

THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, fund manager, solicitor, accountant or other appropriate independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised financial adviser. You should be aware that an investment in the Company involves a high degree of risk and prospective investors should in particular carefully consider the section entitled “Risk Factors” set out in Part 2 of this document.

If you sell or transfer or have sold or otherwise transferred all of your Ordinary Shares on or before the Record Date, please send this document and accompanying Form of Proxy and Application Form as soon as possible to the purchaser or transferee or to the bank, stockbroker or other agent through or to whom you have sold or transferred your shares for delivery to the purchaser or transferee. Such documents should, however, not be forwarded to or transmitted into any jurisdiction outside of the UK. Any failure to comply with such restriction may constitute a violation of the securities laws of any such jurisdiction. If you have sold only part of your holding of Ordinary Shares on or before the Record Date, please contact immediately your stockbroker, bank or other agent through whom the sale or transfer was effected.

The maximum amount to be raised under the Open Offer will be less than €8 million (or an equivalent amount in pounds sterling). In addition, the offer of transferable securities under the Placing is only being made to qualified investors (as defined under the Prospectus Regulation). Therefore, in accordance with section 86(1)(aa) and (e) of FSMA, neither the Placing nor the Open Offer requires the issue of a prospectus for the purposes of the Prospectus Regulation Rules. Neither the Placing nor the Open Offer constitutes an offer to the public requiring an approved prospectus under section 85 of FSMA and accordingly this document does not constitute a prospectus for the purposes of the Prospectus Regulation and has not been approved by the FCA, the London Stock Exchange, any securities commission or any other authority or regulatory body nor has it been approved for the purposes of section 21 of FSMA (and is not required to be so approved under paragraph 43 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended)) Applications in respect of the Open Offer from persons not falling within such exemption will be rejected and the Open Offer contained in this document is not capable of acceptance by such persons. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules.

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM (“Admission”). The New Ordinary Shares will not be admitted to trading on any other investment exchange. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on AIM on 2 July 2020. The New Ordinary Shares will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares.

AIM is a market designed for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the FCA. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration, and if appropriate, consultation with a financial adviser.

Escape Hunt PLC

(incorporated and registered in England and Wales with registered number 10184316)

**Proposed Placing of 46,599,998 New Ordinary Shares and Open Offer of up to 6,731,481
New Ordinary Shares at 7.5 pence per New Ordinary Share**

**Proposed Subscription of 2,200,002 New Ordinary Shares at a price of 7.5 pence per New
Ordinary Share**

Proposed Issue of Convertible Loan Notes to raise £0.34 million

and

Notice of General Meeting

This document should be read as a whole and in conjunction with the accompanying Form of Proxy and Notice of General Meeting. Your attention is drawn, in particular, to the letter from the Chairman of Escape Hunt Plc set out in Part 1 of this document, which provides details of the Fundraising and recommends that you vote in favour of the Resolutions to be

proposed at the General Meeting referred to below, and to the Risk Factors in Part 2 of this document which contains a discussion of certain factors that should be considered by Shareholders when considering whether or not to make an investment in the Company. Parts 3 and 4 contain details of the Open Offer.

Notice of a General Meeting of Escape Hunt Plc, to be held at Crown Court car park, The Burys, Godalming, Surrey GU7 1HR on 1 July 2020 at 11.00 a.m., is set out at the end of this document. A Form of Proxy for use at the General Meeting accompanies this document and, to be valid, should be completed and returned in accordance with the instructions set out therein as soon as possible but in any event so as to reach the Company's registrars, Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA by not later than 11.00 a.m. on 29 June 2020. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed to any other person or published in whole or in part for any purpose. A summary of the action to be taken by Shareholders is set out in paragraph 15 of the letter from the Chairman of the Company included in Part 1 of this document and the Notice of General Meeting.

In view of the ongoing COVID-19 pandemic, the Company and the Board remind all Shareholders of the UK Government's rules, including the restriction on large gatherings (the "COVID-19 Measures"). Having regard to their own safety and that of others, the Board respectfully requests that Shareholders comply with the COVID-19 Measures and do not make plans to attend the General Meeting. To ensure that shareholders' votes are counted, the Board strongly encourages all shareholders to exercise their right to vote by appointing the Chairman of the General Meeting as their proxy to vote at the General Meeting on their behalf, in accordance with their instructions. Shareholders should not appoint any person other than the Chairman of the General Meeting to act as their proxy, as that person will not be granted access to the General Meeting on the day and their appointing shareholder's votes will not be able to be counted.

It is currently intended that the General Meeting will be held with only the minimum number of shareholders present as required to form a quorum under the Company's articles of association, and who are essential for the business of the General Meeting to be conducted. These attendees will be officers or employees of the Group. The results of the votes on the proposed resolutions will be announced in the normal way as soon as practicable after the conclusion of the General Meeting.

To ensure the safety of the limited number of people whose attendance at the General Meeting is essential, we will not be able to allow any other Shareholders to gain access to the General Meeting on the day. The Company is taking these precautionary measures to comply with the COVID-19 Measures, to safeguard its shareholders' and employees' health and to make the General Meeting as safe as possible. The Company is actively following developments and will issue further information through an RIS and/or on its website at <https://escapehunt.com/investors/> if it becomes necessary or appropriate to make any alternative arrangements for the General Meeting. In particular, the Company has noted that the Corporate Insolvency and Governance Bill is currently passing through Parliament and will therefore, where appropriate and/or required, take into account its provisions and impact on the General Meeting as they become law.

Qualifying non-CREST Shareholders will find an Application Form enclosed with this document. Applications under the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim arising out of the sale or transfer of Ordinary Shares prior to the date on which the relevant Ordinary Shares are marked "ex" the entitlement by the London Stock Exchange. Holdings of Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purposes of calculating entitlements under the Open Offer. The latest time for application and payment in full under the Open Offer is 11.00 a.m. on 30 June 2020 and the procedure for application and payment is set out in Part 4 of this document.

Shore Capital and Corporate Limited ("Shore Capital and Corporate"), which is authorised and regulated in the UK by the FCA, is acting as nominated adviser to the Company in connection with the matters described in this document and is not acting for any other persons in relation to the Fundraising and Admission. Shore Capital and Corporate is acting exclusively for the Company and

for no one else in relation to the contents of this document and persons receiving this document should note that Shore Capital and Corporate will not be responsible to anyone other than the Company for providing the protections afforded to clients of Shore Capital and Corporate or for advising any other person on the arrangements described in this document. The responsibilities of Shore Capital and Corporate as the Company's nominated adviser under the AIM Rules and the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director, Shareholder or other person in respect of his decision to acquire shares in the capital of the Company in reliance on any part of this document and/or the Application Form, or otherwise.

Zeus Capital Limited ("Zeus Capital") and Shore Capital Stockbrokers Limited ("Shore Capital Stockbrokers" and together with Shore Capital and Corporate, "**Shore Capital**") (Zeus Capital and Shore Capital Stockbrokers together, the "Joint Brokers") which are both authorised and regulated in the United Kingdom by the FCA, are acting as joint brokers to the Company in connection with the matters described in this document and are not acting for any other persons in relation to the Fundraising. Each Joint Broker is acting exclusively for the Company and for no one else in relation to the contents of this document and persons receiving this document should note that neither Joint Broker will be responsible to anyone other than the Company for providing the protections afforded to clients of such Joint Broker or for advising any other person on the arrangements described in this document.

IMPORTANT NOTICE

Cautionary note regarding forward-looking statements

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward looking statements include matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Directors' current intentions, beliefs or expectations concerning, among other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the Group's markets.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors' current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM Rules, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors' expectations or to reflect events or circumstances after the date of this document.

Neither the content of any website referred to in this document nor any hyperlinks on such website is incorporated in, or forms part of, this document.

Notice to overseas persons

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

This document is for information purposes only. The Existing Ordinary Shares and the New Ordinary Shares have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, (the "US Securities Act") or with any securities regulatory authority of any state or

other jurisdiction of the United States, and the New Ordinary Shares may not be offered or sold, exercised, resold, transferred or delivered, directly or indirectly, in or into the United States unless registered under the US Securities Act or offered in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. This document does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or purchase, any New Ordinary Shares to any person with a registered address, or who is resident or located in, the United States, and there will be no public offer of New Ordinary Shares in the United States. Neither the Existing Ordinary Shares nor the New Ordinary Shares have been approved or disapproved by the US Securities and Exchange Commission, or any other securities commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the New Ordinary Shares nor have they approved this document or confirmed the accuracy or adequacy of the information contained in this document. Any representation to the contrary is a criminal offence in the United States.

The Placing Shares and the Subscription Shares will not qualify for distribution under the relevant securities laws of Australia, Canada, the Republic of Ireland, the Republic of South Africa or Japan, nor has any prospectus in relation to the Placing Shares or Subscription Shares been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Accordingly, subject to certain exemptions, the Placing Shares and Subscription Shares may not be offered, sold, taken up, delivered or transferred in, into or from Australia, Canada, the Republic of Ireland, the Republic of South Africa, Japan or any other jurisdiction where to do so would constitute a breach of local securities laws or regulations (each a “**Placing and Subscription Restricted Jurisdiction**”) or to or for the account or benefit of any national, resident or citizen of a Placing and Subscription Restricted Jurisdiction.

The Open Offer Shares will not qualify for distribution in any jurisdiction other than the United Kingdom. Accordingly, the Open Offer Shares may not be offered, sold, taken up, delivered or transferred in, into or from any jurisdiction other than the United Kingdom (each such jurisdiction other than the United Kingdom, an “**Open Offer Restricted Jurisdiction**”) or to or for the account or benefit of any national, resident or citizen of an Open Offer Restricted Jurisdiction.

This document does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or purchase, any Ordinary Shares to any person in a Placing and Subscription Restricted Jurisdiction or Open Offer Restricted Jurisdiction (as applicable).

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FUNDRAISING STATISTICS

Number of Existing Ordinary Shares in issue at the date of this document	26,925,925
Closing Price per Ordinary Share ¹	9.5 pence
Issue Price per New Ordinary Share	7.5 pence
Discount to the Closing Price per Ordinary Share ¹	21%
Number of Placing Shares	46,599,998
Gross proceeds of the Placing to be received by the Company	£3.495 million
Number of Subscription Shares	2,200,002
Gross proceeds of the Subscription to be received by the Company	£165,000
Number of New Ordinary Shares constituting the Pay Reduction Catch Up Equity	426,106
Placing Shares, Subscription Shares and Pay Reduction Catch Up Equity as a percentage of Existing Ordinary Shares	183%
Amount of Convertible Loan Notes	£340,000
Basis of the Open Offer	1 Open Offer Share for every 4 Existing Ordinary Shares
Maximum number of Open Offer Shares to be offered pursuant to the Open Offer	6,731,481
Open Offer Shares as a percentage of Existing Ordinary Shares ²	25%
Open Offer Shares as a percentage of the Enlarged Share Capital ²	8.1%
Enlarged Share Capital immediately following Admission ²	82,883,512
New Ordinary Shares as a percentage of the Enlarged Share Capital ²	67.5%
Estimated gross proceeds of the Fundraising ²	£4,504,861
Estimated net proceeds of the Fundraising ²	£4,300,000
Market capitalisation at the Issue Price immediately following Admission ²	£6.2 million
ISIN – Ordinary Shares	GB00BDB79J29
ISIN – Open Offer Basic Entitlements	GB00BM953448
ISIN – Open Offer Excess Entitlements	GB00BM953554
SEDOL	BDB79J2
LEI	213800CMIYV5Q38P2487
TIDM	ESC

Notes

(1) Closing Price on 11 June 2020, being the last Business Day prior to the announcement of the Fundraising

(2) Assuming full take up of the Open Offer, and , in respect of the Open Offer subject to maximum proceeds equivalent to €8 million. Entitlement of Qualifying Shareholders and maximum number of New Ordinary Shares to be issued pursuant to the Open Offer may be reduced to reflect this maximum on the basis of the Euro/Sterling exchange rate on the relevant date.

EXPECTED TIMETABLE OF KEY EVENTS

2020

Record Date for entitlements under the Open Offer	close of business on 10 June
Announcement of the Fundraising	4.45 p.m. on 12 June
Ex-entitlement Date for the Open Offer	8.00 a.m. on 15 June
Announcement of the result of the Placing	12 June
Publication of this document, the Application Form and Form of Proxy	15 June
Basic Entitlements and Excess Entitlements credited to stock accounts as soon as possible after of Qualifying CREST Shareholders in CREST	as soon as possible after 8.00 a.m. on 16 June
Recommended latest time and date for requesting withdrawal of Basic Entitlements and Excess Entitlements from CREST	4.30 p.m. on 24 June
Latest time and date for depositing Basic Entitlements and Excess Entitlements into CREST	3.00 p.m. on 25 June
Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 26 June
Latest time and date for receipt of Forms of Proxy	11.00 a.m. on 29 June
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on 30 June
Announcement of result of Open Offer	1 July
Time and date of General Meeting	11.00 a.m. on 1 July
Announcement of result of the General Meeting	1 July
Allotment and issue of the EIS Placing Shares*	11:59 p.m. on 1 July
Allotment and issue of the VCT Placing Shares*	7:30 a.m. on 2 July
Allotment and issue of the non-EIS/VCT Placing Shares*	prior to 8:00 a.m. on 2 July
Allotment and issue of the Subscription Shares	2 July
Issue of the Convertible Loan Notes	2 July
Admission and commencement of dealings in the New Ordinary Shares	8.00 a.m. on 2 July
Despatch of definitive share certificates for the New Ordinary Shares in certificated form	within 10 Business Days of Admission

* New Ordinary Shares will be allotted and issued in certificated form to the EIS Placees at 11.59 p.m. on 1 July 2020. New Ordinary Shares will be allotted and issued in certificated form to the VCT Placees at 7.30 a.m. on 2 July 2020. As soon as possible after 8.00 a.m. on 2 July 2020, New Ordinary Shares will be delivered into the CREST account for all other Placees of the Non-EIS/VCT Placing Shares and the EIS and VCT Placing Shares will be dematerialised into CREST.

- (1) Each of the times and dates in the above timetable is subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by announcement on a Regulatory Information Service.
- (2) The above timetable assumes that the Resolutions are all passed at the General Meeting.
- (3) All of the above times, and other time references in this document, refer to UK time.

In order to subscribe for Open Offer Shares, Qualifying Shareholders will need to follow the procedure set out in Part 4 of this document and, where relevant, complete the accompanying Application Form. If Qualifying Shareholders have any queries on the procedure for acceptance and payment, have questions on how to complete the Application Form or wish to request another Application Form, they should contact the Receiving Agent, Equiniti Limited on 0371 384 2050 or, if calling from outside the United Kingdom, on +44 121 415 0259, where relevant, quoting the shareholder reference number (allocation number) on their Application Form. Lines are open from 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except English and Welsh public holidays).

Calls to the Equiniti Limited telephone number from outside the UK are charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Equiniti cannot provide advice on the merits of the Fundraising and cannot give any financial, legal or tax advice.

DIRECTORS, SECRETARY AND ADVISERS

Directors	Richard Sidney Rose (<i>Non-Executive Chairman</i>) Richard John Harpham (<i>Group Chief Executive Officer</i>) Graham John Bird (<i>Group Chief Financial Officer</i>) Karen Bach (<i>Non-Executive Director</i>)
Company Secretary	Graham John Bird
Head office and registered office	3 Pear Place London SE1 8BT
Nominated Adviser	Shore Capital and Corporate Limited Cassini House 57 St James's Street London SW1A 1LD
Joint Brokers	Shore Capital Stockbrokers Limited Cassini House 57 St James's Street London SW1A 1LD and Zeus Capital Limited 82 King Street Manchester M2 4WQ
Legal advisers to the Company	Irwin Mitchell LLP 40 Holborn Viaduct London EC1N 2PZ
Legal advisers to the Nominated Adviser and Joint Brokers	Addleshaw Goddard LLP Milton Gate 60 Chiswell Street London EC1Y 4AG
Registrars and Receiving Agent	Equiniti Limited Aspect House Spencer Road Lancing West Sussex BN99 6DA

PART 1
LETTER FROM THE CHAIRMAN

Escape Hunt Plc

(incorporated in England and Wales with registered number 10184316)

Directors:

Richard Sidney Rose (*Non-Executive Chairman*)
Richard John Harpham (*Group Chief Executive Officer*)
Graham John Bird (*Group Chief Financial Officer*)
Karen Bach (*Non-Executive Director*)

Registered Office:

3 Pear Place
London
SE1 8BT

15 June 2020

Dear Shareholder

**Proposed Placing of 46,599,998 New Ordinary Shares and Open Offer of up to 6,731,481
New Ordinary Shares at 7.5 pence per New Ordinary Share**

**Proposed Subscription of 2,200,002 New Ordinary Shares at a price of 7.5 pence per New
Ordinary Share**

Proposed Issue of Convertible Loan Notes

and

Notice of General Meeting

1 Introduction

On 12 June 2020, the Board announced (1) a conditional Placing of 46,599,998 Placing Shares and the conditional issue of 2,200,002 Subscription Shares at 7.5 pence each (the "Issue Price"), to raise, in aggregate, £3.66 million before expenses and (2) the proposed issue of Convertible Loan Notes to a single investor to raise a further £0.34 million.

The Issue Price is a discount of 21 per cent. to the Closing Price per Ordinary Share on 11 June 2020, being the last Business Day prior to the announcement of the Fundraising.

In addition, in order to provide Shareholders who have not taken part in the Placing or the Subscription with an opportunity to participate in the proposed issue of New Ordinary Shares, the Company is providing all Qualifying Shareholders with the opportunity to subscribe for, in aggregate, up to 6,731,481 Open Offer Shares, to raise up to approximately £0.5 million (before expenses), on the basis of 1 Open Offer Share for every 4 Existing Ordinary Shares held on the Record Date, at the Issue Price. Qualifying Shareholders subscribing for their full entitlement under the Open Offer may also subscribe for additional Open Offer Shares through the Excess Application Facility, further details of which are set out below.

The Joint Brokers have conditionally agreed, pursuant to the terms of the Placing and Open Offer Agreement, to use their reasonable endeavours to procure Placees to subscribe for the Placing Shares at the Issue Price. The Placing Shares and the Subscription Share are not subject to clawback and are not part of the Open Offer.

The Placing, Open Offer and Subscription are conditional, *inter alia*, on the passing of the Resolutions by Shareholders at the General Meeting, which is being convened for 11.00 a.m. on 1 July 2020. Application will be made to the London Stock Exchange for Admission of the New Ordinary Shares. It is expected that Admission of the New Ordinary Shares will become effective and that dealings in the New Ordinary Shares will commence at 8.00 a.m. on 2 July 2020.

If the conditions relating to the issue of the Placing Shares, the Subscription Shares, the Convertible Loan Notes and the Open Offer Shares are not satisfied, or the Placing and

Open Offer Agreement is terminated in accordance with its terms, the Placing Shares, the Subscription Shares, the Convertible Loan Notes and the Open Offer Shares will not be issued and the Company will not receive the related monies. In such circumstances, the Company would need urgently to pursue additional or alternative funding sources which, if they are available at all, may be expensive and/or onerous for the Company.

The purpose of this document is to provide Shareholders with information regarding the Fundraising, and to convene a General Meeting at which the Resolutions seeking Shareholder authority for the issue of the New Ordinary Shares will be put to the Shareholders. If the Resolutions are not passed, the Company will be unable to issue the New Ordinary Shares or the Convertible Loan Notes.

Further information about the Fundraising and the Company's current trading and prospects is set out below.

You will find set out at the end of this document the Notice of General Meeting, to be held at Crown Court car park, The Burys, Godalming, Surrey GU7 1HR at 11.00 a.m. on 1 July 2020, at which the Resolutions will be proposed, in the case of Resolution 1, as an ordinary resolution and, in the case of Resolution 2, as a special resolution.

In view of the ongoing COVID-19 pandemic, the Company and the Board remind all Shareholders of the UK Government's rules, including the restriction on large gatherings (the "COVID-19 Measures"). Having regard to their own safety and that of others, the Board respectfully requests that Shareholders comply with the COVID-19 Measures and do not make plans to attend the General Meeting. To ensure that shareholders' votes are counted, the Board strongly encourages all shareholders to exercise their right to vote by appointing the Chairman of the General Meeting as their proxy to vote at the General Meeting on their behalf, in accordance with their instructions. Shareholders should not appoint any person other than the Chairman of the General Meeting to act as their proxy, as that person will not be granted access to the General Meeting on the day and their appointing shareholder's votes will not be able to be counted.

It is currently intended that the General Meeting will be held with only the minimum number of shareholders present as required to form a quorum under the Company's articles of association, and who are essential for the business of the General Meeting to be conducted. These attendees will be officers or employees of the Group. The results of the votes on the proposed resolutions will be announced in the normal way as soon as practicable after the conclusion of the General Meeting.

To ensure the safety of the limited number of people whose attendance at the General Meeting is essential, we will not be able to allow any other Shareholders to gain access to the General Meeting on the day. The Company is taking these precautionary measures to comply with the COVID-19 Measures, to safeguard its shareholders' and employees' health and to make the General Meeting as safe as possible. The Company is actively following developments and will issue further information through an RIS and/or on its website at <https://escapehunt.com/investors/> if it becomes necessary or appropriate to make any alternative arrangements for the General Meeting. In particular, the Company has noted that the Corporate Insolvency and Governance Bill is currently passing through Parliament and will therefore, where appropriate and/or required, take into account its provisions and impact on the General Meeting as they become law.

2 Background to and reasons for the Fundraising

Background

Escape Hunt is an international provider of escape rooms, with a total of 46 owner-operated and franchise sites worldwide and 143 employees.

Prior to the Company's reverse takeover and re-admission to AIM in May 2017 ("Re-admission"), the business focused on franchising. Following Re-admission, the Company's resources have been largely geared towards building an owner-operated estate of escape room sites across the UK.

