a notice convening the finnCap General Meeting.

“finnCap General Meeting” means the general meeting of finnCap Shareholders expected to be convened for 9.30 am on 17 May 2023 to consider and, if thought fit, pass, *inter alia*, the finnCap Resolution, including any adjournments thereof.

“finnCap Group” means finnCap and its subsidiaries and its subsidiary undertakings and where the context permits, each of them.

“finnCap Resolution” means the shareholder resolution of finnCap proposed to be passed by the finnCap Shareholders at the finnCap General Meeting to be set out in the notice of the finnCap General Meeting contained in the finnCap Circular.

“finnCap Shareholder Approval Condition” means the Condition set out at paragraph 3 of Part 3 (*Conditions to and Certain Further Terms of the Scheme and the Merger*) of this document.

“finnCap Shareholder(s)” means holders of finnCap Shares.

“finnCap Shares” means the issued and fully paid ordinary shares of one penny each in the capital of finnCap and any further shares in the capital of finnCap which are unconditionally allotted or issued before the Scheme becomes Effective.

“finnCap Share Plans” means the finnCap Group plc Company Share Option Plan, the finnCap Group plc Enterprise Management Share Option Plan, the finnCap Limited Unapproved Share Option Scheme, the finnCap Limited Enterprise Management Incentive Plan and the finnCap Group Employee Benefit Trust (as each is amended and restated from time to time).

“Forms of Proxy” means the blue Form of Proxy for use at the Court Meeting and the yellow Form of Proxy for use at the General Meeting (or either of them as the context may require), which accompany this document.

“FSMA” means the Financial Services and Markets Act 2000 (as amended from time to time).

“General Meeting” means the general meeting of Cenkos Shareholders to be convened in connection with the Scheme to consider and, if thought fit, to approve the Resolution (with or without amendment), which is expected to be held as soon as the preceding Court Meeting shall have concluded or been adjourned, and including any adjournment, postponement or reconvening thereof.

“HMRC” means His Majesty’s Revenue & Customs.

“holder” means a registered holder and includes any person(s) entitled by transmission.

“IFRS” means International Financial Reporting Standards.

“Interim Dividend” has the meaning given to it in Part 1 (*Letter from the Chairman of Cenkos*) of this document.

“Latest Practicable Date” means 19 April 2023 (being the latest practicable date before the publication of this document).

“Link” means the Company’s registrars, Link Group of Central Square, 29 Wellington Street, Leeds LS1 4DL.

“London Stock Exchange” means London Stock Exchange plc, together with any successor thereto.

“Long Stop Date” means 11.59 pm on 31 December 2023, or such later date as may be agreed in writing by Cenkos and finnCap (with the Panel’s consent and as the Court may approve (if such approval is required)).

“Meetings” means the Court Meeting and/or the General Meeting, as the case may be.

“Merger” means the proposed acquisition by finnCap of the entire issued, and to be issued, ordinary share capital of Cenkos, other than Excluded Shares, to be implemented by means of the Scheme (or should finnCap elect (subject to the consent of the Panel and the terms of the Co-operation Agreement) by means of a Takeover Offer) and, where the context requires, any subsequent revision, variation, extension or renewal thereof.

“New finnCap Shares” means the new finnCap Shares to be issued fully paid to the Scheme Shareholders pursuant to the Scheme (and any other Cenkos Shares which are issued after the Scheme becomes Effective).

“New STIP Awards” has the meaning given in paragraph 5 of Part 2 (*Explanatory Statement*) of this document.

“Nominated Adviser” means an adviser whose name appears in the directory of nominated advisers held by the London Stock Exchange from time to time.

“Offer Period” means the offer period (the offer period (as defined by the Takeover Code) relating to Cenkos, which commenced on 23 March 2023 and ending on the earlier of: (i) the Effective Date and/or (ii) the date on which the Scheme lapses or is withdrawn (or such other date as the Takeover Code may provide or the Panel may decide).

“Opening Position Disclosure” means has the same meaning as in Rule 8 of the Takeover Code.

“Overseas Shareholders” means holders of Scheme Shares who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom.

“Panel” means the Panel on Takeovers and Mergers, or any successor to it.

“Registrar of Companies” means the registrar of companies in England and Wales.