To date, nine new venues have been opened operating under the Escape Hunt brand, together with a further site acquired out of administration which operates under its original name, MacGuffin. The nine Escape Hunt branded sites have performed well and have been well-received by customers

with all nine receiving five star ratings on TripAdvisor™ as well as ranking in TripAdvisor's™ top 4 'Fun & Games' activities in their respective areas. In addition to these owner-operated sites, the Company has a franchise network of 37 sites across 16 countries, most of which are operated through regional master franchise agreements.

In September 2019, the Company signed an exclusive Area Representative Agreement with EHNA Corporate LLC, a company controlled by Proprietors Capital Holdings ("PCH"), covering the USA and Canada. PCH is a US based multiple franchise operator focused on experiential leisure and has set ambitious targets for the roll out of Escape Hunt franchise sites over 3 years. The agreement with PCH is in its infancy and currently accounts for only one of the Group's 37 franchise sites, which opened in Houston, Texas, in March 2020. The site has since been temporarily closed due to COVID-19.

The Company's product appeals to a wide range of customers, including family groups, friends, work colleagues, children, students and senior citizens. Engagement comes from male, female and mixed groups and crosses all adult age groups. The Directors believe this is helped by the fact that the Group's content covers multiple genres, such as detective, adventure, historical themes, as well as through the use of licensed intellectual property. In this final category, the Company has an exclusive licensing agreement in place with the BBC and has developed two Doctor Who themed escape games which were in operation prior to COVID-19. The second of these games, "A Dalek Awakens" was launched in March 2020 shortly before sites were forced to temporarily close due to COVID-19.

The Directors believe that the Company's performance in 2019 and early 2020 has firmly established the blueprint for building a profitable, cash generative business capable of generating attractive returns. The Directors' view is based on the performance from the Company's existing UK owner-operated sites in the latter part of 2019 and in early 2020, their belief in the market opportunity afforded by strong growth in experiential leisure and their belief in the Company's opportunity to scale internationally through its franchise network.

COVID-19 has placed unprecedented strains on all leisure businesses in the UK and all of the Company's UK sites have been closed from and including 21 March 2020. The Board has taken a number of short-term measures which have been effective in 'hibernating' large parts of the business, and believes that the Company's existing cash resources can be stretched to ensure the Group can survive several months of inactivity. The Directors estimate that the cash impact of a three-month lockdown would be approximately £700,000 with each additional month of lockdown incurring a further £200,000 – £220,000 cost. The overall cash impact, including potentially lower revenues in the months immediately following the re-opening of sites and opportunity costs over the medium term, is expected to be higher.

The Board has developed a strategy to build shareholder value and the Company is therefore seeking to raise new capital to support this strategy and provide additional working capital. The Company has received advance assurance from HMRC that up to £4.0 million of funds raised will be eligible for EIS relief.

Recent performance

The Company published its unaudited preliminary results for the year to 31 December 2019 on 12th May 2020. Revenue more than doubled in the year to £4.9 million, reflecting strong underlying like-for-like growth and the full year effects from sites opened in 2018.

Owner-operated sites

The owner-operated sites accounted for 78 per cent. of Group sales in the year ended 31 December 2019 and delivered unaudited revenue of £3.8 million (FY2018: £1.0 million), a material increase over the prior year. As referred to above, while this increase was helped by the full year impact of sites opened during 2018, a substantial proportion of the growth was organic. Site level adjusted EBITDA from the owner-operated portfolio was £0.6 million in FY2019 (FY2018: loss £0.5 million) and included start-up losses incurred in the opening months of trading for the five sites opened in late 2018.

Escape Hunt's three most mature owner-operated sites (Birmingham, Bristol and Leeds), which were each 21 months old at the year end, delivered a combined like-for-like sales increase of 34 per cent. in the final quarter of 2019. Across all eight established owner-operated sites, like-for-

like sales increased by 70 per cent. in December 2019. Five of these sites were opened in the final quarter of 2018 and hence benefitted from entering the final month of 2019 with a more mature market position. This strong performance continued into 2020 before the onset of COVID-19, with trading in the owner-operated sites in January and February 2020 comfortably ahead of the Board's expectations. Like-for-like growth in the 12-week rolling average sales up to 1 March 2020 for the oldest three sites, each of which had been operating for 23 months before being closed due to COVID-19, was 25 per cent. year-on-year, and 59 per cent. across the eight sites which were open over the same period a year previously.

The average weekly sales and EBITDA figures for the eight mature sites were meeting the Board's site level revenue and EBITDA targets before the onset of COVID-19. Notwithstanding the attainment of these targets, like-for-like growth remained strong, operating materially ahead of the mature site like-for-like target. The operational gearing at site level means that as sales increase the relative flow through to EBITDA increases faster. This, together with plans to further improve site labour efficiency, provide support for the Board's belief that the performance in 2019 and early 2020 has established the blueprint for a profitable, cash generative business.

The Board regards cashflow return on invested capital at site level as a key performance indicator. Performance in the twenty-six weeks to 1 March 2020 indicated that the portfolio of eight established Escape Hunt branded UK owner-operated sites was delivering an annualised return of 16.4 per cent., which significantly exceeds the Board's estimate of the Company's cost of capital. Furthermore, several factors give the Board confidence that upfront investment in new sites should be significantly lower than the historic cost of invested in existing sites. On a pro-forma basis, this would have resulted in substantially enhanced returns and the annualised six month return would have risen from 16.4 per cent. to 31.9 per cent. on this basis. This provides the Board with further confidence in the attractions of expanding the UK owner-operated network.

In December 2019, the Company opened a new site at Birmingham Resorts World which was trading ahead of plan prior to the onset of COVID-19. Sites at Basingstoke and Norwich were in build, well advanced and due to open towards the end of Q1 2020. The Company was also in advanced negotiations on potential new sites, including one site where heads of terms have been agreed. All these have had to be put on hold as a result of COVID-19 and activity is expected to resume once the UK Government relaxes the relevant lockdown restrictions.

Franchise estate

The existing franchise estate delivered revenue of £1.1 million in the year to 31 December 2019 (FY2018: £1.1 million) and EBITDA of £0.3 million (FY2018: £14k). The Company's typical franchise economics include a US\$20,000 upfront franchise fee, a 10 per cent. revenue royalty fee (shared with the master franchisee if there is one) and a US\$500 monthly charge to cover game design fees, service charges and other ancillary services.

The most significant development in the franchise business in the last year was the signing of an exclusive twenty year Area Representative Agreement with a subsidiary of PCH, covering the USA and Canada, as set out above. The deal gives rise to a US\$50,000 up front fee payable to Escape Hunt for each of the first nine sub-franchises sold and US\$25,000 for each sub-franchisee sold thereafter. In addition, the Company will receive a 5 per cent. revenue share from each sub-franchisee and a fixed annual service fee. The Board believes that PCH has set ambitious, but achievable, roll-out targets over a three-year period.

Impact of COVID-19

All of the Company's UK sites have been closed from and including 21 March 2020 and the majority of the Company's franchise sites have also been closed, resulting in a significant loss of revenue with direct cashflow consequences.

The Board took pre-emptive steps before the UK Government's enforced lock-down and short term measures have been put in place to significantly reduce the Company's monthly cash costs. All capital expenditure and site development were put on hold; all non-critical supplier work was stopped; and marketing expenditure was ceased. Approximately 90 per cent. of staff were placed on furlough leave with effect from 20 March 2020 and have been supported through the UK Government's Job Retention Scheme. In addition, those employees not on furlough accepted a ten per cent. pay reduction with the senior leadership team taking a twenty five per cent. reduction.

The Non-executive directors agreed to a 100 per cent. pay holiday, pending clarity of their eligibility for furlough status. The Company has also benefitted from the UK Government's decision to waive rates on certain hospitality and leisure businesses and has received cash grants through the UK Government's rates relief programme of £10,000 or £25,000 for a number of its UK sites, amounting, in aggregate to £130,000. A number of the Company's landlords have agreed to rent payment deferrals, as has HMRC in respect of VAT and employee taxes. Through these various measures and support, the Company has reduced its monthly costs by approximately sixty per cent., with an even greater cash benefit due to the deferrals.

Although the Company's sites have been closed, work has continued on the development of downloadable propositions which have so far proved successful with customers and are generating revenue for both the Company and a number of franchisees. The Company has continued to support its franchise network, including offering a fee holiday during lockdown, and by supporting new games and other web enhancements.

Whilst, as at the date hereof, the UK Government has not announced a firm date for the re-opening of leisure sites such as the Company's, nor the specific conditions on which re-opening might be permitted, it is the Board's view that, on the assumption that small groups of family or friends will gradually be permitted to go to the Company's sites, social distancing measures are not expected to materially affect the Company's ability to re-open and operate its UK sites. The Board believes that Escape Hunt is a low density model which can work profitably at low customer numbers. Typically, an escape room will have significantly fewer people on site at peak times relative to the size of a site compared to other leisure businesses, such as cinemas or restaurants. As a result, maintaining a 2 metre gap between groups of customers, if required, is expected to be straightforward and manageable.

The Board considers that customers should feel safe at the Company's sites, as they play in small groups and never join players unknown to them. Playing only with family members or close friends should provide a sense of safety and comfort. In addition, plans are being developed to put additional cleaning measures in place and to make gloves and anti-bacterial gels available if customers feel safer through having them, and their experience is not affected.

Together with the strong performance of the UK owner-operated estate in the latter part of 2019 and early 2020, this gives the Board confidence in the Group's future prospects.

Next phase of development and fundraising

The Company now wishes to move to the next phase of its development by leveraging its experience gained to date, its international brand in what is still a fragmented market and to take advantage of the growth in consumer demand for experiential leisure.

Strategy

The Board has developed a five-point plan to build shareholder value:

1. Roll-out of owner-operated network through direct investment
2. Deliver US Franchise network in partnership with PCH
3. Sustain and support growth in existing franchise network; sign further master franchise agreements
4. Broaden the product offer and market reach
5. Investment in infrastructure to improve efficiency and scalability

Roll out of owner-operated network through direct investment

The Company has an attractive and well-developed pipeline for the roll-out of new owner-operated sites. The Board has a short to medium term target of eighteen to have twenty UK owner-operated sites open by the end of 2021 and has a longer term target of fifty such sites. The Board targets 'box economics' for new sites as a basis for expanding the network. The targets include a build cost of between £500,000 and £600,000 which the Board aims to reduce by cash contributions of between £100,000 to £200,000 from landlords. Based on targeting a medium occupancy of approximately forty per cent., the Board aims for between £450,000 and £550,000 of annual revenue and between £120,000 and £180,000 site level annual EBITDA. Additional revenue from

outdoor games and other initiatives is expected to further augment the profitability at each site. As mentioned above, the Company's UK owner-operated sites were, on average, achieving the Board's revenue and EBITDA targets in late 2019 and early 2020.

Consequently, the Board believes the economics at site level are now proven and therefore plans to replicate the successful owner-operated model at new sites, as well as leveraging existing sites through additional revenue streams. New targets for site assessment have been introduced, including ten per cent. cash return on investment in the first twelve months of operation, twenty five per cent. in the second full year of operation, and a payback target of under three and a half years.

Deliver US Franchise network in partnership with PCH

PCH has recruited a team of individuals to manage the Area Representative Agreement and to grow the US franchise network. The Board has met the key individuals and believes that it is a strong operational team. The first site in Houston, Texas has been converted to the Escape Hunt brand and one of the Company's catalogue games, Alice in Puzzleland, was installed in early March 2020. The Board understands that PCH is considering an owned site in Minneapolis to showcase Escape Hunt content and serve as the US training centre. Work on the Franchise Due Diligence document is well progressed, potential local production partners have been identified and the Board understands that introductory conversations are already taking place with PCH's existing franchisee base. The Board expects the first franchises in the US to be sold by the end of 2020.

The Board believes that there is a significant opportunity to grow the Group's franchise business in the US and Canada.

Sustain and support growth in existing franchise network

The Board plans to support the existing franchisees through their re-opening programmes post-COVID-19, including establishing downloadable games as an additional revenue stream and delivering new content where appropriate. Work is also ongoing to drive efficiencies through the online booking platform.

The Company has an ambition to sign further franchise deals by identifying potential partners with significant franchise experience for master franchise or area representative agreements.

Broaden product offer and market reach; sign further master franchise agreements

A strategy has been developed to broaden both the customer proposition and market opportunity for Escape Hunt. Specifically, the Board has identified four product groupings, each of which has specified content, target audiences, and channels for delivery. These product groupings are:

- Escape Hunt Retail
- Escape Hunt for Business
- Escape Hunt for Education
- Escape Hunt for Brands

The content for these product groupings entails combinations of physical escape rooms, virtual reality based rooms, tablet-based games for groups (which may be played outdoors), quiz rooms, and pop-up rooms or other bespoke solutions.

In the short term, a target of enhancing site level revenue by between 10 per cent. and 25 per cent. has been set and the Board believes the longer term potential is substantially bigger.

Investment in infrastructure to improve efficiency and scalability

The Board has identified four specific internal areas for further investment to help improve the efficiency and scalability of the business. A total of £600,000 has been earmarked for investment into game management systems, data management, upgrades to the e-commerce platform and other operational systems improvements.

All internal projects are subject to clear return on investment criteria.

Use of net proceeds

The net proceeds receivable by the Company pursuant to the Placing, Subscription and issue of the Convertible Loan Notes are expected to be approximately £3.80 million (after expenses).

The Company expects to deploy the net proceeds as follows:

- £2.5 million to fund the roll-out of further owner-operated sites;
- £0.7 million for general working capital purposes; and
- £0.6 million for operational improvements.

The Company had approximately £1.2 million of cash on 31 May 2020. Together with the net proceeds from the Placing, the Subscription and issue of Convertible Loan Notes, the Company plans to open a further five to six new owner-operated sites over eight to twelve months following completion of the Fundraising.

Additional funds raised through the Open Offer will be split between further investing in the roll-out of new sites and other general working capital purposes. Shareholders should note that the precise use of proceeds will depend on the length and severity of the COVID-19 pandemic.

3 Unaudited preliminary results, COVID-19 and objectives for 2020

As stated above, the Company announced its unaudited preliminary results for the year ended 31 December 2019 on 12 May 2020, the highlights of which are set out below:

“FINANCIAL HIGHLIGHTS

- *Group revenue up 128% to £4.9m (2018: £2.2m)*
- *Revenue from owner-operated sites up 275% to £3.8m (2018: £1.0m)*
- *Site level Adjusted EBITDA from owner-operated sites rose to £0.6m (2018: loss £0.5m)*
- *Franchise EBITDA increased to £0.3m (2018: £14k)*
- *Group Adjusted EBITDA loss £1.7m (2018: loss £3.1m)*
- *Group operating loss of £5.9m (2018: loss of £10.0m)*
- *Cash at year end £2.2m (2018: £2.7m) and £1.2m on 30 April 2020*

OPERATIONAL HIGHLIGHTS

- *Nine ‘Escape Hunt’ branded sites open in the UK at year end (2018: eight sites)*
- *Number of active UK games rooms increased to 49 (2018: 38 rooms)*
- *Like-for-like revenue growth in Q4 2019 of 34% from three most mature owner-operated sites*
- *Strong Christmas trading in both owner-operated and franchise estates continued into the new year, pre-impact of COVID-19*
- *Encouraging pipeline of new sites in ongoing negotiations with more favourable property market conditions*
- *New, strategically important franchise Area Representative Agreement signed with PCH to cover US and Canada*
- *Rationalisation of underperforming franchisee sites supporting improved profitability for franchise business during the year*
- *Raised £3.7m (net of expenses) through an equity placing in June 2019*

POST YEAR END & COVID-19 UPDATE

- *Trading in the period 1 January 2020 to 29 February 2020 was strong with revenue and owner-operated site performance comfortably ahead of Board’s expectations*
- *First US site under PCH Area Representative Agreement opened in March 2020 in Houston, Texas*

- *Virtual reality being trialled in two rooms at the newest site, Birmingham Resorts World*
- *New Doctor Who game launched in March 2020 under licence with BBC Studios. BBC Studios announced in April 2020 that the new story 'Time Lord Victorious' will be released later this year on multiple platforms*
- *Proactive, early measures taken to mitigate the impact of COVID-19, including:*
 - *Significant cost reductions implemented to put core business into 'hibernation'*
 - *Deferral of costs where possible*
 - *Grant and other support from UK Government*
 - *Launch of play at home games enhancing brand exposure*
 - *All UK owner-operated sites were closed from and including 21 March 2020 until further notice*
 - *Lockdowns are in place in other countries which impact the majority of the Company's international franchise network*
- *Planned openings of two new owner-operated sites deferred to post-lockdown*
- *Pipeline for new sites remains attractive"*

"STRATEGIC OBJECTIVES FOR 2020

Our strategic objectives for 2020 and beyond fall into five categories:

- 1. Roll-out of our owner-managed network through direct investment*
- 2. Sustain and support growth in performance from our existing franchise network*
- 3. Deliver the US franchise opportunity in partnership with PCH*
- 4. Enhance returns and margins through broadening our product set and target audience*
- 5. Investment in infrastructure and operations to improve efficiency and scalability*

The pace and order in which we are able to achieve these objectives depends partly on our ability to access further capital, and the Board is therefore actively exploring options to do so and to provide additional working capital in the short and medium term. The recent performance of our business gives us confidence in the unit economics and the financial attractions of the business model and the Board therefore continues to explore any options which will support growth whilst seeking to grow shareholder value.

Conditional on accessing sufficient capital to do so, our short-term target is to grow the UK estate to at least 15 Escape Hunt branded sites within 9 months and then to 20 within 18 – 24 months of reopening after COVID-19. We believe there is a market opportunity to grow the UK estate to approximately 50 sites in the longer term. Supported by anticipated growth in our franchise business, both in the US and elsewhere, we believe this strategy will deliver a sustainably cash generative, highly profitable business."

"Without a clear view on when our sites might be able to re-open and how consumers will behave thereafter, it is difficult to know how quickly our business will rebound. We are enormously encouraged by the Group's performance as we entered the pandemic and by the consumer response to our offering, evidenced by the fantastic TripAdvisor™ ratings we have received and excellent financial returns. We are also encouraged by the energy and enthusiasm of our US partners and our franchise network. Consequently, we continue to see the opportunity afforded by rapid growth in experiential entertainment as an attractive one where we will be able to build and sustain a premium brand in escape rooms. We are therefore as confident as we can be that we will emerge from the COVID-19 pandemic intact and ready to build on the base that we have successfully established so far."

4 Convertible Loan Notes

The Company intends to raise £0.34 million by the issue of the Convertible Loan Notes.

The Convertible Loan Notes are unsecured and interest is payable at a fixed rate of 10 per cent. per annum. The Convertible Loan Notes are repayable in full a day after the fifth anniversary of their date of issue although they may be prepaid in whole or in part at the Company's discretion

after the period of 18 months from the date of issue of the Convertible Loan Notes, provided that the holders of the Convertible Loan Notes will first be given the opportunity to serve notice to convert their respective Convertible Loan Notes and unpaid interest into new Ordinary Shares.

The Convertible Loan Notes are convertible at the election of the holders of the Convertible Loan Notes at any time up until and including the date of repayment at the price which is the lower of 9 pence for each new Ordinary Share or the placing price of the most recent placing by the Company of new Ordinary Shares prior to conversion.

The issue of the Convertible Loan Notes is conditional on the Placing becoming unconditional (that is on Admission) and on the passing of the Resolutions.

Application will not be made for the Convertible Loan Notes to be admitted to trading on AIM or any other exchange. Subject to approval by the Shareholders of the Resolutions to be proposed at the General Meeting, the Company will have adequate authority to issue the maximum number of new Ordinary Shares which could result from the conversion of all the Convertible Loan Notes. Any new Ordinary Shares arising on conversion will rank *pari passu* with the Ordinary Shares in issue at that time and application for admission to trading on AIM will be made at the appropriate time.

Further details of the Convertible Loan Notes are set out in Part 5 of this document and a copy of the Convertible Loan Note Instrument is available for view at <https://escapehunt.com/investors/>.

5 Principal terms of the Subscription

The Company is also proposing to raise £165,000 (before expenses) pursuant to the Subscription by the issue of, in aggregate, 2,200,002 Subscription Shares at the Issue Price to certain Directors (or their nominees) and KK Advisory Ltd. The amounts subscribed by the Directors are set out in paragraph 9 of this Part 1. KK Advisory Ltd has subscribed for £15,000, being 200,000 Subscription Shares.

Completion of the Subscription is unconditional save for any conditions relating to the Placing having completed or Admission having occurred.

Application will be made for the Subscription Shares to be admitted to trading on AIM subject, *inter alia*, to the passing of the Resolutions at the General Meeting. It is expected that Admission will become effective and that dealings in the Subscription Shares will commence at 8.00 a.m. on 2 July 2020.

The Subscription Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission. The Subscription Shares are not subject to clawback and are not part of the Open Offer.

6 Details of the Placing and Open Offer

The Company has conditionally placed 46,599,998 Placing Shares at 7.5 pence per Placing Share raising approximately £3.495 million (before expenses). In addition, the Company is making an Open Offer pursuant to which it may raise up to a further approximately £0.5 million (before expenses). The Issue Price of 7.5 pence per Open Offer Share is the same price as the price at which Placing Shares and Subscription Shares are being issued.

Placing

Pursuant to the terms of the Placing and Open Offer Agreement, each of the Joint Brokers, as agents for the Company, has conditionally agreed to use reasonable endeavours to place the Placing Shares at the Issue Price.

The Placing is conditional upon the Placing and Open Offer Agreement becoming unconditional and not having been terminated in accordance with its terms. The Placing is not being underwritten.