“Regulatory Information Service” means a regulatory information service as defined in the FCA Handbook.

“Resolution” means the special resolution relating to the Scheme to be proposed at the General Meeting.

“Restricted Jurisdiction” means any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Merger is sent or made available to Cenkos Shareholders in that jurisdiction.

“Restricted Jurisdiction” means any jurisdiction where the relevant action would constitute a violation of the relevant laws and regulations of such jurisdiction or would result in a requirement to comply with any governmental or other consent or any registration, filing or other formality which Cenkos or finnCap regards as unduly onerous.

“Restricted Overseas Shareholders” means Overseas Shareholders who are resident in, ordinarily resident in, or citizens or nationals of, Restricted Jurisdictions or who are nominees of, or custodians or trustees for, residents, citizens or nationals of Restricted Jurisdictions.

“Rule 2.7 Announcement” means the joint announcement made by Cenkos and finnCap on 23 March 2023 in relation to the Merger.

“Rule 2.7 Announcement Date” means 23 March 2023.

“Scheme” or “Scheme of Arrangement” means the proposed scheme of arrangement under Part 26 of the Companies Act between Cenkos and Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Cenkos and finnCap, to implement the Merger of the entire issued and to be issued share capital of Cenkos by finnCap.

“Scheme Effective Time” means the time on the Effective Date at which this Scheme becomes effective in accordance with clause 7 of the Scheme.

“Scheme Record Time” means 6.00 pm on the business day immediately prior to the Effective Date, or such later time as finnCap and Cenkos may agree.

“Scheme Sanction Hearing” means the hearing of the Court at which the Court Order will be sought.

“Scheme Shareholders” means holders of Scheme Shares at any relevant date or time and a “Scheme Shareholder” shall mean any one of those Scheme Shareholders.

“Scheme Shares” means all Cenkos Shares:

- (A) in issue at the date of this document;
- (B) (if any) issued after the date of this document but before the Voting Record Time; and

(C) (if any) issued at or after the Voting Record Time and before the Scheme Record Time on terms that the original or any subsequent holders thereof are bound by the Scheme or in respect of which such holders are, or shall have agreed in writing to be, so bound,

in each case remaining in issue at the Scheme Record Time but excluding the Excluded Shares at any relevant date or time.

“SPARK Advisory Partners” means SPARK Advisory Partners Limited.

“Substantial Interest” means a direct or indirect interest in 20 per cent. or more of the voting rights or equity share capital of an undertaking.

“Takeover Code” means the City Code on Takeovers and Mergers from time to time issued, amended and interpreted by the Panel.

“Takeover Offer” means, subject to the consent of the Panel and the terms of the Co-operation Agreement, should the Merger be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer to be made by or on behalf of finnCap to acquire the entire issued and to be issued share capital of Cenkos, other than Excluded Shares and, where the context admits, any subsequent revision, variation, extension or renewal of such Takeover Offer.

“Third Party” means any relevant central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body, any entity owned or controlled by any relevant government or state, or any other body or person whatsoever in any jurisdiction.

“Treasury Shares” means shares held as treasury shares as defined in section 724(5) of the Companies Act.

“UK CGT” has the meaning given in paragraph 15 of Part 2 (*Explanatory Statement*) of this document.

“UK Holders” has the meaning given in paragraph 15 of Part 2 (*Explanatory Statement*) of this document.

“UK Market Abuse Regulation” means the UK version of the Market Abuse Regulation which is part of UK law by virtue of the European Union (Withdrawal) Act 2018.

“UK” or “United Kingdom” means the United Kingdom of Great Britain and Northern Ireland.

“uncertificated” or “in uncertificated form” means in relation to a Cenkos Share, one which is recorded on the relevant register as being held in uncertificated form in CREST.

“US” or “United States” 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 jurisdiction and any political sub-division thereof.

“VAT” means (i) any value added tax imposed by the United Kingdom Value Added Tax Act 1994; and (ii) any other Tax of a similar nature, whether imposed pursuant to Council Directive 2006/112/EC in any member state of the European Union, or otherwise, or any similar or comparable Tax imposed elsewhere (including, for the avoidance of doubt, any sales, use, goods, services, turnover and consumption Taxes).