The Joint Brokers' and the Nominated Adviser's obligations under the Placing and Open Offer Agreement in respect of the EIS Placing Shares are conditional on, *inter alia*:

- i) the passing by the Shareholders of the Resolutions by the requisite majorities of Shareholders at the General Meeting; and

- ii) the EIS Placing Shares having been unconditionally allotted and issued by the Company at or before 11.59 p.m. on the day immediately prior to the Expected Admission Date.

The Joint Brokers' and the Nominated Adviser's obligations under the Placing and Open Offer Agreement in respect of the VCT Placing Shares are conditional on, *inter alia*:

- i) all the conditions in the Placing and Open Offer Agreement relating to the placing of the EIS Placing Shares having been fulfilled (or, where applicable, waived); and
- ii) the VCT Placing Shares having been unconditionally allotted and issued by the Company at or before 7.30 a.m. on the Expected Admission Date.

The Joint Brokers' and the Nominated Adviser's obligations under the Placing and Open Offer Agreement in respect of the Non-EIS/VCT Placing Shares are conditional on, *inter alia*:

- i) the subscription of the Convertible Loan Notes and the subscription of the Subscription Shares becoming unconditional (save for any conditions contained therein relating to the Placing having completed or Admission having occurred);
- ii) all the conditions in the Placing and Open Offer Agreement relating to the placing of the VCT Placing Shares having been fulfilled (or, where applicable, waived);
- iii) the Non-EIS/VCT Placing Shares having been unconditionally allotted and issued by the Company before 8.00 a.m. on the Expected Admission Date; and
- iv) Admission taking place not later than 8.00 a.m. on the Expected Admission Date (or such later date as the Joint Brokers and the Nominated Adviser may agree as the date for Admission but in any event not later than 8.00 am on the Long Stop Date).
- v) the Company having confirmed to the Joint Brokers and the Nominated Adviser that, prior to the delivery of such confirmation, none of the warranties of the Company contained in the Placing and Open Offer Agreement was untrue, inaccurate or misleading on and as at the date of the Placing and Open Offer Agreement or will be untrue, inaccurate or misleading immediately prior to Admission when repeated at that time, by reference to the facts and circumstances then subsisting; and
- vi) the Company having complied with or performed its obligations under the Placing and Open Offer Agreement to the extent that the same fall to be performed prior to Admission.

Application will be made for the Placing Shares to be admitted to trading on AIM subject, *inter alia*, to the passing of the Resolutions at the General Meeting. It is expected that Admission will become effective and that dealings in the Placing Shares will commence at 8.00 a.m. on 2 July 2020.

Zeus Capital have re-invested their fee relating, *inter alia*, to the Fundraising in the Placing. This re-investment represents 1,333,334 Placing Shares.

The Placing Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission. The Placing Shares are not subject to clawback and are not part of the Open Offer or Subscription.

The allotment and issue of the Open Offer Shares is conditional on Admission of the Placing Shares, but the Placing is not conditional on Admission of the Open Offer Shares; if the Placing does not complete, then the Open Offer will also not complete. However, if the Open Offer does not complete, then this will not prevent the Placing from completing.

Open Offer

Subject to the fulfilment of the conditions set out below, Qualifying Shareholders may subscribe for Open Offer Shares in proportion to their holding of Existing Ordinary Shares held on the Record Date. Qualifying Shareholders subscribing for their full entitlement under the Open Offer may also request additional Open Offer Shares as an Excess Entitlement, up to the total number of Open Offer Shares available to Qualifying Shareholders under the Open Offer. The Open Offer is not underwritten.

The Open Offer is conditional, *inter alia*, on the following:

- i) the Resolutions being passed at the General Meeting;

- ii) the Placing and Open Offer Agreement not being terminated prior to Admission of the Placing Shares and having become unconditional in all respects; and
- iii) Admission of the Open Offer Shares becoming effective on or before 8.00 a.m. on 2 July 2020 (or such later date and/or time as the Company, the Joint Brokers and the Nominated Adviser may agree, being no later than 9 July 2020).

The allotment and issue of the Open Offer Shares is conditional on Admission of the Placing Shares, but the Placing is not conditional on Admission of the Open Offer Shares; if the Placing does not complete, then the Open Offer will also not complete. However, if the Open Offer does not complete, then this will not prevent the Placing from completing.

If these and the other conditions to the Open Offer are not satisfied or waived (where capable of waiver), the Open Offer will lapse and will not proceed and any applications made by Qualifying Shareholders will be rejected. In these circumstances, application monies received by the Receiving Agent in respect of Open Offer Shares will be returned (at the applicant's sole risk), without payment of interest, as soon as reasonably practicable thereafter. Lapsing of the Open Offer cannot occur after dealings in the Open Offer Shares have begun.

Application will be made for the Open Offer Shares to be admitted to trading on AIM subject, *inter alia*, to the passing of the Resolutions at the General Meeting. It is expected that Admission will become effective and that dealings in the Open Offer Shares will commence at 8.00 a.m. on 2 July 2020.

The Open Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission of the Open Offer Shares. The Open Offer is not being underwritten.

Qualifying Shareholders should note that the Open Offer is not a "rights issue". Invitations to apply under the Open Offer are not transferable unless to satisfy *bona fide* market claims. Qualifying non-CREST Shareholders should be aware that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should also be aware that in the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for will not be sold in the market nor will they be placed for the benefit of Qualifying Shareholders who do not apply for Open Offer Shares under the Open Offer.

Basic Entitlement

On, and subject to the terms and conditions of the Open Offer, the Company invites Qualifying Shareholders to apply for their Basic Entitlement of Open Offer Shares at the Issue Price. Each Qualifying Shareholder's Basic Entitlement has been calculated on the following basis:

1 Open Offer Share for every 4 Existing Ordinary Shares

held at the Record Date.

Basic Entitlements will be rounded down to the nearest whole number of Ordinary Shares.

Excess Entitlement

Qualifying Shareholders are also invited to apply for additional Open Offer Shares (up to the total number of Open Offer Shares available to Qualifying Shareholders under the Open Offer) as an Excess Entitlement. Any Open Offer Shares not issued to a Qualifying Shareholder pursuant to their Basic Entitlement will be apportioned between those Qualifying Shareholders who have applied for an Excess Entitlement at the sole and absolute discretion of the Board, provided that no Qualifying Shareholder shall be required to subscribe for more Open Offer Shares than he or she has specified on the Application Form or through CREST.

Overseas Shareholders

The Open Offer Shares have not been and are not intended to be registered or qualified for sale in any jurisdiction other than the United Kingdom. Accordingly, unless otherwise determined by the Company and effected by the Company in a lawful manner, the Application Form will not be sent to Shareholders with registered addresses in, or who are resident or located in the United States or any other Open Offer Restricted Jurisdiction since to do so may require compliance with the relevant securities laws of that jurisdiction. The Company reserves the right to treat as invalid any

application or purported application for Open Offer Shares which appears to the Company or its agents or professional advisers to have been executed, effected or despatched in a manner which may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents or professional advisers believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of share certificates for Open Offer Shares outside the UK, or in the case of a credit of Open Offer Shares in CREST, to a CREST member whose registered address would not be in the UK.

Notwithstanding the foregoing and any other provision of this document or the Application Form, the Company reserves the right to permit any Qualifying Shareholder to apply for Open Offer Shares if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Part 4 of this document together with the accompanying Application Form, in the case of Qualifying non-CREST Shareholders, contains the terms and conditions of the Open Offer. If a Qualifying Shareholder does not wish to apply for Open Offer Shares he or she should not complete or return the Application Form or send a USE message through CREST.

Qualifying non-CREST Shareholders

If you are a Qualifying non-CREST Shareholder you will receive an Application Form, which accompanies this document and which gives details of your Basic Entitlement (as shown by the number of the Open Offer Shares allocated to you). If you wish to apply for Open Offer Shares under the Open Offer you should complete the accompanying Application Form in accordance with the procedure for application set out in paragraph 1 of Part 4 of this document and on the Application Form itself. The completed Application Form, accompanied by a cheque or bankers draft (written in black ink), should be returned by post to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to arrive as soon as possible **and in any event no later than 11.00 a.m. on 30 June 2020.**

Qualifying CREST Shareholders

Application will be made for the Open Offer Entitlements of Qualifying CREST Shareholders to be credited to stock accounts in CREST. It is expected that the Open Offer Entitlements will be credited to stock accounts in CREST on 16 June 2020. Applications through the CREST system may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim. If you are a Qualifying CREST Shareholder, no Application Form is enclosed with this document but you will receive credits to your appropriate stock account in CREST in respect of the Basic Entitlements to which you are entitled. You should refer to the procedure for application set out in paragraph 2 of Part 4 of this document. **The relevant CREST instruction must have settled by no later than 11.00 a.m. on 30 June 2020.**

7 EIS/VCT

The following information is based upon the laws and practice currently in force in the UK and may not apply to persons who do not hold Ordinary Shares as investments.

The Company has received assurance from HMRC that the Ordinary Shares are capable of qualifying for EIS tax reliefs. Accordingly, the EIS Placing Shares will rank as “eligible shares” and will be capable of being a “qualifying holding” and that the Company can issue EIS3 “compliance certificates” for the purposes of EIS, subject to the successful submission of an EIS1 compliance statement to HMRC.

Shareholders and investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their own independent financial adviser immediately.

The information below is intended only as a general guide to the current tax position under UK taxation law and is not intended to be exhaustive. Shareholders and investors who are in any doubt as to their tax position, or who are subject to a tax jurisdiction other than the UK, are strongly advised to consult their professional advisers.

EIS

The Company intends to operate so that it qualifies for the taxation advantages offered under EIS. The main advantages are as follows:

- Individuals can claim a tax credit reduction of 30 per cent. of the amount invested in the Company against their UK income tax liability, provided they have a sufficient tax liability to reclaim this amount, thus reducing the effective cost of their investment to 70 pence for each £1 invested. However, there is an EIS subscription limit of £1 million in each tax year, or £2 million in each tax year providing at least the excess over £1 million is invested into shares in a company which qualifies as a knowledge intensive company, and, to retain the relief, the EIS Placing Shares must be held for at least three years.
- UK investors (individuals or certain trustees) may defer a chargeable gain by investing the amount of the gain in the Company. There is no limit to the level of investment for this purpose and, therefore, to the amount of gain which may be deferred in this way. Note that the deferred gain will come back into charge when the EIS Placing Shares are disposed of or if the Company ceases to qualify as an EIS company within the three year qualifying period.
- There is no tax on capital gains made upon disposal after the three year period (the "Qualifying Period") of shares in an EIS qualifying company on which income tax relief has been given and not withdrawn.
- If a loss is made on disposal of the EIS Placing Shares at any time, the amount of the loss (after allowing for any income tax relief retained) can be set off against either the individual's gains for the tax year in which the disposal occurs, or, if not so used, against capital gains of a subsequent tax year, or against the individual's net income of the tax year of the disposal or of the previous tax year.
- Provided a Shareholder has owned EIS Placing Shares for at least two years and certain conditions are met at the time of transfer, up to 100 per cent. business property relief will be available, which reduces the inheritance tax liability on the transfer of EIS Placing Shares to nil.
- The amount of relief an investor may gain from an EIS investment in the Company will depend on the investor's individual circumstances.

Qualifying Period

In order to retain the EIS reliefs, an investor must hold their shares for at least three years. A sale or other disposal (other than an inter-spousal gift or a transfer on death) will result in any income tax relief that has been claimed being clawed back by HMRC. Additionally, any capital gains deferred will come back into charge and the capital gains tax exemption will be lost. It is the investor's responsibility to disclose a disposal to HMRC.

An individual can only be eligible for EIS relief on the subscription of shares if all shares held by that investor are shares which have been or will be eligible for EIS relief or the original subscriber shares which the investor has continued to hold.

Additionally, if the Company ceases to meet certain qualifying conditions within three years from the date of the share issue, the tax reliefs will be lost. This will be shown as the "Termination Date" on the EIS3 compliance certificate which the Company will issue to investors following formal approval of the share issue by HMRC.

Advance Assurance of EIS Status

In order for investors to claim EIS reliefs relating to their shares in the Company, the Company has to meet a number of rules regarding the kind of company it is, the amount of money it can raise, how and when that money must be employed for the purposes of the trade, and the trading activities carried on. The Company must satisfy HMRC that it meets these requirements and is therefore a qualifying company.

Although the Company currently expects to satisfy the relevant conditions for EIS investment, neither the Company nor the Directors give any warranty or undertaking that relief will be available in respect of any investment in the EIS Placing Shares or that the Company will continue to satisfy the conditions for EIS investment.

VCT

The status of the Ordinary Shares as a qualifying holding for VCT purposes will be conditional, *inter alia*, on the Company continuing to satisfy the relevant requirements and on the Ordinary Shares being held as a “qualifying holding” for VCT purposes throughout the period of ownership.

Neither the Company nor the Directors give any warranty, representation or undertaking that any VCT investment in the Company will remain a qualifying holding nor have they obtained any advance assurance from HM Revenue and Customs prior to the date of this document. The Company cannot guarantee or undertake to conduct its business following Admission, in a way to ensure that the Company will continue to meet the requirements of a VCT Scheme. VCTs considering making a qualifying VCT investment are recommended to seek their own professional advice in order that they may fully understand how the relief legislation may apply in their individual circumstances.

The status of the VCT Placing Shares as a qualifying holding for VCTs will be conditional, *inter alia*, upon the Company continuing to satisfy the relevant requirements.

Although the Company currently expects to satisfy the relevant conditions for VCT investment, neither the Company nor the Directors give any warranty or undertaking to any Shareholder that an investment in the VCT Placing Shares by a VCT will be a qualifying holding.

Structure of the EIS Placing and the VCT Placing

New Ordinary Shares will be allotted and issued in certificated form to the EIS Placees at 11.59 p.m. on 1 July 2020. New Ordinary Shares will be allotted and issued in certificated form to the VCT Placees at 7.30 a.m. on 2 July 2020. New Ordinary Shares will be delivered into the CREST accounts for all other Placees of the Non-EIS/VCT Placing Shares as soon as possible after 8.00 a.m. on 2 July 2020. As soon as possible after 8.00 a.m. on 2 July 2020, the EIS and VCT Placing Shares will be dematerialised into CREST. The subscription for Placing Shares by the EIS Placees and the VCT Placees is not conditional on Admission.

As the rules governing EIS and VCT reliefs are complex and interrelated with other legislation, if Shareholders and investors are in any doubt as to their tax position, require more detailed information than the general outline above, or are subject to tax in a jurisdiction other than the United Kingdom, they should consult their professional adviser.

8 Settlement and Dealings

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

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. Subject to the passing of the Resolutions at the General Meeting, it is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence at 8.00 a.m. on 2 July 2020.

Settlement of the Placing will, at the option of Placees, be within CREST. New Ordinary Shares will be allotted and issued in certificated form to the EIS Placees at 11.59 p.m. on 1 July 2020. New Ordinary Shares will be allotted and issued in certificated form to the VCT Placees at 7.30 a.m. on 2 July 2020. New Ordinary Shares will be delivered into the CREST accounts for all other Placees (excluding the EIS and VCT Placing Shares) as soon as possible after 8.00 a.m. on 2 July 2020. As soon as possible after 8.00 a.m. on 2 July 2020, the EIS and VCT Placing Shares will be dematerialised into CREST.

No temporary documents of title will be issued. Definitive share certificates for Placees not settling through CREST will be despatched by the Registrars within 10 Business Days of the date of Admission. Prior to the despatch of such certificates, transfers will be certified against the register of members of the Company held by the Registrar.

9 Commitments by the Directors to vote at the General Meeting and to subscribe for Subscription Shares or Placing Shares

All of the Directors (except Graham Bird, who does not, as at the date of this document, hold any Ordinary Shares), who currently hold, in aggregate, 86,798 Ordinary Shares, representing

approximately 0.3 per cent. of the Existing Ordinary Shares, have undertaken to vote in favour of the Resolutions at the General Meeting.

Richard Rose, or an associate of his, has conditionally agreed to subscribe for 1,333,334 Placing Shares at the aggregate subscription price of £100,000.05.

The other Directors (or associates of theirs) have also agreed to subscribe for Subscription Shares, as set out below. Immediately following Admission, the interests of the Directors in the Enlarged Share Capital will be as follows:

Director	Number of Existing Ordinary Shares held	Number of New Ordinary Shares subscribed for pursuant to the Subscription	Number of New Ordinary Shares to be issued as Pay Reduction Catch Up Equity	Number of Ordinary Shares held immediately after Admission	Percentage interest in the Enlarged Share Capital (assuming no take up of the Open Offer)
Richard Rose	53,666	—	—	1,387,000*	1.82%
Richard Harpham	24,066	533,334	144,444	701,844	0.92%
Graham Bird	—	1,333,334	101,106	1,434,440	1.88%
Karen Bach	9,066	133,334	—	142,400	0.19%

*Includes 1,333,334 Placing Shares

As there are no independent Directors, Shore Capital and Corporate, as the Company's nominated adviser, considers that (i) each of the subscriptions by the Directors (or their nominees) for Subscription Shares or Placing Shares (as appropriate) as set out above and (ii) the issue to the Executive Directors of the Pay Reduction Catch Up Equity (as referred to in paragraph 12 of this Part 1) is fair and reasonable insofar as the Shareholders are concerned.

10 Related Party Transactions

In addition to the related party transactions referred to in paragraph 9 above, the following are substantial shareholders as defined in the AIM Rules, in that they currently have an interest in 10 per cent. or more of the Existing Ordinary Shares and have agreed to subscribe for Placing Shares, or for Convertible Loan Notes. Following Admission, the interests of such substantial shareholders will be as follows:

Shareholder	Number of Placing Shares subscribed for	Amount of Convertible Loan Notes subscribed for (£)	Number of Ordinary Shares to be held immediately after Admission	Percentage of Enlarged Share Capital held (assuming no take up of the Open Offer)
Canaccord Genuity Group Inc.	8,800,000	340,000	15,531,481	20.4%
J O Hambro Capital Management Limited	4,866,668	—	8,080,838	10.6%

(the "Canaccord Related Party Transaction")
(the "J O Hambro Related Party Transaction")

As there are no independent Directors, Shore Capital and Corporate, as the Company's nominated adviser, considers that each of the Canaccord Related Party Transaction and the J O Hambro Related Party Transaction is fair and reasonable insofar as the Shareholders are concerned.

11 New Share Incentive Scheme

The Board believes that none of the senior leadership team, including Richard Harpham, the Group Chief Executive Officer and Graham Bird, Group Chief Financial Officer, has appropriate equity incentives in place. The Board intends to remedy this as soon as reasonably practicable following, and conditional on, completion of the Fundraising by the introduction of a new share incentive scheme. The Board is consulting with a representative set of material shareholders on the final details of the scheme and expects that the scheme will have the following key features:

- Option awards will be made to the senior leadership team at or as soon as reasonably practicable after completion of the Fundraising with an exercise price equal to the Issue Price

- Each member of the senior leadership team will be awarded options with an aggregate exercise price equal to 2 times their current annual salary
- The options will vest in three equal tranches on the first, second and third anniversaries of completion of Admission
- The options will be subject to a performance condition based on the Company's share price. This will be tested between the third and fourth anniversaries of Admission. The options will be exercisable in full if the Company's share price at testing is at least 2.5 times the Issue Price. If the share price at testing is lower than this then the options will be exercisable on a reducing linear sliding scale subject to a minimum performance threshold of 1.5 times the Issue Price when one third of the options would be exercisable. If the share price at testing is lower than 1.5 times the Issue Price, no options will be exercisable.

The maximum number of options over Ordinary Shares that could be issued to Richard Harpham and Graham Bird pursuant to the new share incentive scheme would be options 5,000,000 Ordinary Shares and 3,500,000 Ordinary Shares, respectively.

12 Senior Leadership Team Pay Reduction Catch Up

As referred to above, each of the senior leadership team, including Richard Harpham, the Group Chief Executive Officer and Graham Bird, the Group Chief Financial Officer, have accepted temporarily a twenty-five per cent. pay reduction as a mitigating action in response to the impact of COVID-19 on the Company's business.

The Board intends to compensate the senior leadership team for this pay reduction on completion of the Fundraising by the issue of new Ordinary Shares with a value, at the Issue Price, equal to approximately 87 per cent. of their voluntary pay reduction.

For, Richard Harpham and Graham Bird, this will equate to 144,444 new Ordinary Shares and 101,106 new Ordinary Shares respectively. For other members of the senior leadership team, it is expected to equate to, in aggregate, 180,556 New Ordinary Shares, all such New Ordinary Shares (in respect of Richard Harpham, Graham Bird and other members of the senior leadership team), being the Pay Reduction Catch Up Equity. Other members of staff who have accepted temporarily a pay reduction will be receiving cash of 87/100% of their voluntary pay reduction.

13 General Meeting

The issue of the New Ordinary Shares is conditional upon, *inter alia*, the approval by the Shareholders of the Resolutions to be proposed at the General Meeting. Set out at the end of this document is a notice convening the General Meeting to be held at Crown Court car park, The Burys, Godalming, Surrey GU7 1HR at 11.00 a.m. on 1 July 2020, at which the following Resolutions will be proposed:

Resolution 1 – Authority to allot shares

Resolution 1 is an ordinary resolution to authorise the Directors under section 551 of the Act to issue and allot Ordinary Shares or rights to subscribe for, or to convert any security into Ordinary Shares. The Act requires that the authority of Directors to allot shares and to make offers or agreements to allot shares in the Company or grant rights to subscribe for or convert any security into shares (the "relevant securities") should be subject to the approval of Shareholders in a general meeting or to an authority set out in the Company's articles of association. Accordingly, Resolution 1 will be proposed to authorise the Directors to allot relevant securities in respect of the issue of the New Ordinary Shares and the issue of the Convertible Loan Notes (and any new Ordinary Shares to be issued on their conversion). This authority is in addition to all existing authorities under section 551 of the Act and will expire at on the conclusion of the Company's next Annual General Meeting.