“Voting Record Time” means 6.30 pm on the day which is two days (excluding any part of a day that is not a business day) before the date of the Court Meeting or any adjournment of it (as the case may be).

“Wider Cenkos Group” means Cenkos and its subsidiaries, subsidiary undertakings and associated undertakings, and any other undertaking (including any joint venture, partnership, firm or company) in which Cenkos and/or all such undertakings (aggregating their interests) have a Substantial Interest (excluding, for the avoidance of doubt, finnCap and all of its associated undertakings which are not members of the Cenkos Group).

“Wider finnCap Group” means finnCap and its subsidiaries, subsidiary undertakings and associated undertakings, and any other undertaking (including any joint venture, partnership, firm or company) in which finnCap and/or all such undertakings (aggregating their interests) have a Substantial Interest.

In this document, “subsidiary”, “subsidiary undertaking”, “undertaking” and “associated undertaking” have the respective meanings given to them in the Companies Act.

In this document, all references:

- (A) to times are to London time, unless otherwise stated;
- (B) to the singular include the plural and vice versa;
- (C) to “Sterling”, “£”, “pence” “penny” and “p” are to the lawful currency of the United Kingdom;
- (D) to legislation are to the legislation of England and Wales unless the contrary is indicated;
- (E) to any provision of any legislation (including, for these purposes, the Takeover Code) shall include any amendment, modification, re-enactment or extension thereof;
- (F) to “includes” shall mean “includes without limitation”, and references to “including” and any other similar term shall be interpreted accordingly.

## PART 8 : NOTICE OF COURT MEETING

IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS  
OF ENGLAND AND WALES  
COMPANIES COURT (ChD)

CR-2023-001357

DEPUTY INSOLVENCY AND COMPANIES COURT JUDGE FRITH

### IN THE MATTER OF CENKOS SECURITIES PLC

and

### IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that, by an order dated 18 April 2023 made in the above matters, the Court has given permission for a meeting (the "Court Meeting") to be convened of the holders of Scheme Shares at the Voting Record Time (each as defined in the scheme of arrangement referred to below) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement (the "Scheme of Arrangement") proposed to be made pursuant to Part 26 of the Companies Act 2006 (the "Act") between Cenkos Securities PLC (the "Company") and the holders of the Scheme Shares (as defined in the Scheme of Arrangement) and that the Court Meeting will be held at the offices of Simmons & Simmons LLP, CityPoint, One Ropemaker Street, London EC2Y 9SS at 11.00 am on 17 May 2023 at which place and time all holders of Scheme Shares are able to attend in person or by proxy.

A copy of the Scheme of Arrangement and of the explanatory statement required to be published pursuant to section 897 of the Act are incorporated in the document of which this Notice forms part.

Voting on the resolution to approve the Scheme will be by poll, which shall be conducted as the Chair of the Court Meeting may determine.

#### **Right to Appoint a Proxy; Procedure for Appointment**

Holders of Scheme Shares entitled to attend and vote at the Court Meeting may attend such meeting in person or they may appoint another person or persons, whether a member of the Company or not, as their proxy or proxies, to exercise all or any of their rights to attend and vote at the Court Meeting, provided that, where more than one proxy is appointed, each proxy is appointed to exercise the rights attached to a different share or shares.

A blue Form of Proxy, for use at the Court Meeting accompanies this notice. Instructions for its use are set out on the form. It is requested that the blue Form of Proxy (together with any power of attorney or other authority, if any, under which it is signed, or a duly certified copy of such power or authority) be returned to Link at PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL, either: (i) by post; or (ii) (during normal business hours only) by hand, to be received no later than 11.00 am on 15 May 2023 or, in the case of an adjournment of the Court Meeting, not less than 48 hours (excluding any part of a day that is not a business day) before the time fixed for the adjourned Court Meeting. However, if not so lodged, the blue Form of Proxy (together with any such authority, if applicable) may be completed and handed to the Chair at any time before the start of the Court Meeting. If you require additional Forms of Proxy, please contact the Link shareholder helpline on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Link cannot provide any financial, legal or tax advice or advice on the merits of the Merger and calls may be recorded and monitored for security and training purposes.

Members who hold their shares in uncertificated form through CREST who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual available at [www.euroclear.com](http://www.euroclear.com). In order for a proxy appointment or instruction made using CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CREST's specifications, and must contain the information required for such instruction, as described in the

CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Link (participant ID RA10) by 11.00 am on 15 May 2023 (or if the Court Meeting is adjourned, not less than 48 hours (excluding any part of a day that is not a business day) before the time fixed for the adjourned Court Meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which Link is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

Members who are institutional investors may also be able to appoint a proxy electronically via the Proximity platform, a facility which has been arranged by the Company and approved by the Company's registrars, Link. For further information regarding Proximity, please go to [www.proximity.io](http://www.proximity.io). This appointment must be made by 11.00 am on 15 May 2023 (or if the Court Meeting is adjourned, not less than 48 hours (excluding any part of a day that is not a business day) before the time fixed for the adjourned Court Meeting). Before a holder of Scheme Shares can appoint a proxy via this process it will need to have agreed to Proximity's associated terms and conditions. It is important to read these carefully as holders of Scheme Shares will be bound by them and they will govern the electronic appointment of any such holder's proxy. An electronic proxy appointment via the Proximity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of the proxy vote.

To vote using the Signal Shares shareholder portal please visit [www.signalshares.com](http://www.signalshares.com). If a holder of Scheme Shares has not previously registered for this shareholder portal, the Investor Code will be required, which can be found on the accompanying Forms of Proxy.

Completion and return of a blue Form of Proxy, or the appointment of a proxy or proxies electronically using CREST (or any other procedure described on pages 9 to 11 of the document of which this Notice forms part), shall not prevent a holder of Scheme Shares from attending and voting at the Court Meeting, or any adjournment of it, if such Scheme Shareholder wishes and is entitled to do so.

### **Voting Record Time**

Entitlement to attend and vote at the Court Meeting or any adjournment of it and the number of votes which may be cast at the Court Meeting, will be determined by reference to the register of members of the Company at 6.30 pm on 15 May 2023 or, if the Court Meeting is adjourned, 6.30 pm on the date which is two days (excluding any part of a day that is not a business day) before the date fixed for the adjourned Court Meeting. Changes to the register of members after the relevant time shall be disregarded in determining the rights of any person to attend and vote at the Court Meeting.

### **Joint Holders**

In the case of joint holders of Scheme Shares, the vote of the first named holder shown on the register of members of the Company shall be accepted to the exclusion of the votes of the other joint holders.

### **Corporate Representatives**

As an alternative to appointing a proxy, any Scheme Shareholder which is a corporation may appoint one or more corporate representatives who may exercise on its behalf all its powers as a member, provided that if two or more corporate representatives purport to vote in respect of the same shares, if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way, and in other cases the power is treated as not exercised.

### **Nominated Persons**

Any person to whom this Notice is sent and who is a person nominated under section 146 of the Act to enjoy information rights (a "Nominated Person") may, under an agreement between them and the member by whom they are nominated have a right to be appointed (or to have someone else appointed) as a proxy for the Court Meeting. If a Nominated Person has no such right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the

shareholder as to the exercise of voting rights. Nominated Persons are reminded that they should contact the registered holder of their Cenkos Shares (and not the Company) in matters relating to the investment of their Cenkos Shares.

By the said order, the Court has appointed Lisa Gordon or, failing her, any other Cenkos Director to act as Chair of the Court Meeting and has directed the Chair of the Court Meeting to report the result of the Court Meeting to the Court.

The Scheme of Arrangement will be subject to the subsequent sanction of the Court.

Dated 20 April 2023

Simmons & Simmons LLP  
CityPoint, 1 Ropemaker St, London EC2Y 9SS  
*Solicitors for the Company*



## PART 9 : NOTICE OF GENERAL MEETING

### CENKOS SECURITIES PLC

(registered in England and Wales with registered number 05210733)

**NOTICE IS HEREBY GIVEN** that a general meeting of Cenkos Securities PLC (the “Company”) will be held at the offices of Simmons & Simmons LLP, CityPoint, One Ropemaker Street, London EC2Y 9SS at 11.15 am on 17 May 2023 (or as soon thereafter as the meeting of the holders of Scheme Shares (as defined in the Scheme as referred to in the resolution set out below) convened for 11.00 am on the same day and at the same place, by an order of the High Court of Justice, shall have concluded or been adjourned) for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as a special resolution:

#### SPECIAL RESOLUTION

##### THAT:

- A. for the purpose of giving effect to the scheme of arrangement dated 20 April 2023 (as amended or supplemented) between the Company and the holders of Scheme Shares (as defined in the scheme of arrangement), a print of which has been produced to this meeting and for the purposes of identification signed by the chair of this meeting, in its original form or subject to such modification, addition or condition as may be agreed between the Company and finnCap Group PLC (“finnCap”) and approved or imposed by the Court (the “Scheme”) the directors of the Company (or a duly authorised committee of the directors) be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect; and
- B. with effect from the passing of this resolution, the articles of association of the Company be and are amended by the adoption and inclusion of the following new article 216:

##### “216 Scheme of Arrangement

- 216.1 In this article, references to the “Scheme” are to the scheme of arrangement under Part 26 of the Companies Act 2006 between the Company and the holders of Scheme Shares (as defined in the scheme document dated 20 April 2023 (as amended or supplemented, the “Scheme Document”)) and as approved by the requisite majority of the holders of the Scheme Shares at the Court Meeting (each term as defined in the Scheme Document) and as may be modified or amended in accordance with its terms, and expressions defined in the Scheme Document (save as defined in this article) shall have the same meanings in this Article.
- 216.2 Notwithstanding either any other provision of these Articles or the terms of any resolution whether ordinary or special passed by the Company in general meeting, if the Company issues or transfers out of treasury any shares to any person (other than to finnCap, to any subsidiary or subsidiary undertaking or associated undertaking of finnCap (each a member of the “finnCap Group”) or any nominee(s) of any of them) after the adoption of this Article and on or before the Scheme Record Time, such shares shall be issued or transferred subject to the terms of the Scheme (and shall be Scheme Shares for the purposes of the Scheme) and the original or any subsequent holder or holders of such shares (other than finnCap, a member of the finnCap Group, or any nominee of any of them) shall be bound by the Scheme accordingly.
- 216.3 Notwithstanding any other provision of these Articles, subject to the Scheme becoming effective, if any shares are issued (or transferred from treasury) to any person (other than to finnCap, any member of the finnCap Group, or any nominee(s) of any of them) (a “New Member”) after the Scheme Record Time (such shares, “Post-Scheme Shares”), the Post-Scheme Shares shall, subject to the Scheme becoming effective, be immediately transferred to finnCap (or to such other person as finnCap may direct) in consideration for, and conditional on, the allotment and issue or transfer to the New Member of such number of New finnCap Shares that the New Member would have been entitled to under the Scheme for those

Post-Scheme Shares had they been Scheme Shares (the “Consideration Shares”), provided that if, in respect of any New Member who is resident, located or has a registered address in a jurisdiction outside the United Kingdom or whom the Company reasonably believes to be a citizen, resident or national of a jurisdiction outside the United Kingdom, finnCap is advised that the law of that country: (i) precludes the allotment, issue and/or delivery to that New Member of Consideration Shares; or (ii) precludes the matters referred to in (i) except after compliance by the Company or finnCap (as the case may be) with any governmental or other consent or any registration, filing or other formality with which the Company and/or finnCap is unable to comply or compliance with which the Company and/or finnCap (as the case may be) regards as unduly onerous, then finnCap may, in its sole discretion, determine that such Consideration Shares shall not be allotted, issued and delivered to such New Member, but shall instead be allotted, issued and delivered to a person appointed by finnCap for such New Member on terms that such person shall, as soon as practicable following the allotment and issue of such Consideration Shares, sell the Consideration Shares so issued. In the event that the Consideration Shares are to be so sold, the Company shall appoint a person to act, and who shall be authorised, as attorney or agent for the New Member pursuant to this article and such person shall be authorised on behalf of such New Member to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer on behalf of the New Member and to give such instructions and to do all other things which they may consider necessary or expedient in connection with such sale. The net proceeds of such sale (after deduction of all expenses and commissions, together with any value added tax thereon, incurred in connection with the sale, including any tax or foreign exchange conversion fees payable on the proceeds of sale) shall be paid to the persons entitled thereto in due proportion as soon as practicable following such sale.