Resolution 2 – Disapplication of statutory pre-emption rights

Resolution 2 is a special resolution to disapply the statutory pre-emption rights under section 570 of the Act in respect of equity securities (as defined in section 560 of the Act). The Act requires that any equity securities issued wholly for cash must be offered to existing Shareholders in proportion to their existing shareholdings unless otherwise approved by Shareholders in a general meeting or accepted under the Company's articles of association. A special resolution will be proposed at the

General Meeting to give the Directors authority to allot equity securities for cash other than on a *pro rata* basis pursuant to the issue of the New Ordinary Shares and the Convertible Loan Notes (and any new Ordinary Shares to be issued on their conversion). This authority is in addition to all existing authorities under section 570 of the Act and will expire on the conclusion of the Company's next Annual General Meeting.

The authority to allot shares granted to the Directors under section 551 of the Act pursuant to Resolution 1, and the disapplication of statutory pre-emption rights under section 570 pursuant to Resolution 2, shall only be used for the purposes of the allotment and issue of New Ordinary Shares pursuant to the Placing, Open Offer and Subscription and the issue of the Convertible Loan Notes (and any subsequent conversion) as well as New Ordinary Shares in respect of the Pay Reduction Catch Up Equity.

14 Importance of your vote

The Resolutions must be passed by Shareholders at the General Meeting in order for the Fundraising to proceed.

If Shareholders do not approve the Resolutions, the Placing, Subscription and the Open Offer cannot be implemented and the Convertible Loan Notes cannot be issued.

Accordingly, it is very important that Shareholders vote in favour of the Resolutions so that the Placing, Subscription, Open Offer and subscription for the Convertible Loan Notes can proceed (assuming that all other conditions are satisfied).

If the conditions relating to the issue of the Placing Shares, the Subscription Shares, the Convertible Loan Notes and the Open Offer Shares are not satisfied, or the Placing and Open Offer Agreement is terminated in accordance with its terms, the Placing Shares, the Subscription Shares, the Convertible Loan Notes and the Open Offer Shares will not be issued and the Company will not receive the related monies. In such circumstances, the Company would need urgently to pursue additional or alternative funding sources which, if they are available at all, may be expensive and/or onerous for the Company.

15 Action to be taken

In respect of the General Meeting

Shareholders will find a Form of Proxy enclosed with this document for use at the General Meeting. In light of the ongoing COVID-19 pandemic, you are strongly encouraged to complete and return the Form of Proxy in accordance with the instructions printed thereon as soon as possible. To be valid, completed Forms of Proxy must be received by the Company's Registrars, Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, by not later than 11.00 a.m. on 29 June 2020. Qualifying CREST Shareholders may make use of the CREST electronic proxy appointment service by using the procedures described in the CREST Manual, as further described in paragraphs 8 to 11 of the Notes of the Notice of General Meeting.

In view of the ongoing COVID-19 pandemic, the Company and the Board remind all Shareholders of the UK Government's rules, including the restriction on large gatherings (the "COVID-19 Measures"). Having regard to their own safety and that of others, the Board respectfully requests that Shareholders comply with the COVID-19 Measures and do not make plans to attend the General Meeting. To ensure that shareholders' votes are counted, the Board strongly encourages all shareholders to exercise their right to vote by appointing the Chairman of the General Meeting as their proxy to vote at the General Meeting on their behalf, in accordance with their instructions. Shareholders should not appoint any person other than the Chairman of the General Meeting to act as their proxy, as that person will not be granted access to the General Meeting on the day and their appointing shareholder's votes will not be able to be counted.

It is currently intended that the General Meeting will be held with only the minimum number of shareholders present as required to form a quorum under the Company's articles of association, and who are essential for the business of the General Meeting to be conducted. These attendees will be officers or employees of the Group. The results of the votes on the proposed resolutions will be announced in the normal way as soon as practicable after the conclusion of the General Meeting.

To ensure the safety of the limited number of people whose attendance at the General Meeting is essential, we will not be able to allow any other Shareholders to gain access to the General Meeting on the day. The Company is taking these precautionary measures to comply with the COVID-19 Measures, to safeguard its shareholders' and employees' health and to make the General Meeting as safe as possible. The Company is actively following developments and will issue further information through an RIS and/or on its website at <https://escapehunt.com/investors/> if it becomes necessary or appropriate to make any alternative arrangements for the General Meeting. In particular, the Company has noted that the Corporate Insolvency and Governance Bill is currently passing through Parliament and will therefore, where appropriate and/or required, take into account its provisions and impact on the General Meeting as they become law.

In respect of the Open Offer

Qualifying non-CREST Shareholders wishing to apply for Open Offer Shares and/or Excess Shares must complete the enclosed Application Form in accordance with the instructions set out in paragraph 1 of Part 4 of this document and on the accompanying Application Form and return it together with a cheque or bankers draft (written in black ink) by post to the Receiving Agent, Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, **so as to arrive no later than 11.00 a.m. on 30 June 2020.**

If you do not wish to apply for any Open Offer Shares under the Open Offer, you should not complete or return the Application Form. If you are a Qualifying CREST Shareholder, no Application Form will be sent to you. Qualifying CREST Shareholders will have Basic Entitlements and Excess CREST Open Offer Entitlements credited to their stock accounts in CREST. You should refer to the procedure for application set out in paragraph 2 of Part 4 of this document. The relevant CREST instructions must have settled in accordance with the instructions in paragraph 2 of Part 4 of this document **by no later than 11.00 a.m. on 30 June 2020.**

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer.

16 Recommendation

The Directors consider the Fundraising to be in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend that you vote in favour of the Resolutions at the General Meeting, as those Directors who hold Ordinary Shares have undertaken to do in respect of their own beneficial holdings amounting, in aggregate, to 86,798 Ordinary Shares representing approximately 0.3 per cent. of the Existing Ordinary Shares.

If the conditions relating to the issue of the Placing Shares, the Subscription Shares, the Convertible Loan Notes and the Open Offer Shares are not satisfied, or the Placing and Open Offer Agreement is terminated in accordance with its terms, the Placing Shares, the Subscription Shares, the Convertible Loan Notes and the Open Offer Shares will not be issued and the Company will not receive the related monies. In such circumstances, the Company would need urgently to pursue additional or alternative funding sources which, if they are available at all, may be expensive and/or onerous for the Company.

Yours faithfully,

Richard Rose
Chairman

PART 2

RISK FACTORS

Shareholders should be aware that an investment in the Company is highly speculative and involves a high degree of risk. Before making any investment decision, prospective investors should carefully consider all the information contained in this document including, in particular, the risk factors described below, which are not presented in any order of priority and may not be exhaustive.

The following risk factors are all those known by the Directors which are considered to be material in their opinion. Additional risks and uncertainties not currently known to the Directors, or that the Directors currently deem immaterial, may also have an adverse effect on the Company's business, financial condition and results of operations.

If any of the following risks were to materialise, the Company's business, financial condition, results or future operations could be materially adversely affected. In such cases, the market price of the Ordinary Shares could decline and an investor may lose part or all of his or her investment.

An investment in the Company may not be suitable for all recipients of this document. Qualifying Shareholders are advised to consult an independent financial adviser duly authorised under FSMA who specialises in advising on the acquisition of shares and other securities before making a decision to invest.

It should be noted that the Company is relying on exemptions from issuing a prospectus in sections 86(1)(aa) and (e) of the FSMA (as amended) resulting in this document not being considered to be a prospectus. Consequently, this document does not include all information that an investor would receive if it were a prospectus.

References to the Company are also deemed to include, where appropriate, each member of the Group.

General Risks

An investment in the Company is only suitable for investors capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss that may result from the investment. A prospective investor should consider with care whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them. The investment opportunity offered in this document may not be suitable for all recipients of this document. Investors are therefore strongly recommended to consult an investment adviser authorised under FSMA, or such other similar body in their jurisdiction, who specialises in advising on investments of this nature before making their decision to invest.

Investment in the Company should not be regarded as short term in nature. There can be no guarantee that any appreciation in the value of the Company's investments will occur or that the commercial objectives of the Company will be achieved. Investors may not receive the full amount initially invested.

The prices of shares and the income derived from them can go down as well as up. Past performance is not necessarily a guide to the future.

This document includes "forward looking statements" which include all statements other than statements of historical facts including, without limitation, those regarding the Group's financial position, business strategy, plans and objectives of management for future operations and any statements preceded by, followed by or that include forward looking terminology such as the words "targets", "plan", "project", "believes", "estimates", "aims", "intends", "can", "may", "expects", "forecasts", "anticipates", "would", "should", "could" or similar expressions or the negative thereof. Such forward looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Company to be materially different from its future results, performance or achievements expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Group will operate in the future. Among the important factors that could cause the Company's actual results, performance or achievements to

differ materially from those implied by any forward looking statements include *factors* in this Part 2 and elsewhere in this document. These forward looking statements speak only as at the date of this document. Save as is required by law or regulation, the Company, Zeus Capital, Shore Capital and their respective directors, officers, employees, agents, members and partners expressly disclaim any obligation or undertaking to update publicly or revise any forward looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). As a result of these factors, the events described in the forward looking statements in this document may not occur. Prospective investors and Shareholders should be aware that these statements are estimates, reflecting only the judgement of the Company's management and prospective investors and Shareholders should not rely on any forward looking statements.

Risks relating to the Group's business

Coronavirus (COVID-19)

The impact of COVID-19, including as a result of recommended actions from the UK Government to avoid non-essential activities and subsequent instruction to close entertainment leisure venues, pubs and restaurants and comply with a general lockdown, has had a material adverse effect on demand for the Company's products and services and will adversely impact the Company's trading and financial performance. The extent of the impact will depend on the length of time that the Company is required to keep its sites closed and social contact is restricted. It will also depend on the pace at which leisure venues can re-open and the speed with which consumer confidence returns. These matters are at present unclear.

The COVID-19 pandemic has meant the closure of all of the Group's UK sites and the vast majority of its franchise sites. This has an immediate impact on the Group's revenue and cash inflows. The Board has taken steps to mitigate the consequences, including pausing capital expenditure and site development activity, furloughing site staff, introducing pay reductions and taking advantage of the support provided by the UK Government through rates holidays and the deferral of VAT, PAYE and national insurance payments.

The Board has also been planning for the end of the lockdown period. It considers that the introduction of social distancing measures which allow small groups of customers to remain in close proximity but requires distancing between such groups is not expected to materially affect its ability to operate sites in the UK as the Group operates a low density model where there are relatively few people on site at peak times relative to the size of a site (when compared to other leisure businesses such as cinemas or restaurants), meaning maintaining a 2 metre gap between groups of customers is expected to be straightforward. If social distancing measures require more stringent spacing of individuals within groups or other measures not currently envisaged by the Directors, the Group's ability to operate its sites may be adversely impacted.

Business Interruption – information security breach or cyber-attack

There are two issues the Group focuses on with regard to this risk: (i) major IT failure – as with many businesses, including those in the market sectors in which the Company operates, the Group is reliant on IT systems to support and operate its business and (ii) business interruption – breach of security – the Group holds sensitive personal information in respect of workers, participants, and its own staff. There is increased evidence of cyber-crime and there can be no assurance that the Group's systems will be effective in preventing cyber security related incidents. Breaches or attacks could lead to interruption in the Group's business and potential reputational damage with a potential resultant loss of revenue, financial penalties for the Group and diversion of management time. The General Data Protection Regulation ("GDPR") has further focused the Group's attention on this risk.

UK's exit from the European Union

In October 2019, a withdrawal agreement (the "**Withdrawal Agreement**") setting out the terms of the UK's exit from the EU was agreed between the UK and EU governments. The Withdrawal Agreement, which became effective on 31 January 2020, includes the terms of a transition or "standstill" period until 31 December 2020. During the transition period, the UK has formally withdrawn from the EU but is still treated for most purposes as an EU member state. The UK and EU have been negotiating the terms of a trading arrangement which will apply following the end of the transition period.

The Brexit process has created economic uncertainty. This cannot be readily quantified. Political uncertainty hinders legislation and policy creation (for example National Minimum Wage changes); economic uncertainty leads to unreliable and/or volatile future growth rates and a reduction in business confidence which may delay key strategic or operational decisions; and a lack of consumer confidence reduces consumer spend, creating volatile demand which may have a knock-on impact on the demand for the Company's offering.

It is also possible that Brexit will impact on other key pre-existing risks, potentially increasing their likelihood and/or impact although the Directors do not expect Brexit to lead to unforeseen adjustments to the Group's business model.

Consumer preferences, trends and perceptions

The leisure market is affected by consumer preferences, trends and perceptions. Changes in these preferences, trends and perceptions may lessen demand for the escape games offered by the Group, which could reduce the Group's turnover and harm its business. COVID-19 may also have an as yet unknown impact on consumer preferences and perceptions which endure significantly longer than the UK Government's measures to curtail the spread of COVID-19 which may have a longer lasting negative impact on the Company's business.

Economic and market conditions

The Group derives most of its revenues from the United Kingdom and is therefore sensitive to fluctuations in the UK economy. The Group's performance depends to a certain extent on a number of factors outside of its control, including political and economic conditions. Changes in economic conditions in the United Kingdom and elsewhere, including, for example, levels of employment, lower economic growth, industry conditions, political and diplomatic events and trends, employment and tax laws, and other factors could have an adverse effect on the financial performance and prospects of the Group.

Terrorist Activity

The threat of terrorism in the UK impacts the operation of the Group including managing the safety of customers and employees. A prolonged terrorist campaign could ultimately reduce consumer spending habits and reduce demand for the Company's products.

Competition

The Group competes in all the regions in which it operates with a variety of escape game and experiential leisure businesses for both corporate and consumer clients. The Group may experience increased competition from existing or new companies which might require the Group to grow its business or to innovate its game design/game offerings in order to maintain its market share. Existing competitors of the Group include other providers of escape the room and experiential entertainment. If the Group is unable to maintain its competitive position, it could experience downward pressure on prices, lower room occupancy, reduced margins, an inability to take advantage of new business opportunities and a loss of market share, all of which would have an adverse impact on the Group's business, financial and other conditions, profitability and results of operations.

The Group and its franchisees also compete with other businesses for management, hourly employees and suitable sites. Difficulty in securing suitable management, hourly employees and locations for new sites would have an adverse impact on the Group's business, financial and other conditions, profitability and results of operations.

Threat of new entrants

A single site or a small number of sites offering an escape game experience would be relatively simple for a new entrant to establish. The barriers to entry for such competition is low and there is a risk that such entrants could dilute the market place or adversely impact the consumer's perception of escape game experiences in the event that the quality of experience offered by these new entrants was poor or at worst, attracted negative publicity related to the health and safety of participants in escape room games. The escape game experience market is in its infancy and consumer perceptions may be more easily influenced by a poor quality offering or negative publicity

due to their limited experience which, in turn, could negatively impact on the perception of the Group's business and could adversely affect profitability and results of operations.

The Group's strategy is to develop an international, quality escape room experience and the Directors believe the barriers to entry for new global entrants adopting the same strategy are higher than a single-site opening due to the complexities of managing international operations. However, there is a risk that established corporations in the leisure market, who have the capital and resources to compete with the Group's business, may wish to enter the escape room market.

Immature market and unpredictable regulation

The market for escape game experiences is immature and growth will be characterised by changes in consumer needs and expectations, continued evolution in technology and increased competition. If the Group fails to develop new offerings or modify or improve existing offerings in a timely and cost-effective manner in response to these changes in technology, consumer demands and expectations, competition or product introductions, the Group's business, results of operations and financial condition may be adversely affected.

Changing trends could impact on the Group's revenues and profits as well as the Group's goodwill. Whilst the Directors believe that the Group's own game designs have longevity and, therefore, the potential to deliver substantial growth in sales, there can be no guarantee that they will evolve to fulfil this potential. The Group will also need to innovate and create new escape the room experiences which are market leading; this is not only the number of new experiences which are created but the quality and reflection of consumer tastes in the experiences. If the Group fails to anticipate, identify or react swiftly to changes in consumer preferences then this could result in lower sales, margins and profits.

As escape the room experiences are quite new, the regulatory environment governing them is still developing. Where the regulatory environment is still in development, the Group cannot predict how the authorities and regulators will develop the application of regulation. Any regulation which negatively impacts on the Group's sites, speed of site openings, operations or games could adversely impact its results of operations. In addition, due to changing regulation and the Group's rapid expansion in different geographies, the Group may find that it has inadvertently breached local laws/regulation which may result in fines or penalties which could adversely affect the financial position of the Group.

Leases

The Group's operating performance depends in part on its ability to secure and retain leases in desired locations at rents it believes to be reasonable. The leases for the Group's new owner-operated sites may generally require that their annual rent be reviewed on an "upwards-only" basis. The annual rent for the premises then becomes the greater of such open market rental value and the previous contractually agreed rent. As a result, the Group would be unable to predict or control the amount of any future increases in its rental costs arising from the review of rents it pays for its sites and would be unable to benefit from any decline in the open market rental value of its sites. Any substantial increase in the business rates or rent paid by the Group on its owner-operated sites or the early termination of any of its leases could adversely affect the Group's business, financial and other conditions, profitability and results of operations.

The Group will analyse the suitability of any new sites prior to opening, however this is not a guarantee that any new site will be a success. If a site is not successful, the Group may need to cease its operations on site and seek to assign or sub-let the premises. However, suitable tenants may not be found and any lease may have restrictions on assignment or sub-letting which may mean that this is either prevented or delayed. A failure to find tenants and/or a prohibition or delay in assigning or sub-letting unsuccessful sites will result in the Group paying rent and satisfying the tenant's obligations under the lease of a site which it is not operational and rental costs being higher than necessary. In addition, where a site is sub-let or assigned in circumstances where the Group provides a guarantee of the assignee's obligations under the lease, the Group will be reliant on its tenant satisfying its obligations under the relevant lease or it could become primarily liable to the landlord to satisfy the obligations of the tenant under lease. Higher rent costs, an inability to sub-let or liabilities under guarantees could impact on the Group's business, results of operations and financial performance and could have an adverse effect on the share price.

Labour costs

An increase in any of the Group's operating costs may negatively affect the Group's profitability. Factors such as increased labour and employee benefit costs (including employer pension contributions) and inflation may adversely affect the Group's operating costs. Most of the factors affecting costs are beyond the Group's control and, in many cases, the Group may not be able to pass on these increased costs to its consumers.

In addition, the Group is dependent upon an available labour pool of employees for its owner-operated sites, many of whom are hourly employees and a change in supply of quality employees will affect the Group's labour costs. A shortage in the labour pool (caused by a change in law, applicable regulations or otherwise) or other general inflationary pressures or changes will also increase the Group's labour costs. Any increases in labour and other costs could have a material adverse impact on the Group's business, results of operations and financial performance and could have an adverse effect on the Company's share price.

Negative publicity

The Group may from time to time receive negative publicity related to escape games generally, in relation to its own operations or the operations and activities of one or more of its franchisees or particular sites. Due to the branded nature of the Group's business, any adverse publicity, whether disseminated in the UK or elsewhere in the world, associated with the Escape Hunt name may negatively affect the Group's reputation and impact on the overall success of operations, regardless of whether the allegations are valid, whether they are limited to just a single location or whether the Group itself or a particular franchisee is at fault. This could lead to an adverse impact on the financial performance and future prospects of the Group.

Consumer opinions of the Group could be disproportionately affected by reviews left on third party platforms such as TripAdvisorTM. Negative reviews, while small in number, are considered to have a disproportionate influence on the perception of the Group and its brand as they are often viewed in priority to the positive reviews left by the majority of consumers.

Performance of franchisees and exposure to brand damage

The Group depends, in large part, on the Escape Hunt brand. The vast majority of sites are owned and operated by franchisees who are responsible for delivering the high standards of the Escape Hunt brand to consumers. Whilst franchisees are required to operate within the Group's standards for site operation, they are given a degree of autonomy to ensure they operate in a way that suits their local area. The Group provides that franchisees must adhere to strict quality, safety and image regulations that the Group promotes through the implementation of training and careful monitoring, funded by both the franchisees and the Group, and through appraisals. Despite these controls, and absent a decision to remove such franchisees from its business, the Group may be unable to prevent its franchisees from operating outside of the Group's operational regulations, franchise manual and business model.

The failure of a franchisee, and in particular, the failure of a material franchisee responsible for the management of a significant number of sites, to operate within the Group's operational regulations, franchise manual and business model in relation to matters such as the appearance of the franchised site, the training of staff or adhering to guidelines as to the content of escape games, could damage the Group's reputation and adversely impact the overall financial performance of the Group.

Franchisees, as independent business operators, may from time to time disagree with the Group's business strategy or with the Group's interpretation of respective rights and obligations under the relevant franchise agreements and/or code of franchisee conduct. This may lead to disputes between the Group and the franchisees, which the Group expects to occur from time to time. To the extent the Group has disputes with one or a number of franchisees, who may be able to exercise a degree of influence over the Group's business and pressurise the Group to resolve the disputes in their favour, this could have a material adverse effect on the Group's profitability, results of operations and/or cash flows. Any such disputes would also have the effect of diverting the attention of the Group's management from their normal business and potentially unsettle the network of franchisees if details of the dispute were to be released.

The Group and its franchisees are subject to a variety of litigation risks, including, but not limited to personal injury claims, vicarious liability claims, litigation with or involving franchisees and intellectual property claims, amongst others. Each of these claims may increase costs, reduce the roll-out of new franchise sites and affect the scope and terms of insurance or indemnifications the Group and its franchisees may have. In addition, the Group and its franchisees are subject to various regulatory regimes, changes to which may impose greater costs and regulatory burdens on both the Group and franchisees, and negatively affect the Group's ability to establish new franchise sites. Despite the terms of the franchise agreements, there is also a risk that the Group could be determined to have vicarious liability for acts or omissions by its franchisees in some jurisdictions in which it operates.