- 216.4 The Consideration Shares allotted and issued or transferred to a New Member pursuant to this Article 216 shall be credited as fully paid and shall rank *pari passu* in all respects with the finnCap shares in issue at that time (other than as regards any dividends or other distributions payable by reference to a record date preceding the date of allotment or transfer).
- 216.5 On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation) effected after the Scheme Effective Time, the number of Consideration Shares to be allotted and issued or transferred to a New Member per Post-Scheme Share to be paid under Article 216.4 above shall be adjusted by the Board in such manner as the auditors of the Company or an independent investment bank selected by the Company may determine to be fair and reasonable to reflect such reorganisation or alteration. References in this Article to shares shall, following such adjustment, be construed accordingly.
- 216.6 No fraction of a Consideration Share shall be allotted, issued or transferred to any New Member pursuant to this Article. Instead, any fraction of a Consideration Share to which any New Member would otherwise have become entitled shall be disregarded.
- 216.7 To give effect to any transfer of Post-Scheme Shares required by this Article, the Company may appoint any person as attorney and/or agent for the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) to transfer the Post-Scheme Shares to finnCap (or such other person as finnCap directs), to execute and deliver as transferor a form or forms of transfer or other instrument(s) or instruction(s) of transfer on behalf of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) in favour of finnCap (or such other person as finnCap otherwise directs) and do all such other things and execute and deliver all such documents as may in the opinion of the attorney and/or agent be necessary or desirable to vest the Post-Scheme Shares in finnCap (or such other person as finnCap otherwise directs) and, pending such vesting, to exercise all such rights

attaching to the Post-Scheme Shares as finnCap may direct. If an attorney and/or agent is so appointed, the New Member or any subsequent holder or any nominee of such New Member or any such subsequent holder shall not thereafter (except to the extent that the attorney and/or agent fails to act in accordance with the directions of finnCap) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed in writing by finnCap. The attorney or agent shall be empowered to execute and deliver as transferor a form or forms of transfer or other instrument(s) or instruction(s) of transfer on behalf of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) in favour of finnCap, any member of the finnCap Group, or any nominee of any of them. The Company may give a good receipt for the consideration for the Post-Scheme Shares and may register finnCap (or such other person as finnCap otherwise directs) as holder of the Post-Scheme Shares and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member or any subsequent holder or any nominee of such New Member or any such subsequent holder for any Post-Scheme Shares.

216.8 If the Scheme shall not have become effective by the date referred to in sub-clause 7.2 of the Scheme (or such later date, if any, as finnCap and the Company may agree and the Court and the Panel on Takeovers and Mergers may allow, if such consent is required), this Article 216 shall cease to be of any effect.

216.9 Notwithstanding any other provision of these Articles, but subject to the terms set out in this Article 216, neither the Company nor the directors of the Company shall register the transfer of any Scheme Shares effected between the Scheme Record Time and the Scheme Effective Time other than to finnCap or its nominee(s) pursuant to the Scheme.”

*By order of the board of directors of the Company*

*Registered office:*

Jeremy Osler  
Company Secretary  
20 April 2023

6.7.8. Tokenhouse Yard,  
London, EC2R 7AS

### **Notes to the notice of General Meeting**

The following notes explain your general rights as a shareholder and your rights to attend and vote at the General Meeting or to appoint someone else to vote on your behalf.

1. A copy of this Notice of General Meeting, and other information required by section 311A of the Companies Act 2006, can be found on the Company's website: [www.cenkos.com/investors](http://www.cenkos.com/investors).
2. Only those persons entered on the register of members of the Company (the “Register”) as at 6.30 pm on 15 May 2023 or, if the General Meeting is adjourned, 6.30 pm on the date which is two days (excluding any part of a day that is not a business day) before the date fixed for the adjourned General Meeting (the “Specified Time”) shall be entitled to attend or vote at the General Meeting (either in person or by proxy under the arrangements described in these notes) in respect of the number of shares in the capital of the Company registered in their names at that time. Changes to entries on the Register for certificated or uncertificated shares of the Company after the Specified Time shall be disregarded in determining the rights of any person to attend or vote at the General Meeting.
3. Any member of the Company is entitled to appoint one or more proxies to exercise all or any of their rights to attend the General Meeting and vote on their behalf at the General Meeting. A proxy need not be a member of the Company but must attend the General Meeting for the member's vote to be counted. Appointing a proxy does not prevent a member from attending and voting in person under the arrangements set out in these notes if they are entitled to do so and so wish.
4. A yellow Form of Proxy for use by members in connection with the General Meeting accompanies this notice. Proxies may be appointed by completing a yellow Form of Proxy and returning it in accordance with note 6 below. Details of how to appoint a proxy are set out in the notes to the yellow Form of Proxy. CREST members may appoint proxies using the CREST electronic proxy appointment service (see note 7 below).