The Group historically found that as a new enterprise with a lower business profile, franchised branches were not always successful. A range of factors contribute to a branch closure including a lack of local consumer purchasing power and experience of the franchisee. The Group now has more experience of selecting quality franchisees and a better understanding of the criteria applicable to a successful branch location. However, there is a risk that franchised branches opened recently which have yet to be established as successful, sustainable branches may close in the near to medium term in the event that the franchisee does not view the franchised branch as an attractive business opportunity. As independent business operators, it is possible that franchisees may become insolvent which could have a substantial negative impact on the Group's ability to collect payments due under such franchisee's franchise agreement(s). On insolvency, any liquidator may reject the Group's claim to royalty payments pursuant to franchise agreement(s) in which case there would be no further royalty payments from such franchisee, and the Group may not ultimately recover those payments in insolvency proceeding in respect of such franchisee.

As some of the Group's franchise agreements are with operating entities (as opposed to holding companies) they are subject to business, credit, financial and other risks, which may be unrelated to the operation of their branch(es). These unrelated risks could materially and adversely affect a franchisee and its ability to service its sub-franchisees while making royalty payments, which in turn may materially and adversely affect our business and operating results.

The success of any expansion into new jurisdictions cannot be guaranteed

The needs, expectations and preferences of consumers in new markets may not be aligned to the escape experiences offered by the Group and there can be no guarantee that the strategy employed by the Group will be fulfilled in all of its target markets.

The Group's trademarks cannot necessarily be protected and/or renewed in all overseas territories due to localised regulation which sometimes requires a business to have operations in that territory before a trademark can be protected and/or renewed.

Foreign currency exchange rate fluctuations

The Group is not subject to currency fluctuations at a local level because supplier and customer receipts are in local currency. However, the consolidated accounts of the Group are reported in Pounds Sterling and therefore the Group is directly exposed to exchange rate fluctuations on the translation of its local results into Pounds Sterling. There has been increased volatility in the currency markets and reduction in the value of sterling since the UK referendum on membership of the European Union. The UK's trading relationship with the European Union is currently governed by the Withdrawal Agreement, which includes the terms of a transition or "standstill" period until 31 December 2020. During the transition period, the UK and EU have been negotiating the terms of a trading arrangement which will apply following the end of the transition period. There remains uncertainty as to the reaction of the foreign exchange markets to the terms of the final exit of the UK from the European Union. Further adverse exchange rate fluctuations may negatively impact upon the Group's translation of its local results into Pounds Sterling.

Reliance on key contracts and business relationships

The Group's business is dependent on its ability to establish and maintain arrangements with suitable franchisees who adhere to the Group's business model and strategy and successfully promote the Escape Hunt brand. Some of these franchisees operate a large number of the Group's sites and are material to the Group's business. There is a risk that such material franchisees may exert a potential degree of influence over the Group and could put pressure on the Group to

change or abandon certain policies and procedures. There is also a risk that material franchisees may deviate from the Group's established business model and guidelines. Any deviation by a material franchisee could have an adverse effect on the overall success of the Group's operations and could impact on the financial condition and future prospects of the Group.

The Group has the right to terminate the franchise agreement with a franchisee who fails to comply with prescribed specifications, standards, operating procedures or rules. A termination of the franchise agreement for such reasons could adversely impact on the reputation of the Group and on the revenue and profitability of the Group's business.

In addition, where the Group has expanded into new territories, there are instances of the franchise agreements not complying in all respects with the relevant local laws and regulations and there is a risk that the relevant franchise agreements are unenforceable. This issue affects at least six of the top 17 performing branches. Whilst the Group is taking steps to rectify the position, these steps are not yet complete and completion of these rectification steps will also be dependent on the agreement of the franchisee concerned. In addition to the time and expense in rectifying these issues, in a worst-case scenario a franchisee may attempt to terminate its agreement without notice, claim damages and, if it were to successfully argue that the agreement was not enforceable, establish a new escape room business under a different brand free from any restrictive covenants contained in its franchise agreement with the Group. Franchisees are aware of these breaches and in some instances have known for more than 12 months, and have not taken any such action. If a franchisee were to attempt to terminate its agreement and set up in competition, the franchisee would need to establish a new branch, under a different brand and install new infrastructure and games to operate the branch. The Directors believe that the strength of the "Escape Hunt" brand means that should such a scenario arise, it would be well-placed to recruit an alternative franchisee in the relevant location who would have available to it the Group's brand, infrastructure and game room design ready-to use in the new branch.

If franchisees do not renew their expired franchise agreements and the Group cannot find suitable replacement franchisees, there would be a reduction in open sites. This would have an adverse effect on the financial performance and future prospects of the Group.

The Group has established relationships with a number of suppliers who are important in the design, manufacture, supply and installation of games. Games are designed by the Company and the intellectual property associated with the games is owned by the Company. A failure by one or more of these suppliers to perform in accordance with the terms of engagement with the Group could lead to an increase in the costs of manufacturing and installing games and / or to delays in opening new sites and the installation of new games and have an adverse effect on the financial performance and future prospects of the Group. The Group maintains relationships with a number of suppliers in an effort to avoid over dependence on a single supplier. However, replacing a supplier could lead to an increase in costs and / or delays which could have an adverse effect on the financial performance and future prospects of the Group.

Financial resources

The Directors consider the net funds to be obtained by the Company through the Fundraising will be sufficient for its present plans, and that the working capital available to the Group (taking into account the net proceeds of the Fundraising) is sufficient for its present requirements, that is for at least twelve months from the date of Admission. The Group's future capital requirements will, however, depend on many factors, including: the impact of Brexit and COVID-19, its ability to open new owner-operated sites, expand its sales, cash flow and control costs. In future, the Group may require additional funds and may attempt to raise additional funds through equity or debt financings or from other sources. Any additional equity financing may be dilutive to holders of Ordinary Shares and any debt financing, if available, may require restrictions to be placed on the Group's future financing and operating activities, and would carry the cost of interest. The Group may be unable to obtain additional financing on acceptable terms or at all if market and economic conditions, the financial condition or operating performance of the Group or investor sentiment (whether towards the Group, in particular, or towards the market sector in which the Group operates) are unfavourable. The Group's inability to raise additional funding may hinder its ability to grow in the future or to maintain its existing levels of operation which could have a material adverse impact on the Group's business, results of operations and financial performance and could have an adverse effect on the Company's share price.

Health and safety regulation

The Group is subject to regulation in areas such as health and safety and fire safety. Whilst the Group believes it had appropriate policies and procedures in place, these will need to be adapted to reflect revised operating procedures as the Group's sites are re-opened following their enforced closure as a result of the COVID-19 pandemic. This is likely to require additional expenditure. Furthermore, in order to ensure the Group's sites remain fully compliant with legislative requirements, there will always be the need to maintain premises, not only generally but if an ad hoc issue arises, which again will require capital expenditure.

Recruitment and retention of key employees

The Group's future success is highly dependent on the expertise and continued services of certain key executives and employees, including the executive Directors. Recruiting, retaining and incentivising suitably qualified personnel will be important to the Group's success. Although the Group enters into employment arrangements with each of its key employees to secure their services, the Group cannot guarantee the recruitment and retention of such key executives and employees. As a result, the loss of service of any of the Group's key personnel may adversely affect the Group's business, its results of operations and financial condition.

Complaints or litigation from customers, landlords, local authorities and/or third parties

The Group could be the subject of complaints or litigation from individuals or groups of customers and/or class actions alleging illness or injury or raising other health or operational concerns, and from other third parties in relation to nuisance and negligence. It may also incur additional liabilities as a leasehold property owner (including environmental liability). If the Group were to be found liable in respect of any complaint or litigation, this could adversely affect the Group's results or operations and could also adversely affect the Group's reputation.

Financial controls and internal reporting procedures

The Group has systems and controls in place to allow it to produce accurate and timely financial statements and to monitor and manage risks. If any of these systems or controls were to fail, the Group may be unable to produce financial statements accurately or on a timely basis or expose the Group to risk. Any concerns investors may have over the potential lack of available and current financial information and the controls the Group has in place could adversely affect the Company's share price.

Taxation and legislative changes

This document has been prepared on the basis of current legislation, regulation, rules and practices in the UK and the Directors' interpretation thereof. Such interpretation may not be correct and legislation, regulation, rules and practice may change, possibly with retrospective effect. The taxation of an investment in the Company depends on the individual circumstances of shareholders. Any change in the Company's tax status or in taxation legislation could affect the Company's ability to provide returns to shareholders or alter post tax returns to shareholders. Any change in legislation, regulation, rules or practice may have an adverse effect on the returns available on an investment in the Company.

Increases in operating and other expenses

The Group's operating and other expenses could increase without a corresponding increase in revenues. Factors which could increase operating and other expenses include:

- increases in the rate of inflation;
- increases in taxes and other statutory charges;
- changes in laws, regulations or government policies and the increased costs of compliance with them;
- laws, regulations or policies;
- significant increases in insurance premiums;
- unforeseen capital expenditure arising as a result of defects affecting the Group's properties which need to be rectified or failure to perform by sub-contractors;

- increases in borrowing costs; and
- increase in national minimum wage.

Force Majeure

The Group's operations now or in the future may be adversely affected by risks outside the control of the Group such as labour unrest, civil disorder, war, terrorist attacks, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics, including the COVID-19 outbreak, or quarantine restrictions.

Risks relating to the Fundraising

Investment in AIM securities

An investment in shares traded on AIM may be less liquid and is perceived to involve a higher degree of risk than an investment in a company whose shares are listed on the Official List. Prospective investors should be aware that the value of the Ordinary Shares may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company and the Group. Investors may therefore realise less than, or lose all of, their investment.

AIM Rules

The AIM Rules are less onerous than those of the Official List. Neither the FCA nor the London Stock Exchange has examined or approved the contents of this document. Shareholders and prospective investors (as appropriate) should be aware of the risks of investing in AIM quoted shares and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

Dilution of ownership of Ordinary Shares

The proportionate ownership and voting interest in the Company of Shareholders (who are not Placees) will be reduced pursuant to the Placing. In addition, to the extent that Shareholders (who are not Placees) do not take up the offer of Open Offer Shares under the Open Offer, their proportionate ownership and voting interest in the Company will be further reduced and the percentage that their shareholdings represent of the ordinary share capital of the Company will, following Admission of the New Ordinary Shares, be reduced accordingly. Shareholders with registered addresses in, or who are resident or located in Open Offer Restricted Jurisdictions will not be able to participate in the Open Offer. Shareholders with registered addresses in, or who are resident or located in Placing and Subscription Restricted Jurisdictions will not be able to participate in the Placing or the Subscription.

Volatility of share price

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

The following factors, in addition to other risks described in this document, may have a significant effect on the market price of the Ordinary Shares:

- variations in operating results;
- actual or anticipated changes in the estimates of operating results or changes in stock market analyst recommendations regarding the Ordinary Shares, other comparable companies or the industry generally;
- macro-economic conditions in the countries in which the Group may do business;
- foreign currency exchange fluctuations and the denominations in which the Group may conduct business and holds cash reserves;

- market conditions in the industry, the industries of customers and the economy as a whole;
- actual or expected changes in the Group's growth rates or competitors' growth rates;
- changes in the market valuation of similar companies;
- trading volume of the Ordinary Shares;
- sales of the Ordinary Shares by the Directors or other Shareholders; and
- adoption or modification of regulations, policies, procedures or programmes applicable to the Group's business.

In addition, if the stock market in general experiences loss of investor confidence, the trading price of the Ordinary Shares could decline for reasons unrelated to the Group's business, financial condition or operating results. The trading price of the Ordinary Shares might also decline in reaction to events that affect other companies in the industry, even if such events do not directly affect the Group. Each of these factors, among others, could harm the value of the Ordinary Shares.

Future capital raisings may not be successful

If securities or industry analysts do not publish research or publish unfavourable or inaccurate research about the business, the Company's share price and trading volume of the Ordinary Shares could decline. The trading market for the Ordinary Shares will depend, in part, on the research and reports that securities or industry analysts publish about the Group or its business. The Directors may be unable to sustain coverage by well-regarded securities and industry analysts. If either none or only a limited number of securities or industry analysts maintain coverage of the Company, or if these securities or industry analysts are not widely respected within the general investment community, the trading price for the Ordinary Shares could be negatively impacted. In the event that the Company obtains securities or industry analyst coverage, if one or more of the analysts who cover the Company downgrade the Ordinary Shares or publish inaccurate or unfavourable research about the Group's business, the share price would be likely to decline. If one or more of these analysts cease coverage of the Company or fail to publish reports regularly, demand for the Ordinary Shares could decrease, which might cause the share price and trading volume to decline.

Valuation of shares

The Issue Price has been determined by the Board and may not relate to the Group's net asset value, net worth or any established criteria or value. There can be no guarantee that the Ordinary Shares will be able to achieve higher valuations or, if they do so, that such higher valuations can be maintained.

Market perception

Market perception of the Group may change, potentially affecting the value of investors' holdings and the ability of the Group to raise further funds by the issue of further Ordinary Shares or otherwise.

Suitability

A prospective investor should consider carefully whether an investment in the Company is suitable in the light of his or her personal circumstances and the financial resources available to him or her. An investment in the Company involves a high degree of risk and may not be suitable for all recipients of this document. Prospective investors are advised to consult a person authorised by the FCA or under FSMA, (or, if outside the UK, another appropriate regulatory body) before making their decision.

PART 3

SOME QUESTIONS AND ANSWERS ON THE OPEN OFFER

The questions and answers set out in this Part 3 are intended to be in general terms only and, as such, you should read Part 4 of this document for full details of what action you should take in relation to the Open Offer. If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank, fund manager, solicitor, accountant or other appropriate independent financial adviser, who is authorised under FSMA if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

This Part 3 deals with general questions relating to the Open Offer and more specific questions relating principally to Existing Ordinary Shares held by persons resident in the United Kingdom who hold their Existing Ordinary Shares in certificated form only. If you are a Shareholder with a registered address, or are a citizen or resident of, or incorporated in an Open Offer Restricted Jurisdiction, you should read paragraph 5 of Part 4 of this document. If you hold your Existing Ordinary Shares in uncertificated form (that is, through CREST) you should read Part 4 of this document for full details of what action you should take. If you are a CREST sponsored member, you should also consult your CREST sponsor.

The contents of this document should not be construed as legal, business, accounting, tax, investment or other professional advice. Each prospective investor should consult his, her or its own appropriate professional advisers for advice. This document is for your information only and nothing in this document is intended to endorse or recommend a particular course of action.

What is a placing and an open offer?

A placing and an open offer are ways for companies to raise money. Companies may do this by giving their existing shareholders a right to acquire further shares at a fixed price in proportion to their existing shareholdings (an open offer) and/or providing for specifically identified investors also to acquire a certain number of shares at a fixed price (a placing). The fixed price is normally at a discount to the market price of the existing ordinary shares on the business day prior to the announcement of the placing and/or the open offer.

The Open Offer is an invitation by the Company to Qualifying Shareholders to apply to acquire, in aggregate, up to 6,731,481 Open Offer Shares at a price of 7.5 pence per Ordinary Share. If you hold Existing Ordinary Shares on the Record Date or have a *bona fide* market claim, other than, subject to certain exceptions, where you are a Shareholder with a registered address in, or located in, the United States or another Open Offer Restricted Jurisdiction, you will be entitled to apply for Open Offer Shares under the Open Offer.

The Open Offer is being made on the basis of:

1 Open Offer Share for every 4 Existing Ordinary Shares

held by Qualifying Shareholders on the Record Date. If your entitlement to Open Offer Shares is not a whole number, you will not be entitled to buy a fraction of an Open Offer Share and your entitlement will be rounded down to the nearest whole number.

Applications by Qualifying Shareholders will be satisfied in full up to the amount of their individual Basic Entitlements. Qualifying Shareholders are also being given the opportunity, provided that they take up their Basic Entitlements in full, to apply for additional Open Offer Shares through the Excess Application Facility.

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying non-CREST Shareholders should also note that the Application Form is not a negotiable document and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be admitted to CREST they will have limited settlement capabilities (for the purposes of market claims only), and the Open Offer Entitlements will not be tradable or listed, and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

Am I eligible to participate in the Placing?

Unless you are a Placee, you will not be eligible to participate in the Placing.

I hold my Existing Ordinary Shares in certificated form. How do I know if I am able to apply to acquire Open Offer Shares under the Open Offer?

If you have received an Application Form and, subject to certain exceptions, are a holder with a registered address and are resident or located in the United Kingdom, then you should be eligible to acquire Open Offer Shares under the Open Offer, as long as you have not sold all of your Existing Ordinary Shares on or before 8.00 a.m. on 15 June 2020 (the Ex-entitlement Date for the Open Offer).

I hold my Existing Ordinary Shares in certificated form. How do I know how many Open Offer Shares I am entitled to take up?

If you hold your Existing Ordinary Shares in certificated form and, subject to certain exceptions, do have a registered address in and are resident or located in the United Kingdom, you should have been sent an Application Form with this document.

That Application Form shows:

- how many Existing Ordinary Shares you held at close of business on the Record Date;
- how many Open Offer Shares are comprised in your Basic Entitlement; and
- how much you need to pay if you want to take up your right to subscribe for your Basic Entitlement to the Open Offer Shares.

If you have a registered address or are resident or located outside the United Kingdom, subject to certain exceptions, you will not receive an Application Form.

If you would like to apply for any of, all of or more than the Open Offer Shares comprised in your Basic Entitlement you should complete the Application Form in accordance with the instructions printed on it and the information provided in this document. Please return the completed form in the reply-paid envelope provided with the Application Form along with a cheque or banker's draft for the number of Open Offer Shares you want to apply for and allow at least four business days for delivery if sent by first class post from within the United Kingdom. Please also see questions 5 and 11 for further help in completing the Application Form.

1 I am a Qualifying Shareholder with a registered address in the United Kingdom and I hold my Existing Ordinary Shares in certificated form. What are my choices in relation to the Open Offer and what should I do with the Application Form?

1.1 If you want to take up all of your Basic Entitlement?

If you want to take up all of the Open Offer Shares to which you are entitled, all you need to do is send the completed Application Form (ensuring that all joint holders sign (if applicable)), together with your cheque or banker's draft (written in black ink) for the amount (as indicated in Box 3 of your Application Form), payable to "**Equiniti Limited re Escape Hunt plc Open Offer**" and crossed "**A/C payee only**", in the accompanying pre-paid envelope or return by post to the Receiving Agent, Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA so as to be received by the Receiving Agent by no later than 11.00 a.m. on 30 June 2020, after which time Application Forms will not be valid. If you post your Application Form by first-class post, you should allow at least four Business Days for delivery.

All payments must be made in pounds sterling and by cheque or banker's draft made payable to "**Equiniti Limited re Escape Hunt plc Open Offer**" and crossed "**A/C Payee Only**". Cheques or banker's drafts must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right hand corner and must be for the full amount payable on application. Third party cheques may not be accepted with the exception of building society

cheques or banker's drafts where the building society or bank has inserted details of the name of the account holder and have either added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. The account name should be the same as that shown on the Application Form. Post-dated cheques will not be accepted. Cheques or banker's drafts will be presented for payment upon receipt. No interest will be paid on payments. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted. A definitive share certificate will then be sent to you for the Open Offer Shares that you validly take up. Your definitive share certificate for such Open Offer Shares is expected to be despatched to you by no later than 10 Business Days after the date of Admission.

1.2 ***If you want to take up some but not all of your Basic Entitlement?***

If you want to take up some but not all of the Open Offer Shares to which you are entitled, you should write the number of Open Offer Shares you want to take up in Box 4 of your Application Form; for example, if you are entitled to take up 100 shares but you only want to take up 50 shares, then you should write '50' in Box 4. To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example, '50') by 7.5 pence, which is the price of each Open Offer Share (giving you an amount of £3.75 in this example). You should write this amount in Box 7, rounding down to the nearest whole pence, if required, and this should be the amount your cheque or banker's draft is made out for. You should then return the completed Application Form (ensuring that all joint holders sign (if applicable), together with a cheque or banker's draft for that amount, in the accompanying pre-paid envelope or return by post to the Receiving Agent, Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA so as to be received by the Receiving Agent by no later than 11.00 a.m. on 30 June 2020, after which time Application Forms will not be valid. All payments must be in pounds sterling and made by cheque or banker's draft made payable to "**Equiniti Limited re Escape Hunt plc Open Offer**" and crossed "**A/C Payee Only**". Cheques or banker's drafts (written in black ink) must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAP Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right hand corner and must be for the full amount payable on application. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted details of the name of the account holder and have either added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. The account name should be the same as that shown on the Application Form. Post-dated cheques will not be accepted. Cheques or banker's drafts will be presented for payment upon receipt. No interest will be paid on payments. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted. A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you at your own risk by no later than 10 Business Days after the date of Admission.

You should allow at least four business days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope.

Full instructions are set out in Part 4 of this document and in the Application Form. A definitive share certificate will then be sent to you for the Open Offer Shares that you validly take up. Your definitive share certificate for such Open Offer Shares is expected to be despatched to you by no later than 10 Business Days after the date of Admission.

1.3 ***If you want to apply for more than your Basic Entitlement?***

Provided you have agreed to take up your Basic Entitlement in full, you can apply for further Offer Shares under the Excess Application Facility. You should write the number of Open Offer Shares comprised in your Basic Entitlement (as indicated in Box 2 of the Application Form) in Box 4 and write the number of additional Open Offer Shares for which you would like to apply in Box 5. You should then add the totals in Boxes 4 and 5 and insert the total number of Open Offer Shares for which you would like to apply in Box 6. For example, if you have a Basic Entitlement for 50 Open Offer Shares but you want to apply for 100 Open Offer Shares in total, then you should write '50' in Box 4, '50' in Box 5 and '100' in Box 6. To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example, '100') by 7.5 pence, which is the price of each Open Offer Share (giving you an amount of £7.50 pence in this example). You should write this amount in Box 7, rounding down to the nearest whole pence, if required. You should then return your Application Form (ensuring that all joint holders sign (if applicable) by post to the Receiving Agent, Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA so as to be received by the Receiving Agent **by no later than 11.00 a.m. on 30 June 2020**, after which time Application Forms will not be valid. Within the United Kingdom only, you can use the reply-paid envelope which is enclosed with the Application Form. If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Basic Entitlements, such applications may be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that any applications under the Excess Application Facility by Qualifying Shareholders will be met in full or in part or at all.

All payments must be in pounds sterling and made by cheque or banker's draft made payable to **"Equiniti Limited re Escape Hunt plc Open Offer"** and crossed **"A/C Payee Only"**. Cheques or banker's drafts must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right hand corner and must be for the full amount payable on application. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted details of the name of the account holder and have either added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. The account name should be the same as that shown on the Application Form. Post-dated cheques will not be accepted. Cheques or banker's drafts will be presented for payment upon receipt. No interest will be paid on payments. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted. You should allow at least four business days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope. Full instructions are set out in Part 4 of this document and in the Application Form. If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, such applications will be scaled back at the Company's absolute discretion. Therefore, applications under the Excess Application Facility may not be satisfied in full. In this event, Qualifying Shareholders will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for by, but not allotted to, the relevant Qualifying Shareholder, multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the applicant's sole risk.

A definitive share certificate will then be sent to you for the Open Offer Shares that you validly take up. Your definitive share certificate for such Open Offer Shares is expected to be despatched to you by no later than 10 Business Days after the date of Admission.

1.4 If you do not want to take up your Open Offer Entitlement

If you do not want to take up the Open Offer Shares to which you are entitled, you do not need to do anything. In these circumstances, you will not receive any Open Offer Shares. The Open Offer Shares you could have taken up will not be issued by the Company to you or for your benefit. You cannot sell your Application Form or your Open Offer Entitlement to anyone else.

If you are not a Placee and you do not take up any of your Open Offer Entitlement, then following the Fundraising, your interest in the Company will be diluted, although you should note that even if a Qualifying Shareholder (who is not a Placee) subscribes for his full entitlement to the Open Offer Shares, his proportionate interest in the Company will be diluted by the issue of the Placing Shares pursuant to the Placing, the Subscription Shares pursuant to the Subscription and the issue of new Ordinary Shares upon conversion of the Convertible Loan Notes.

2 I hold my Existing Ordinary Shares in uncertificated form in CREST. What do I need to do in relation to the Open Offer?

CREST members should follow the instructions set out in Part 4 of this document. Persons who hold Existing Ordinary Shares through a CREST member should be informed by such CREST member of the number of Open Offer Shares they are entitled to apply for under their Open Offer Entitlement and should contact their CREST member should they not receive this information.

3 I acquired my Existing Ordinary Shares prior to the Record Date and hold my Existing Ordinary Shares in certificated form. What if I do not receive an Application Form or I have lost my Application Form?

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

- Qualifying CREST Shareholders who held their Existing Ordinary Shares in uncertificated form on 15 June 2020 and who have converted them to certificated form; and
- Qualifying non-CREST Shareholders who bought Existing Ordinary Shares before 8.00 a.m. on 15 June 2020 (the Ex-entitlement Date for the Open Offer), but were not registered as the holders of those shares at the close of business on 10 June 2020 (the Record Date).

If you do not receive an Application Form, but think that you should have received one or you have lost your Application Form, please contact the Receiving Agent, Equiniti Limited, on 0371 384 2050 from within the UK or +44 121 415 0259 if calling from outside the UK. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open from 9.00 a.m. to 5.00 p.m. (UK time) Monday to Friday (except English and Welsh public holidays). Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the proposals nor give any financial, legal or tax advice.

4 If I buy Existing Ordinary Shares after the Record Date will I be eligible to participate in the Open Offer?

If you buy or have bought Existing Ordinary Shares after the Record Date you are unlikely to be able to participate in the Open Offer in respect of those Existing Ordinary Shares.

If you are in any doubt, please consult your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement.

5 What if I change my mind?

If you are a Qualifying non-CREST Shareholder, once you have sent your Application Form and payment to the Receiving Agent, you cannot withdraw your application or change the number of Open Offer Shares you have applied for, except in the very limited circumstances which are set out in paragraph 2 of Part 4 of this document.

6 What if the number of Open Offer Shares to which I am entitled is not a whole number? Am I entitled to fractions of Open Offer Shares?

Your entitlement to Open Offer Shares will be calculated at the Record Date. If the result is not a whole number, you will not receive an Open Offer Share in respect of the fraction of each Existing Ordinary Share and your entitlement will be rounded down to the nearest whole number.

7 I hold my Existing Ordinary Shares in certificated form. What should I do if I have sold some or all of my Existing Ordinary Shares?

If you hold Existing Ordinary Shares directly and you sold some or all of your Existing Ordinary Shares before the close of business on 10 June 2020, you should contact the buyer or the person/company through whom you sold your shares. The buyer may be entitled to apply for Open Offer Shares under the Open Offer.

If you sold any of your Existing Ordinary Shares on or after 8.00 a.m. on 15 June 2020, you may still take up and apply for the Open Offer Shares as set out on your Application Form.

8 I hold my Existing Ordinary Shares in certificated form. How do I pay?

You should return your Application Form with a cheque or banker's draft drawn in pounds sterling on a bank or building society account in the UK in the reply-paid envelope enclosed (from within the United Kingdom) so as to be received by the Receiving Agent **by no later than 11.00 a.m. on 30 June 2020**. You should allow at least four business days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. Cheques should be drawn on a sole or joint personal account of the Qualifying Shareholder who is applying for the Open Offer Shares. The funds should be made payable to "**Equiniti Limited re Escape Hunt plc Open Offer**". In each case, the cheque should be crossed "**A/C Payee only**". Payments via CHAPS, BACS or electronic transfer will not be accepted. Third party cheques may not be accepted with the exception of banker's drafts or building society cheques where the bank or building society has confirmed the name of the account holder (which must be the same name as appears on page 1 of the Application Form) on the back of the draft or cheque and have added their branch stamp.

9 Will the Existing Ordinary Shares that I hold now be affected by the Open Offer?

If you decide not to apply for any of the Open Offer Shares to which you are entitled under the Open Offer, or only apply for some of your Basic Entitlement, your proportionate ownership and voting interest in the Company will be reduced (in addition to the reduction caused by the issue of the Placing Shares, Subscription Shares and New Ordinary Shares upon conversion of the Convertible Loan Notes).

10 I hold my Existing Ordinary Shares in certificated form. Where do I send my Application Form?

You should send your completed Application Form and monies in the enclosed reply-paid envelope (from within the United Kingdom) by post to the Receiving Agent, Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA so as to be received **by no later than 11.00 a.m. on 30 June 2020**. You should allow at least four business days for delivery if using first class post or the reply-paid envelope within the United Kingdom. If you do not want to take up or apply for Open Offer Shares then you need take no further action.

11 I hold my Existing Ordinary Shares in certificated form. When do I have to decide if I want to apply for Open Offer Shares?

The Receiving Agent must receive your completed Application Form and cheque or banker's draft (written in black ink) by 11.00 a.m. on 30 June 2020. You should allow at least four business days for delivery if using first-class post or the reply-paid envelope included with the Application Form, within the United Kingdom.

12 I hold my Existing Ordinary Shares in certificated form. If I take up my entitlements, when will I receive the certificate representing my Open Offer Shares?

It is expected that the Registrars will post all Open Offer Share certificates by no later than 10 Business Days after the date of Admission.

13 What should I do if I think my holding of Existing Ordinary Shares (as shown in Box 1 on page 1 of the Application Form) is incorrect?

If you bought or sold Existing Ordinary Shares shortly before the Record Date, your transaction may not have been entered on the register of members before the Record Date for the Open Offer. If you bought Existing Ordinary Shares before 8.00 a.m. on 15 June 2020 but were not registered as the holder of those shares on the Record Date for the Open Offer (close of business on 10 June 2020), you may still be eligible to participate in the Open Offer. If you are in any doubt, please contact your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement. You will not be entitled to Open Offer Entitlements in respect of any Existing Ordinary Shares acquired on or after 8.00 a.m. on 15 June 2020.

14 Will the Placing and Open Offer affect dividends (if any) on the Existing Ordinary Shares?

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

15 Will I be taxed if I take up my entitlements?

Shareholders who are in any doubt as to their tax position or who may be subject to tax in any other jurisdiction are strongly recommended to consult their own professional advisers.

16 What should I do if I live outside the United Kingdom?

Your ability to apply to acquire Open Offer Shares may be affected by the laws of the country in which you live and you should take professional advice as to whether you require any governmental or other consents or need to observe any other formalities to enable you to take up your Open Offer Entitlement. Shareholders with registered addresses or who are resident or located outside the United Kingdom are, subject to certain exceptions, not eligible to participate in the Open Offer. Your attention is drawn to the information in paragraph 5 of Part 4 of this document.

17 How do I transfer my entitlements into the CREST system?

If you are a Qualifying non-CREST Shareholder, but are a CREST member and want your Open Offer Shares to be in uncertificated form, you should complete the CREST deposit form (Box 11 on page 5 of the Application Form), and ensure they are delivered to CCSS in accordance with the instructions in the Application Form. CREST sponsored members should arrange for their CREST sponsors to do this. If you have transferred your rights into the CREST system, you should refer to paragraph 2 of Part 4 of this document for details on how to apply and pay for the Open Offer Shares.

18 Do I need to comply with the Money Laundering Regulations (as set out in paragraph 3 of Part 4 of this document)?

If you are a Qualifying non-CREST Shareholder, you may not need to follow these procedures if you pay for them by a cheque drawn on an account in your own name and that account is one which is held with a United Kingdom or Channel Islands regulated bank or building society. If you are a Qualifying CREST Shareholder, you will not generally need to comply with the Money Laundering Regulations unless you apply to take up all or some of your entitlement to Open Offer Entitlements as agent for one or more persons and you are not an EU or United Kingdom regulated financial institution. Qualifying non-CREST Shareholders and Qualifying CREST Shareholders should refer to paragraph 3 of Part 4 of this document for a fuller description of the requirements of the Money Laundering Regulations.

PART 4

DETAILS OF THE OPEN OFFER

Subject to the terms and conditions set out below (and, in the case of Qualifying Non-CREST Shareholders, also in the Application Form), the Company hereby invites Qualifying Shareholders to subscribe for Open Offer Shares *pro rata* to their existing shareholdings at the Issue Price, payable in full on application and free of all expenses, on the basis of:

1 Open Offer Share for every 4 Existing Ordinary Shares

held by Qualifying Shareholders at the Record Date and so on in proportion for any other number of Existing Ordinary Shares then held.

Qualifying Shareholders are also being given the opportunity, provided they take up their Basic Entitlements in full, to apply for Excess Entitlements through the Excess Application Facility, further details of which are set out below.

Qualifying Shareholders with holdings of Existing Shares in both certificated and uncertificated form will be treated as having separate holdings for the purpose of calculating their Basic Entitlements.

Entitlements of Qualifying Shareholders will be rounded down to the nearest whole number of Open Offer Shares. Fractional entitlements which would otherwise arise will not be issued to the Qualifying Shareholders but will be made available under the Excess Application Facility.

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. Qualifying Non-CREST Shareholders should also note that their respective Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be credited through CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Open Offer Shares not applied for under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer. Any Open Offer Shares which are not applied for by Qualifying Shareholders under the Open Offer will not be issued by the Company as the Open Offer is not underwritten.

Excess Application Facility

The Excess Application Facility enables Qualifying Shareholders to apply for Open Offer Shares in excess of their Basic Entitlement as at the Record Date.

However, applications for Excess Entitlements will be satisfied only and to the extent that corresponding applications by other Qualifying Shareholders are not made or are made for less than their Basic Entitlements and may be scaled back at the Company's absolute discretion. No assurance can be given that applications by Qualifying Shareholders under the Excess Application Facility will be met in full, in part or at all.

In any event, applications will be rejected if to the best of the Directors' knowledge, acceptance would result in the Qualifying Shareholder, together with those acting in concert with him for the purposes of the City Code on Takeovers and Mergers, holding more than 29.9 per cent of the Ordinary Shares in issue immediately following Admission.

Qualifying Non-CREST Shareholders who wish to apply to acquire more than their Basic Entitlements should complete the relevant sections on the Application Form. Qualifying CREST Shareholders will have Excess Entitlements credited to their stock account in CREST and should refer to paragraph 2(f) of this Part 4 for information on how to apply for Excess Entitlements pursuant to the Excess Application Facility.

Procedure for application and payment

The action to be taken by you in respect of the Open Offer depends on whether at the relevant time you have an Application Form in respect of your entitlement under the Open Offer or you have Open Offer Entitlements credited to your CREST stock account in respect of such entitlement. The Application Form shows the number of Existing Shares held at the Record Date. It will also show

Qualifying Shareholders their Open Offer Entitlement that can be allotted in certificated form. Qualifying Shareholders who hold all their Existing Shares in CREST will be allotted Open Offer Shares in CREST. Qualifying Shareholders who hold part of their Existing Shares in uncertificated form will be allotted Open Offer Shares in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Shares in uncertificated form. However, it will be possible for Qualifying Shareholders to deposit Open Offer Entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 2(e) of this Part 4.

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

1 If you have an Application Form in respect of your Open Offer Entitlements

(a) General

Qualifying Non-CREST Shareholders will have received an Application Form enclosed with this document. The Application Form shows the number of Existing Ordinary Shares registered in your name at the close of business on the Record Date in Box 1. It also shows the Basic Entitlement allocated to you set out in Box 2. Box 3 shows how much you would need to pay to take up your Basic Entitlement in full. You may apply for less than your entitlement should you wish to do so. Basic Entitlements are rounded down to the nearest whole number and any fractional entitlements to Open Offer Shares will be aggregated and made available under the Excess Application Facility.

You may also hold such an Application Form by virtue of a *bona fide* market claim.

The instructions and other terms set out in the Application Form constitute part of the terms of the Open Offer.

(b) Market claims

Applications may only be made on the Application Form, and may only be made by the Qualifying Shareholder named in it, or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to the Open Offer by the London Stock Exchange, being 8.00 a.m. on 15 June 2020 (an “Applicant”).

Application Forms may be split up to 3.00 p.m. on 26 June 2020.

The Application Form is not a negotiable document and cannot be separately traded. A Qualifying Non-CREST Shareholder who has sold or transferred all or part of his holding of Existing Shares prior to 8.00 a.m. on 15 June 2020, being the time and date upon which the Existing Ordinary Shares were marked “ex” the entitlement to the Open Offer by the London Stock Exchange, should consult his broker or other professional adviser as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed by the transferee from his counterparty pursuant to the rules of the London Stock Exchange. Qualifying Shareholders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Box 9 on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Application Form should not, however, subject to certain exceptions, be forwarded to or transmitted in or into an Open Offer Restricted Jurisdiction or to US persons.

If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedures set out in paragraph 2 below.

(c) **Application procedures**

If you are a Qualifying Non-CREST Shareholder and wish to apply for all or some of your entitlement to Open Offer Shares under the Open Offer (whether in respect of all or part of your Basic Entitlement or under the Excess Application Facility), you should complete and sign the Application Form in accordance with the instructions on it and send it, together with the appropriate remittance, by post to the Receiving Agent, Equiniti Limited, Corporate Actions Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to arrive no later than 11.00 a.m. on 30 June 2020. A reply-paid envelope is enclosed for use by Qualifying Non-CREST Shareholders in connection with the Open Offer.

Please note that Equiniti Limited cannot provide financial advice on the merits of the Open Offer or as to whether or not you should take up some or all of your Open Offer Entitlements. If any Application Form is sent by first-class post within the United Kingdom, Qualifying Non-CREST Shareholders are recommended to allow at least four business days for delivery. The Company may elect in its absolute discretion to accept Application Forms and remittances after that date. The Company may also (in its sole discretion) elect to treat an Application Form as valid and binding on the person(s) by whom or on whose behalf it is lodged, even if it is not completed in accordance with the relevant instructions, or if it does not strictly comply with the terms and conditions of application. Applications will not be acknowledged.

The Company also reserves the right (but shall not be obliged) to accept applications in respect of which remittances are received prior to 11.00 a.m. on 30 June 2020 from an authorised person (as defined in the FSMA) specifying the number of Open Offer Shares concerned, and undertaking to lodge the relevant Application Form in due course.

(d) **Payments**

All payments must be in pounds sterling and cheques or banker's drafts should be made payable to "Equiniti Limited re Escape Hunt Open Offer Account" and crossed "A/C payee only". Cheques or banker's drafts (written in black ink) must be drawn on an account at a branch or a bank or building society in the United Kingdom or the Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which is a member of either of the Committees of Scottish or Belfast clearing houses or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right hand corner. Eurocheques, unless drawn on a bank in the United Kingdom or the Channel Islands, will not be accepted.

Cheques or banker's drafts will be presented for payment upon receipt. No interest will be allowed on payments made before they are due and any interest earned on such payments will accrue for the benefit of the Company. It is a term of the Open Offer that cheques shall be honoured on first presentation, and the Company may elect in its absolute discretion to treat as invalid acceptances in respect of which cheques are not so honoured.

Application monies will be paid into a separate bank account pending the Open Offer becoming unconditional. In the event that it does not become unconditional by 8.00 a.m. on 2 July 2020 or such later time and date as the Company shall agree, (being no later than 8.00 a.m. on 9 July 2020), the Open Offer will lapse and application monies will be returned by post to Applicants, at the Applicants' risk and without interest, to the address set out on the Application Form, within 14 days thereafter. The interest earned on monies held in the separate bank account will be retained for the benefit of the Company.

(e) **Incorrect sums**

If an Application Form encloses a payment for an incorrect sum, the Company through the Registrars reserves the right:

- (i) to reject the application in full and return the cheque or refund the payment to the Qualifying Non-CREST Shareholder in question (without interest); or

- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the Qualifying Non-CREST Shareholder in question (without interest), save that any sums of less than £1.00 will be retained for the benefit of the Company; or
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all of the Open Offer Shares referred to in the Application Form, refunding any unutilised sum to the Qualifying Non-CREST Shareholder in question (without interest), save that any sums of less than £1.00 will be retained for the benefit of the Company.

All monies received by the Registrars in respect of Open Offer Shares will be held in a separate client account.

(f) ***The Excess Application Facility***

Provided that the Applicant chooses to take up their Basic Entitlement in full, the Excess Application Facility enables him to apply for Excess Shares. Applicants who wish to do so should complete Boxes 4 (which must be the same number of New Ordinary Shares in Box 2) 5, 6 and 7 and then sign and date the Application Form together with a pounds sterling cheque or bankers draft (written in black ink), for the sum inserted in Box 7.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Basic Entitlements and Excess Entitlements, the Excess Shares will be scaled back at the Company's absolute discretion and no assurance can be given that excess applications will be met in full or in part or at all. Each Applicant who has made a valid application for Excess Shares and from whom payment in full for the Excess Shares has been received will receive a pounds sterling amount equal to the number of Excess Shares applied and paid for but not allocated to the relevant Applicant multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable thereafter, without payment of interest and at the Applicant's sole risk.