5. A member may appoint more than one proxy in relation to the General Meeting, provided that each proxy is appointed to exercise the rights attaching to a different share or shares held by the member. To do this a member must complete a separate yellow Form of Proxy for each proxy. Additional yellow Forms of Proxy can be obtained by calling the Link shareholder on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. A member appointing more than one proxy should indicate on the relevant yellow Forms of Proxy the number of shares for which each proxy is authorised to act on their behalf.
6. To be valid any yellow Forms of Proxy must be completed and received by hand or by post at the Company's registrars, Link at PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL, not less than 48 hours (excluding any part of a day that is not a business day) before the time of the General Meeting or any adjournment of it. The deadline for receipt of proxy appointments also applies in relation to amended instructions. Any power of attorney or any other authority under which the yellow Form of Proxy is signed (or a certified copy of such authority) must be included with the yellow Form of Proxy. A member must inform the Company's registrars, Link, in writing of any termination of the authority of a proxy.
7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment of it by using the procedures described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

For a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with CREST specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Link (participant ID RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of General Meeting, being no later than 48 hours (excluding any part of a day that is not a business day) before the time fixed for the General Meeting (or any adjournment of it). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Link is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

8. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
9. Members who are institutional investors may also be able to appoint a proxy electronically via the Proxymity platform, a facility which has been arranged by the Company and approved by the Company's registrars, Link. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). This appointment must be made by 11.15 am on 15 May 2023 (or if the General Meeting is adjourned, not less than 48 hours (excluding any part of a day that is not

a business day) before the time fixed for the adjourned General Meeting). Before holders of Scheme Shares can appoint a proxy via this process it will need to have agreed to Proximity's associated terms and conditions. It is important to read these carefully as holders of Scheme Shares will be bound by them and they will govern the electronic appointment of any such holder's proxy. An electronic proxy appointment via the Proximity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of the proxy vote.

10. To vote using the Signal Shares shareholder portal please visit [www.signalshares.com](http://www.signalshares.com). If a holder of Scheme Shares has not previously registered for this shareholder portal, the Investor Code will be required, which can be found on the accompanying Forms of Proxy.
11. In the case of a joint shareholding, the vote of the first named holder shown on the register of members shall be accepted to the exclusion of the votes of the other joint holders.
12. If two or more valid but differing appointments of a proxy are received in respect of the same share for use at the same meeting, the one which is last received (regardless of its date or the date of its signature) shall be treated as replacing and revoking the others as regards that share; if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share.
13. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at their discretion.
14. A member of the Company which is a corporation can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares provided that if two or more corporate representatives purport to vote in respect of the same shares, if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way, and in other cases the power is treated as not exercised.
15. Any person to whom this Notice of General Meeting is sent and who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between them and the member by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statement of the rights of members in relation to the appointment of proxies in notes 3 to 7 above does not apply to Nominated Persons. The rights described in those notes can only be exercised by members of the Company. Nominated Persons are reminded that they should contact the registered holder of their shares (and not the Company) in matters relating to the investment of their shares.
16. Unless the context requires otherwise, terms defined in Part 7 (*Definitions*) of the scheme document dated 20 April 2023, of which this Notice of General Meeting forms part, shall apply to these guidance notes.
17. As at 19 April 2023 (being the latest practicable date before the publication of this Notice of General Meeting), the Company's issued share capital consists of 56,694,783 ordinary shares of 1 penny nominal value. Each ordinary share carries the right to one vote at a General Meeting of the Company. There were no shares held in treasury. Therefore, the total number of voting rights in the Company as at 19 April 2023 (being the latest practicable date before the publication of this Notice of General Meeting) is 56,694,783.
18. You may not use any electronic address provided either in this Notice of General Meeting or any related documents (including the yellow Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