All enquiries in connection with the procedure for applications under the Excess Application Facility and Excess Entitlements should be addressed to the Receiving Agent, Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA Limited. The Receiving Agent can be contacted on 0371 384 2050 or, if calling from outside the United Kingdom, on +44 121 415 0259. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that the Receiving Agent cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

(g) ***Effect of an application***

All documents and remittances sent by post by or to an Applicant (or as the Applicant may direct) will be sent at the Applicant's own risk. By completing and delivering an Application Form, you (as the Applicant(s)):

- (i) agree that if no number is inserted on Box 4 or Box 6 of the Application Form (or if a number is inserted in Box 4 or Box 6 which is inconsistent with the amount of the remittance accompanying the Application Form and shown in Box 7), that you shall be deemed to have applied for the lesser of (a) the maximum number of new Ordinary Shares you can apply for and (b) such number of new Ordinary Shares at 7.5 pence per new Ordinary Share as is covered by the remittance which accompanies the Application Form;
- (ii) agree that in consideration of the Company agreeing to the application to subscribe for the aggregate number of new Ordinary Shares stated in Box 4 or Box 6 or as otherwise calculated as set out in the Application Form and subject to the terms and conditions of the Open Offer set out in the Application Form and in Part 4 of this document, you undertake that the application shall be irrevocable (save for any statutory rights of withdrawal under FSMA) and agree that the completion and return of the Application Form with its accompanying remittance shall constitute a conditional contract between you and the Company which shall become binding upon receipt by Equiniti Limited of the

Application Form and the accompanying remittance and the Open Offer becoming or being declared unconditional in all respects. You acknowledge that the Company reserves the right to treat any application not strictly complying with the terms and conditions of the Application Form and Part 4 of this document as nevertheless valid. You acknowledge that the Company reserves the right, but shall not be obliged, to reject any acceptance or purported acceptance of the Open Offer in the circumstances described in Part 4;

- (iii) request that the Open Offer Shares to which you will become entitled be issued to you on the terms set out in this document and the Application Form and subject to the Articles;
- (iv) request and authorise the Company or its agents to send to you a definitive certificate in respect of the new Ordinary Shares (reflecting the effects of the Open Offer) for which the application is accepted by post at your own risk to the first address shown on page 1 of the Application Form or to the agent whose name appears in Box 12 of the Application Form and to procure your name be placed on the register of members of the Company as holder(s) of the said new Ordinary Shares. You acknowledge that pending despatch of definitive certificates, transfers of the new Ordinary Shares will be certified against the register of members of the Company;
- (v) acknowledge that due completion of the Application Form accompanied by a pounds sterling cheque or bankers' draft constitutes a representation and warranty that the cheque or bankers' draft will be honoured on first presentation and that this shall constitute a fundamental term of the application and the Open Offer and, without prejudice to the Company's right to require payment, that this application may be deemed invalid if such cheque or bankers' draft is not so honoured. You acknowledge that the Company reserves the right to instruct Equiniti Limited to seek special clearance of cheques to allow the Company to obtain value for remittance at the earliest opportunity;
- (vi) authorise the Company and/or its agents to present any sterling cheque or bankers' draft enclosed with the Application Form on receipt and to withhold definitive share certificates pending clearance thereof. In the event that any of the conditions of the Open Offer set out in Part 4 of this document are not fulfilled by 8.00 a.m. on 2 July 2020 (or such later date as the Company may decide), or where you have elected to apply for additional Ordinary Shares under the Excess Application Facility, some or all of such application is not fulfilled, you authorise the Company or its agents to return all application monies (or such part as relates to the additional Ordinary Shares not so fulfilled) without payment of interest (at your risk) either as a cheque by first class post to the address set out on the Application Form or to the agent whose name appears in Box 12 on page 6 of the Application Form or returned direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn;
- (vii) acknowledge that in order to ensure compliance with the Money Laundering Regulations, Equiniti Limited may, in its absolute discretion, require verification of identity from any person lodging the Application Form. You agree that pending such verification, the Application Form may be dealt with in accordance with, and you will comply with, the provisions set out in Part 4 of this document. You agree that on request by Equiniti Limited, you will disclose promptly in writing to it satisfactory evidence of your identity and do all other acts and things as may reasonably be required so as to comply with such regulations. You agree for Equiniti Limited to make a search using a credit reference agency for the purpose of confirming such identity, where deemed necessary. A record of the search will be retained. You agree that any monies returnable to them and any certificate for new Ordinary Shares issuable to them may be retained pending clearance of their remittance and any verification of identity by the Money Laundering Regulations and that such monies will not bear interest and that, failing such clearance or verification of identity within the period referred to in this document, the Application may be rejected;
- (viii) acknowledge that the Company may amend dates and times in relation to the Application Form and the Open Offer;

- (ix) represent and warrant to the Company, the Joint Brokers and the Nominated Adviser that you are not, nor are you applying on behalf of any person who is, in the United States or is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any other Open Offer Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law and you are not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application in the United States or to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any other Open Offer Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that you are able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- (x) represent and warrant to the Company, the Joint Brokers and the Nominated Adviser that, except where the extension or availability of the Open Offer would not breach any applicable laws or regulations you have not received from or sent copies of the Application Form into any Open Offer Restricted Jurisdiction and you have not otherwise utilised in connection with the Open Offer, directly or indirectly, the mail or any other means of instrumentality of interstate or foreign commerce or any facilities of a national securities exchange in the United States, any member state of the European Economic Area (other than the United Kingdom), Australia, Canada, Japan, New Zealand, South Africa or any other Open Offer Restricted Jurisdiction. You further acknowledge that, subject to certain exceptions set out in this document, no application will be treated as valid which is received in an envelope postmarked in, or which otherwise appears to the Company or its agents to have been dispatched in or from the United States, any member state of the European Economic Area (other than the United Kingdom), Australia, Canada, Japan, New Zealand, the Republic of South Africa or any other Open Offer Restricted Jurisdiction and the Company reserves the right to treat an Application Form as invalid if it believes the making of such an application may violate any legal or regulatory requirements in any jurisdiction;
- (xi) represent and warrant to the Company, the Joint Brokers and the Nominated Adviser that you are not in the United States, nor are you applying for the account of any person who is located in the United States, unless (a) the instruction to apply was received from a person outside the United States and (b) the person giving such instruction has confirmed that (x) it has the authority to give such instruction and either (y) has investment discretion over such account or (z) is an investment manager or investment company that, in the case of each of (y) and (z), is applying for the new Ordinary Shares in an “offshore transaction” within the meaning of Regulation S; and (ii) you are not applying for the new Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any new Ordinary Shares into the United States;
- (xii) represent and warrant to the Company, the Joint Brokers and the Nominated Adviser that you are not in breach of the provisions of note 1 under “Instructions for Transfer and Splitting” on page 2 of the Application Form;
- (xiii) represent and warrant to the Company, the Joint Brokers and the Nominated Adviser that you are not, and nor are you applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986;
- (xiv) confirm to the Company, the Joint Brokers and the Nominated Adviser that in making the application you are not relying on any information or representation other than that contained in this document, and you accordingly agree that no person responsible solely or jointly for this document or any part thereof shall have any liability for any such

information or representation not so contained and further agrees that, having had the opportunity to read this document, you will be deemed to have had notice of all the information in relation to the Company contained in this document;

- (xv) represent and warrant to the Company, the Joint Brokers and the Nominated Adviser that you have the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that you are not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (xvi) confirms to the Company, the Joint Brokers and the Nominated Adviser that no person has been authorised to give any information or to make any representation concerning the Group or the Open Offer Shares (other than as contained in this document) and, if given or made, any such other information or representation should not be, and has not been, relied upon as having been authorised by the Company, the Joint Brokers and the Nominated Adviser;
- (xvii) agree with the Company, the Joint Brokers and the Nominated Adviser that all applications, and contracts resulting therefrom, and any non-contractual obligations related thereto, under the Open Offer shall be governed by, and construed in accordance with, the laws of England;
- (xviii) represent and warrant to the Company, the Joint Brokers and the Nominated Adviser that you are the Qualifying Shareholder originally entitled to the Open Offer Entitlements;
- (xix) represent and warrant to the Company, the Joint Brokers and the Nominated Adviser that, if you have received some or all of his Open Offer Entitlements from a person other than the Company, you are entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a *bona fide* market claim; and
- (xx) confirm that in making the application you are not relying and has not relied on the Joint Brokers or the Nominated Adviser or any person affiliated with the Joint Brokers or the Nominated Adviser, in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

If you do not wish to apply for any of the Open Offer Shares to which you are entitled under the Open Offer, you should not complete and return the Application Form.

If you are in doubt as to whether or not you should apply for any of the Open Offer Shares under the Open Offer, you should consult your independent financial adviser immediately. All enquiries in relation to the procedure for application for Qualifying Non-CREST Shareholders under the Open Offer should be addressed to the Receiving Agent, telephone number 0371 384 2050 or, if calling from outside the United Kingdom, on +44 121 415 0259. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that the Receiving Agent cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

2 If you have Open Offer Entitlements credited to your stock account in CREST

(a) General

Each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of his Basic Entitlement equal to the number of Open Offer Shares for which he is entitled to apply under his basic entitlement under the Open Offer, together with a credit of Excess Entitlements equal to ten times their balance of Existing Shares on the Record Date.

Qualifying CREST Shareholders should note that this is not a cap on the maximum number of Excess Shares they can apply for and if they wish to apply for more Excess Shares than their Excess Entitlements they have been credited with then they should contact the Shareholder helpline on 0371 384 2050 or, if calling from outside the United Kingdom, on +44 121 415 0259. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate.

The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Equiniti Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. To request an increased credit, ensuring to leave sufficient time for the additional Excess Entitlement credits to be credited to their account and for an application to be made in respect of those entitlements before the application deadline. Basic Entitlements are rounded down to the nearest whole number and any fractional entitlements to Open Offer Shares will be aggregated and made available under the Excess Application Facility.

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

If for any reason the Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by, 3.00 p.m., or such later time as the Company may decide, on 25 June 2020, an Application Form will be sent out to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements credited to his stock account in CREST. In these circumstances, the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying Non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive Application Forms.

CREST members who wish to apply for some or all of their entitlements to Open Offer Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for Open Offer Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

(b) **Market claims**

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

(c) **USE instructions**

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

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

(d) **Content of USE instructions in respect of Basic Entitlements**

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

- (i) the number of Open Offer Shares for which application is being made (and hence the number of the Open Offer Entitlements being delivered to the Receiving Agent);
- (ii) the ISIN of the Basic Entitlements, which is GB00BM953448;
- (iii) the participant ID of the accepting CREST member;

- (iv) the member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (v) the participant ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 2RA61;
- (vi) the member account ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is RA354901;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in paragraph (d)(i) above;
- (viii) the intended settlement date. This must be **on or before 11.00 a.m. on 30 June 2020**;
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 30 June 2020.

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

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

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 2 July 2020 or such later time and date as the Company shall agree (being no later than 8.00 a.m. on 9 July 2020), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, within 14 days thereafter. The interest earned on such monies will be retained for the Company's benefit.

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

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

A holder of an Application Form who is proposing to deposit the entitlement set out in such form is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 30 June 2020.

In particular, having regard to normal processing times in CREST and on the part of the Receiving Agent, the recommended latest time for depositing an Application Form with the CCSS, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements in CREST, is 3.00 p.m. on 25 June 2020, and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements from CREST is 4.30 p.m. on 24 June 2020, in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements prior to 11.00 a.m. on 30 June 2020.

Delivery of an Application Form with the CREST Deposit Form duly completed, whether in respect of a deposit into the account of the Qualifying Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and the Receiving Agent by the relevant CREST member that it is not in breach of the provisions of the notes under the paragraph headed "Instructions for Depositing Entitlements under the Open Offer into CREST" on page 3 of the Application Form, and a declaration to the Company and the Receiving Agent from the relevant CREST member that it is not a citizen or resident of an Open Offer Restricted Jurisdiction and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member is entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

(f) **Excess Application Facility**

The Excess Application Facility enables Qualifying CREST Shareholders, who have taken up their Basic Entitlement in full, to apply for Excess Shares.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Basic Entitlements and Excess Entitlements, the Excess Shares will be scaled back at the Company's absolute discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all. Excess Entitlements may not be sold or otherwise transferred.

The CREST accounts of Qualifying CREST Shareholders will be credited with Excess Entitlements to enable applications for Excess Shares to be settled through CREST. Qualifying CREST Shareholders should note that, although the Basic Entitlements and the Excess Entitlements will be admitted to CREST, they will have limited settlement capabilities. Neither the Basic Entitlement nor the Excess Entitlements will be tradable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

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

Should a transaction be identified by the CREST Claims Processing Unit as "cum" the Basic Entitlement will generate an appropriate market claim transaction and the relevant Open Offer Entitlements will thereafter be transferred accordingly.

Excess Entitlements will not be subject to Euroclear's market claims process. Qualifying CREST Shareholders claiming Excess Entitlements by virtue of a *bona fide* market claim are advised to contact the Receiving Agent to request a credit of the appropriate number of entitlements to their CREST account. Please note that an additional USE instruction must be sent in respect of any application under the Excess Entitlement. If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, such applications will be scaled back at the Company's absolute discretion. In this event, each Qualifying CREST Shareholder who has made a valid application pursuant to his Excess Entitlement, and from whom payment in full for the Excess Shares has been received, will receive a pounds sterling amount equal to the number of Open Offer Shares validly applied and paid for but which are not allocated to the relevant Qualifying CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable following the completion of the scale back, without payment of interest and at the applicant's sole risk by way of cheque or CREST payment, as appropriate. Fractions of Open Offer Shares will be aggregated and made available under the Excess Application Facility.

All enquiries in connection with the procedure for applications under the Excess Application Facility and Excess Entitlements should be addressed to the Receiving Agent, Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. The Receiving Agent can be contacted on 0371 384 2050 or, if calling from outside the United Kingdom, on +44 (0) 121 415 0259. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday

excluding public holidays in England and Wales. Please note that Equiniti Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Each Qualifying Shareholder who has made a valid application for Excess Open Offer Shares under the Excess Application Facility and from whom payment in full for Excess Open Offer Shares has been received will receive a refund in an amount equal to the number of Excess Open Offer Shares applied and paid for but not allocated multiplied by the Offer Price. Monies will be returned as soon as reasonably practicable thereafter, without payment of interest and at the applicant's sole risk. Qualifying CREST Shareholders will receive the refund by 15 July 2020.

(g) ***Content of USE instructions in respect of Excess Entitlements***

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

- (i) the number of Open Offer Shares for which application is being made (and hence the number of the Open Offer Entitlements being delivered to the Receiving Agent);
- (ii) the ISIN of the Excess CREST Open Offer Entitlements, which is GB00BM953554; the participant ID of the accepting CREST member;
- (iii) the member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (iv) the participant ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 2RA62;
- (v) the member account ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is RA354902;
- (vi) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in paragraph (d)(i) above;
- (vii) the intended settlement date. This must be **on or before 11.00 a.m. on 30 June 2020**;
- (viii) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST;
- (ix) a contact name and telephone number (in the free format shared note field); and
- (x) a priority of at least 80.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 30 June 2020.

(h) **Validity of application**

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 30 June 2020 will constitute a valid application under the Open Offer.

(i) **CREST procedures and timings**

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 30 June 2020. In this connection, CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(j) **Incorrect or incomplete applications**

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

- (i) to reject the application in full and refund the payment to the CREST member in question;
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question;
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Shares referred to in the USE instruction, refunding any unutilised sum to the CREST member in question.

(k) **Effect of valid application**

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

- (i) represent and warrant to the Company, the Joint Brokers and the Nominated Adviser he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (ii) agrees to pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent's payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);
- (iii) acknowledge that the Company may amend dates and times in relation to the Open Offer;
- (iv) request that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this document and subject to the Articles;
- (v) agree with the Company, the Joint Brokers and the Nominated Adviser that all applications and contracts resulting therefrom, and any non-contractual obligations related thereto, under the Open Offer shall be governed by, and construed in accordance with, the laws of England;

- (vi) represent and warrant to the Company, the Joint Brokers and the Nominated Adviser that he is not in the United States, nor is he applying for the account of any person who is located in the United States, unless (a) the instruction to apply was received from a person outside the United States and (b) the person giving such instruction has confirmed that (x) it has the authority to give such instruction and either (y) has investment discretion over such account or (z) is an investment manager or investment company that, in the case of each of (y) and (z), is applying for the new Ordinary Shares in an “offshore transaction” within the meaning of Regulation S; and (ii) he is not applying for the new Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any new Ordinary Shares into the United States;
- (vii) represent and warrant to the Company, the Joint Brokers and the Nominated Adviser that he is not applying on behalf of any Shareholder, who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of an Open Offer Restricted Jurisdiction and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of this application to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of an Open Offer Restricted Jurisdiction except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which the Company (in its absolute discretion) regards as unduly burdensome, nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- (viii) represent and warrant to the Company, the Joint Brokers and the Nominated Adviser that, except where the extension or availability of the Open Offer would not breach any applicable laws or regulations he has not received from or sent copies of this Application Form into the United States, any member state of the European Economic Area (other than the United Kingdom), Australia, Canada, Japan, the Republic of South Africa, New Zealand or any other Open Offer Restricted Jurisdiction and he has not otherwise utilised in connection with the Open Offer, directly or indirectly, the mail or any other means of instrumentality of interstate or foreign commerce or any facilities of a national securities exchange in the United States, any member state of the European Economic Area (other than the United Kingdom), Australia, Canada, Japan, New Zealand, South Africa or any other Open Offer Restricted Jurisdiction. He further acknowledges that, subject to certain exceptions set out in this document, no application will be treated as valid which is received in an envelope postmarked in, or which otherwise appears to the Company or its agents to have been dispatched in or from the United States, any member state of the European Economic Area (other than the United Kingdom), Australia, Canada, Japan, New Zealand, the Republic of South Africa or any other Open Offer Restricted Jurisdiction and the Company reserves the right to treat an Application Form as invalid if it believes the making of such an application may violate any legal or regulatory requirements in any jurisdiction
- (ix) represent and warrant to the Company, the Joint Brokers and the Nominated Adviser that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986;
- (x) confirm to the Company, the Joint Brokers and the Nominated Adviser that in making such application he is not relying on any information in relation to the Company other than that contained in this document, and agrees that no person responsible solely or jointly for this document or any part thereof or involved in the preparation thereof shall have any liability for any such other information and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all the information concerning the Company contained in this document;
- (xi) confirms to the Company, the Joint Brokers and the Nominated Adviser that no person has been authorised to give any information or to make any representation concerning the Group or the Open Offer Shares (other than as contained in this document) and, if

given or made, any such other information or representation should not be, and has not been, relied upon as having been authorised by the Company, the Joint Brokers and the Nominated Adviser;

- (xii) represent and warrant to the Company, the Joint Brokers and the Nominated Adviser that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements;
- (xiii) represent and warrant to the Company, the Joint Brokers and the Nominated Adviser that, if he has received some or all of his Open Offer Entitlements from a person other than the Company, he is entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a *bona fide* market claim; and
- (xiv) confirm to the Company, the Joint Brokers and the Nominated Adviser that in making the application he is not relying and has not relied on the Joint Brokers or the Nominated Adviser or any person affiliated with the Joint Brokers or the Nominated Adviser, in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

(l) ***Company's discretion as to rejection and validity of applications***

The Company may in its sole discretion:

- (i) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part 4;
- (ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
- (iii) treat a properly authenticated dematerialised instruction (in this paragraph (l)(iii) the "first instruction") as not constituting a valid application if, at the time at which the Receiving Agent receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

3 Money Laundering Regulations

(a) ***Holders of Application Forms***

If the value of an application for Open Offer Shares exceeds €15,000 (approximately £13,000 at the prevailing rate of exchange) (or is one of a series of linked applications, the aggregate value of which exceeds that amount), the verification of identity requirements of the Money Laundering Regulations will apply.

The Receiving Agent is entitled to require, at its absolute discretion, verification of identity from any person lodging an Application Form including, without limitation, any person who appears to the Receiving Agent to be acting on behalf of some other person. Submission of an Application Form will constitute a warranty and undertaking by the Applicant to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purpose of the Money Laundering Regulations.

Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent may in its absolute discretion retain an Application Form lodged by an Applicant for Open Offer Shares and/or the cheque, banker's draft or other remittance relating to it and/or not enter the Open Offer Shares to which it relates on the register of members or issue any share certificate in respect of them. If satisfactory evidence of identity has not been provided within a reasonable time, then the acceptance will not be valid but will be without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of the failure of the Applicant to provide satisfactory evidence. In that case, the application monies (without interest) will be returned to the bank or building society account from which payment was made.

The Receiving Agent shall be entitled, at its sole discretion, to determine whether the verification of identity requirements apply to any Applicant and whether such requirements have been satisfied and neither of the Receiving Agent or the Company will be liable to any person for any loss suffered or incurred as a result of the exercise of such discretion.

The following guidance is provided in order to reduce the likelihood of difficulties, delays and potential rejection of an application (but does not limit the right of the Receiving Agent to require verification of identity as stated above).

- (ii) The Applicant should:
 - (a) where payment is made otherwise than by the Applicant's own cheque, write the Applicant's name and address on the back of the building society cheque, banker's draft or other third party cheque and, in the case of an individual, record his/her date of birth against his/her name;
 - (b) if a building society cheque or banker's draft is used, ask the building society or bank to print on the cheque or banker's draft the full name and account number of the person whose building society or bank account is being debited or to write those details on the back of the cheque and add its stamp; and
 - (c) enclose with his Application Form evidence of his name and address from an appropriate third party; for example, a recent bill from a gas, electricity or telephone company or a bank statement, in each case bearing the Applicant's name and address (originals of such documents (not copies) are required and will be returned in due course).
- (iii) If an application is delivered by hand, the Applicant should ensure that he has with him evidence of identity bearing his photograph (for example, a valid full passport) and separate evidence of his address.
- (iv) If you are making an application as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), irrespective of the value of the application, the Receiving Agent is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf the application is being made. If the application is lodged with payment by an agent which is an organisation required to comply with the EU Money Laundering Directive ((EU)/2015/859), or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force (the non-European Union members of which are Argentina, Australia, Austria, Brazil, Canada, Gibraltar, Hong Kong, Iceland, Japan, Mexico, New Zealand, Norway, Russian Federation, Singapore, South Africa, Switzerland, Turkey and the United States), the agent should provide with the application written confirmation and evidence that it has that status and that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Receiving Agent.

In order to confirm the acceptability of any written assurances referred to above, or in any other case, the Applicant should contact the Receiving Agent on 0371 384 2050 or, if calling from outside the United Kingdom, on +44 121 415 0259. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday

to Friday excluding public holidays in England and Wales. Please note that the Receiving Agent cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

(b) **Open Offer Entitlements in CREST**

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

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

4 Taxation

Shareholders who are in any doubt as to their tax position, or who are subject to tax in any other jurisdiction, should consult their independent professional adviser immediately.

5 Overseas Shareholders

SUBJECT TO CERTAIN LIMITED EXCEPTIONS, THERE IS NO OFFER OF OPEN OFFER SHARES TO PERSONS RESIDENT IN, OR WHO ARE CITIZENS OF, COUNTRIES OTHER THAN THE UNITED KINGDOM. IT IS THE RESPONSIBILITY OF ALL PERSONS (INCLUDING, WITHOUT LIMITATION, NOMINEES AND TRUSTEES) OUTSIDE THE UNITED KINGDOM TO OBSERVE THIS RESTRICTION.

Subject to certain limited exceptions, Application Forms will not be sent to Overseas Shareholders who are in an Open Offer Restricted Jurisdiction nor will Open Offer Entitlements be credited to a stock account of Overseas Shareholders who are in an Open Offer Restricted Jurisdiction or to US persons.

Receipt of this document and/or an Application Form or the crediting of Open Offer Entitlements to a stock account in CREST will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this document and/or an Application Form either will not be sent or will be deemed to have been sent for information only and should not be copied or redistributed. No person receiving a copy of this document and/or an Application Form and/or receiving a credit of Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer which could lawfully be made to him or an Application Form which could lawfully be used without contravention of any registration or other legal requirements.

Accordingly, persons receiving a copy of this document and/or an Application Form and/or receiving a credit of Open Offer Entitlements to a stock account in CREST should not, in connection with the Open Offer, distribute or send the Application Form or transfer the Open Offer Entitlements to any person in or into any Open Offer Restricted Jurisdiction. If an Application Form or a credit of Open Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by his agent or nominee, he must not seek to apply for his entitlement to Open Offer Shares under the Open Offer except under an express written agreement between him and the Company. Any person who does forward this document and/or an Application Form or transfer the Open Offer Entitlements into any such territories (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this paragraph.

(a) **Representations and warranties relating to Overseas Shareholders**

Qualifying Non-CREST Shareholders

Any person completing and returning an Application Form or requesting registration of the Open Offer Shares comprised therein represents and warrants to the Company, the Joint Brokers, the Nominated Adviser and the Registrars that: (i) such person is not requesting registration of the relevant Open Offer Shares from within the United States or any other Open Offer Restricted Jurisdiction; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares in respect of the Open Offer or to use the Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person located within any Open Offer Restricted Jurisdiction (except as agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring Open Offer Shares with a view to offer, sale, resale, transfer, deliver or distribute, directly or indirectly, any such Open Offer Shares into any of the above territories. The Company and/or the Registrars may treat as invalid any acceptance or purported acceptance of the allotment of Open Offer Shares comprised in an Application Form if it: (i) appears to the Company or its agents to have been executed, effected or dispatched from the United States or another Open Offer Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; or (ii) provides an address in the United States or any other Open Offer Restricted Jurisdiction for delivery of the share certificates of Open Offer Shares (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the warranty required by this sub-paragraph 5(a).

Qualifying CREST Shareholders

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedures set out in this Part 4 represents and warrants to the Company, the Joint Brokers, the Nominated Adviser and the Registrars that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) such person is not within the United States or any other Open Offer Restricted Jurisdiction; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares; (iii) such person is not accepting on a non-discretionary basis for a person located within any Open Offer Restricted Jurisdiction (except as otherwise agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring any Open Offer Shares with a view the offer, sale, resale, transfer, delivery or distribute, directly or indirectly, any such Open Offer Shares into any of the above territories.

(b) **Waiver**

The provisions of this paragraph 5 and of any other terms of the Open Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company, the Joint Brokers and the Nominated Adviser in their absolute discretion. Subject to this, the provisions of this paragraph 5 supersede any terms of the Open Offer inconsistent herewith. References in this paragraph 5 to "Shareholders" shall include references to the person or persons executing an Application Form and, in the event of more than one person executing an Application Form, the provisions of this paragraph 5 shall apply to them jointly and to each of them.

The comments set out in this paragraph are intended as a general guide only and any Qualifying Shareholder who is in doubt as to his eligibility to accept the offer of Open Offer Shares should consult his professional adviser immediately.

The Company reserves the right to treat as invalid any acceptance or purported acceptance of the offer of Open Offer Shares which appears to the Company or its agents to have been executed, effected or despatched in a manner which may involve a breach of the legislation of any jurisdiction or if it believes, or its agents believe, that the same may violate applicable legal or regulatory requirements or if a Qualifying Shareholder, in the case of an application or

an Application Form, provides an address for delivery of share certificates for Open Offer Shares in any jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates.

Notwithstanding any other provision of this document or the Application Form, the Company reserves the right to permit any Qualifying Shareholder to apply for his entitlement to Open Offer Shares under the Open Offer if the Company in its sole and absolute discretion is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions in question or would not result in the contravention of any applicable legal or regulatory requirements.

Those Shareholders who wish, and are permitted, to subscribe for Open Offer Shares should note that payments must be made as described above in this Part 4.

6 Admission, Settlement and Dealings

Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that Admission will become effective and dealings in the Open Offer Shares will commence at 8.00 a.m. on 2 July 2020.

Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 30 June 2020 (the latest date for applications under the Open Offer). If the conditions to the Open Offer described above are satisfied, Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company on the day on which such conditions are satisfied (expected to be 1 July 2020). On this day, the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Open Offer Shares with effect from Admission (expected to be 2 July 2020). The stock accounts to be credited will be accounts under the same participant IDs and member account IDs in respect of which the USE instruction was given.

Notwithstanding any other provision of this document, the Company reserves the right to send you an Application Form instead of crediting the relevant stock account with Open Offer Entitlements, and to allot and/or issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

For Qualifying Non-CREST Shareholders who applied by using an Application Form, share certificates in respect of the Open Offer Shares validly applied for are expected to be despatched by post no later than 10 Business Days after the date of Admission. No temporary documents of title will be issued and, pending the issue of definitive certificates, transfers will be certified against the register. All documents or remittances sent by or to applicants, or as they may direct, will be sent through the post at their own risk. For more information as to the procedure for application, Qualifying Non-CREST Shareholders are referred to the Application Form.

7 Times and dates

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

If a supplementary circular is issued by the Company two or fewer Business Days prior to the latest time and date for acceptance and payment in full under the Open Offer specified in this document, the latest date for acceptance under the Open Offer shall be extended to the date that is three Business Days after the date of issue of the supplementary circular (and the dates and times of principal events due to take place following such date shall be extended accordingly).

8 Governing law and jurisdiction

The terms and conditions of the Open Offer as set out in this document, the Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, English law.

The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this document or the Application Form. By taking up Open Offer Shares, by way of their Open Offer Entitlement, in accordance with the instructions set out in this document and, where applicable, the Application Form, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

PART 5

DETAILS OF THE CONVERTIBLE LOAN NOTES

Form:	Note instrument constituting £0.34 million convertible unsecured loan notes.
Term:	5 years plus 1 day.
Coupon:	Fixed rate of 10% per annum, accruing on a day to day basis, to be rolled up and paid or converted at the holder's option at end of the term or earlier redemption.
Security:	<p>The Convertible Loan Notes are unsecured.</p> <p>The Company's payment obligations under the terms of the Convertible Loan Notes rank <i>pari passu</i> with the claims of all other unsecured, unsubordinated creditors, except for obligations mandatorily preferred by law.</p>
Repayment:	<p>The Company shall redeem the principal amount of the Convertible Loan Notes and any accrued interest at end of term. At any time after the period of 18 months from the date of issue, the Company may redeem at the principal amount all, but not some, of the Convertible Loan Notes together with all interest accrued to that date, provided that the Convertible Loan Note holders will first be given the opportunity to convert the Convertible Loan Notes at the principal amount together with all accrued interest ("Early Conversion").</p> <p>In a liquidation, the amount that any Convertible Loan Noteholder which has HMRC venture capital trust status can receive in respect of the repayment of the interest on and principal of their Convertible Loan Notes is capped at 49% of the aggregate distribution to stakeholders.</p>
Conversion:	<p>The Convertible Loan Notes and any accrued interest will be convertible into Ordinary Shares, in whole or in part, at the option of the Convertible Loan Note holder at the Conversion Price as defined below:</p> <ul style="list-style-type: none">• at the end of the term or earlier at the option of a Convertible Loan Noteholder ("Redemption Conversion");• if the Company undertakes a fundraising representing no less than 5% of the issued Ordinary Shares immediately prior to such fundraising or a similar capitalisation event ("Corporate Event Conversion");• on a sale of a controlling interest in the Company ("Exit Conversion");• on the sale of substantially all the business and assets of the Group ("Business Sale Conversion"); and• on default by the Company of its obligations under the Convertible Loan Notes.
Conversion Price:	<p>The Conversion Price is the lower of 9p for each Ordinary Share and:</p> <p>(a) for a Redemption Conversion (other than following an early redemption event), a Business Sale Conversion or an Early Conversion, the placing price of the most recent placing by the Company of Ordinary Shares prior to conversion;</p>

- (b) for a Redemption Conversion following an early redemption event:
 - (i) the placing price of the most recent placing by the Company of Ordinary Shares prior to conversion; and
 - (ii) the volume weighted average price of the Ordinary Shares as reported by Bloomberg for the thirty (30) trading days immediately prior to the date of the Company's conversion notice, less a discount of 20%; and
 - (iii) the closing bid price of the Ordinary Shares on the Business Day immediately prior to the Redemption Conversion, less a discount of 20%.
- (c) for an Exit Conversion:
 - (i) the price per Ordinary Share determined by the relevant exit event, less a discount of 20% for each Ordinary Share; and
 - (ii) the placing price of the most recent placing by the Company of Ordinary Shares prior to conversion for each Ordinary Share,
- (d) for a Corporate Event Conversion:
 - (i) the price per Ordinary Share determined by the relevant corporate event; and
 - (ii) the placing price of the most recent placing by the Company of Ordinary Shares prior to conversion, and, in each case, when calculating the number of Ordinary Shares to be issued on the Conversion Date, fractions of an Ordinary Share shall be disregarded.

Covenants and information rights:

The Convertible Loan Note Instrument includes standard covenants to be given by the Company to ensure the Company remains VCT qualifying and information rights of Convertible Loan Noteholders to ensure their VCT status is not withdrawn. In addition, the Company has covenanted to seek the requisite authority to allot and issue Ordinary Shares pursuant to the Convertible Loan Note conversion at the General Meeting.

Quotation:

No application has been, or is intended to be, made to any listing authority, stock exchange or other market for the Convertible Loan Notes to be listed or otherwise traded.

DEFINITIONS

The following definitions apply throughout this document, the Application Form and the Form of Proxy unless the context requires otherwise:

“Act”	the Companies Act 2006 (as amended)
“Admission”	admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules
“AIM”	the AIM market operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies, as published by the London Stock Exchange from time to time
“Applicant”	a Qualifying Shareholder or a person by virtue of a <i>bona fide</i> market claim who lodges an Application Form or relevant CREST instruction under the Open Offer
“Application Form”	the application form relating to the Open Offer and enclosed with this document for use by Qualifying non-CREST Shareholders
“Basic Entitlement(s)”	the <i>pro rata</i> entitlement for Qualifying Shareholders to subscribe for Open Offer Shares, pursuant to the Open Offer as described in Part 4 of this document
“BBC”	the British Broadcasting Corporation
“Board” or “Directors”	the board of directors of the Company, whose names are set out on page 9 of this document
“Business Day”	a day (other than a Saturday, Sunday or public holiday) when banks are usually open for business in London
“CCSS”	the CREST Courier and Sorting Service, established by Euroclear to facilitate, <i>inter alia</i> , the deposit and withdrawal of certificated securities
“certificated” or “in certificated form”	in relation to a share or other security, a share or other security that is not in uncertificated form, that is not in CREST
“Closing Price”	the closing middle market quotation of an Ordinary Share as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange
“Company” or “Escape Hunt”	Escape Hunt Plc, a company incorporated in England and Wales with registered number 10184316
“Convertible Loan Notes”	the convertible loan notes due 2025 to be issued pursuant to the terms of the Convertible Loan Note Instrument
“Convertible Loan Note Instrument”	the note instrument constituting the Convertible Loan Notes, a copy of which is available for view at https://escapehunt.com/investors/
“CREST”	the relevant system (as defined in the Regulations) in respect of which Euroclear UK & Ireland Limited is the operator (as defined in the Regulations)
“CREST Manual”	the rules governing the operation of CREST, as published by Euroclear
“CREST member”	a person who has been admitted by Euroclear as a system-member (as defined in the Regulations)
“CREST participant”	a person who is, in relation to CREST, a system participant (as defined in the Regulations)

“CREST payment”	shall have the meaning given in the CREST Manual issued by Euroclear
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member (which includes all CREST Personal Members)
“EIS”	Enterprise Investment Scheme
“EIS and VCT Placing Shares”	together, the EIS Placing Shares and the VCT Placing Shares
“EIS Placees”	the subscribers for the EIS Placing Shares pursuant to the EIS Placing
“EIS Placing”	the proposed placing and issue of the EIS Placing Shares with EIS Placees at the Issue Price pursuant to the Placing
“EIS Placing Shares”	those Placing Shares which are to be issued to EIS Placees as part of the EIS Placing
“Enlarged Share Capital”	the issued share capital of the Company immediately following Admission (including the the Pay Reduction Catch Up Equity)
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“Excess Application Facility”	the arrangement pursuant to which Qualifying Shareholders may apply for additional Open Offer Shares in excess of the Basic Entitlement in accordance with the terms and conditions of the Open Offer
“Excess CREST Open Offer Entitlement”	in respect of each Qualifying CREST Shareholder, the entitlement to apply for Open Offer Shares in addition to the Basic Entitlement credited to the Qualifying CREST Shareholder’s account in CREST, pursuant to the Excess Application Facility, which is conditional on the Qualifying CREST Shareholder taking up his Basic Entitlement in full and which may be subject to scaleback in accordance with the provisions of this document
“Excess Entitlement(s)”	Open Offer Shares in excess of the Basic Entitlement, but not in excess of the total number of Open Offer Shares, allocated to a Qualifying Shareholder pursuant to the Open Offer as described in Part 4 of this document
“Excess Shares”	the Open Offer Shares for which Qualifying Shareholders may apply under the Excess Application Facility in addition to their Basic Entitlement
“Executive Directors”	Richard Harpham and Graham Bird
“Ex-entitlement Date”	the date on which the Existing Ordinary Shares are marked ‘ex’ for entitlement under the Open Offer being 8.00 a.m. on 15 June 2020.
“Existing Ordinary Shares”	the 26,925,925 Ordinary Shares in issue at the date of this document
“Expected Admission Date”	2 July 2020 (or such later date agreed by the Company, the Joint Brokers and the Nominated Adviser)
“FCA”	the United Kingdom Financial Conduct Authority
“Form of Proxy”	the form of proxy for use by Shareholders in connection with the General Meeting, which is enclosed with this document
“FSMA”	Financial Services and Markets Act 2000 (as amended)
“Fundraising”	together, the Placing, Open Offer, Subscription and issue of Convertible Loan Notes

“General Meeting”	the general meeting of the Company convened for 11.00 a.m. on 1 July 2020 at which the Resolutions will be proposed, notice of which is set out at the end of this document
“Group”	the Company and its Subsidiaries
“HMRC”	Her Majesty’s Revenue and Customs
“ISIN”	International Securities Identification Number
“Issue Price”	7.5 pence per New Ordinary Share
“Joint Brokers”	Shore Capital Stockbrokers and Zeus Capital
“London Stock Exchange”	London Stock Exchange Plc
“Long Stop Date”	9 July 2020
“Member account ID”	the identification code or number attached to any member account in CREST
“Money Laundering Regulations”	the Anti-Terrorism, Crime and Security Act 2001, the Proceeds of Crime Act 2002 (as amended) and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended)
“New Ordinary Shares”	up to 55,957,587 new Ordinary Shares to be issued pursuant to the Fundraising (being the Placing Shares, the Open Offer Shares and the Subscription Shares) and pursuant to the Pay Reduction Catch Up Equity
“Non-EIS/VCT Placing Shares”	Placing Shares which are not EIS Placing Shares or VCT Placing Shares
“Notice of General Meeting”	the notice of General Meeting set out at the end of this document
“Open Offer”	the conditional invitation to Qualifying Shareholders to apply for the Open Offer Shares at the Issue Price on the terms and conditions outlined in this document and, where relevant, in the Application Form
“Open Offer Entitlements”	entitlements for Qualifying Shareholders to subscribe for Open Offer Shares pursuant to the Basic Entitlement and the Excess Entitlement
“Open Offer Restricted Jurisdiction”	any jurisdiction other than the United Kingdom
“Open Offer Shares”	up to 6,731,481 New Ordinary Shares to be issued pursuant to the Open Offer
“Ordinary Shares”	the ordinary shares of 1.25 pence each in the share capital of the Company
“Overseas Shareholders”	Shareholders with registered addresses, or who are citizens or residents of, or incorporated in Restricted Jurisdictions
“Participant ID”	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
“Pay Reduction Catch Up Equity”	the aggregate of 426,106 New Ordinary Shares to be issued to the Executive Directors and other members of the Company’s senior management to compensate their temporary pay reduction
“Placees”	any person who has agreed to subscribe for Placing Shares
“Placing”	the proposed placing by the Company of the Placing Shares at the Issue Price
“Placing and Open Offer Agreement”	the conditional agreement dated 12 June 2020 between the Company, Shore Capital and Corporate, Shore Capital

	Stockbrokers and Zeus Capital in connection with the Fundraising, further details of which are set out in this document
“Placing and Subscription Restricted Jurisdiction”	the United States, Australia, Canada, Japan, the Republic of Ireland, the Republic of South Africa and any other jurisdiction where the extension or availability of the Placing would breach any applicable law
“Placing Shares”	46,599,998 New Ordinary Shares to be conditionally subscribed for pursuant to the Placing in accordance with the terms of the Placing and Open Offer Agreement
“Prospectus Regulation”	the Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/ 71/ EC
“Prospectus Regulation Rules”	the Prospectus Rules made under section 73A of the Financial Services and Markets Act 2000 (as amended) in relation to offers of securities to the public and admission of securities to trading on a regulated market
“Qualifying CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares which, on the register of members of the Company on the Record Date, are in uncertificated form in CREST
“Qualifying non-CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares which, on the register of members of the Company on the Record Date, are in certificated form
“Qualifying Shareholders”	holders of Existing Ordinary Shares other than Shareholders with registered addresses, or who are citizens or residents of, or incorporated in an Open Offer Restricted Jurisdiction, whose names appear on the register of members of the Company on the Record Date as holders of Existing Ordinary Shares and who are eligible to be offered Open Offer Shares under the Open Offer in accordance with the terms and conditions set out in this document
“Receiving Agent”	Equiniti Limited, the Company’s receiving agent, which is incorporated as a private limited company in England and Wales with company number 06226088
“Record Date”	close of business on 10 June 2020
“Registrar”	Equiniti Limited, the Company’s registrar, which is incorporated as a private limited company in England and Wales with company number 06226088
“Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
“Regulatory Information Service” or “RIS”	has the meaning given to it in the AIM Rules
“Resolutions”	the resolutions to be proposed at the General Meeting and set out in the Notice of General Meeting
“Restricted Jurisdictions”	Open Offer Restricted Jurisdictions and Placing and Subscription Restricted Jurisdictions
“Securities Act”	the United States Securities Act of 1933
“Shareholder”	a holder of Ordinary Shares

“Shore Capital”	Shore Capital and Corporate and/or Shore Capital Stockbrokers as appropriate
“Shore Capital and Corporate” or “Nominated Adviser”	Shore Capital and Corporate Limited, the Company’s nominated adviser, which is incorporated as a private limited company in England and Wales with company number 02083043
“Shore Capital Stockbrokers”	Shore Capital Stockbrokers Limited, joint broker to the Company, which is incorporated as a private limited company in England and Wales with company number 01850105
“Subsidiary”	has the meaning given to it in section 1159 of the Act
“Subscribing Directors”	the Directors subscribing for New Ordinary Shares under the Fundraising
“Subscription”	the issue of the Subscription Shares at the Issue Price by the Company
“Subscription Shares”	the 2,200,002 New Ordinary Shares to be issued by the Company pursuant to the Subscription
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“uncertificated” or “in uncertificated form”	a share or other security recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the Regulations, may be transferred by means of CREST
“US” or “United States”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
“USE”	unmatched stock event
“VCT”	a venture capital trust as defined in Part 6 of the Income Tax Act 2007
“VCT Placees”	the subscribers for the VCT Placing Shares pursuant to the VCT Placing
“VCT Placing”	the proposed placing and issue of the VCT Placing Shares with VCT Placees at the Issue Price pursuant to the Placing
“VCT Placing Shares”	Placing Shares which are to be issued to VCTs as part of the VCT Placing
“VCT Scheme”	Venture Capital Trust Scheme under the provisions of Part 6 of the Income Tax Act 2007
“Zeus Capital”	Zeus Capital Limited, joint broker to the Company, which is incorporated as a private limited company in England and Wales with company number 04417845

NOTICE OF GENERAL MEETING

Escape Hunt Plc

(the “Company”)

(Registered in England and Wales with no. 10184316)

In view of the ongoing COVID-19 pandemic, the Company and the Board remind all Shareholders of the UK Government’s rules, including the restriction on large gatherings (the “COVID-19 Measures”). Having regard to their own safety and that of others, the Board respectfully requests that Shareholders comply with the COVID-19 Measures and do not make plans to attend the General Meeting. To ensure that shareholders’ votes are counted, the Board strongly encourages all shareholders to exercise their right to vote by appointing the Chairman of the General Meeting as their proxy to vote at the General Meeting on their behalf, in accordance with their instructions. Shareholders should not appoint any person other than the Chairman of the General Meeting to act as their proxy, as that person will not be granted access to the General Meeting on the day and their appointing shareholder’s votes will not be able to be counted.

It is currently intended that the General Meeting will be held with only the minimum number of shareholders present as required to form a quorum under the Company’s articles of association, and who are essential for the business of the General Meeting to be conducted. These attendees will be officers or employees of the Group. The results of the votes on the proposed resolutions will be announced in the normal way as soon as practicable after the conclusion of the General Meeting.

To ensure the safety of the limited number of people whose attendance at the General Meeting is essential, we will not be able to allow any other Shareholders to gain access to the General Meeting on the day. The Company is taking these precautionary measures to comply with the COVID-19 Measures, to safeguard its shareholders’ and employees’ health and to make the General Meeting as safe as possible. The Company is actively following developments and will issue further information through an RIS and/or on its website at <https://escapehunt.com/investors/> if it becomes necessary or appropriate to make any alternative arrangements for the General Meeting. In particular, the Company has noted that the Corporate Insolvency and Governance Bill is currently passing through Parliament and will therefore, where appropriate and/or required, take into account its provisions and impact on the General Meeting as they become law.

NOTICE is hereby given that a General Meeting of Escape Hunt Plc (the “Company”) will be held at Crown Court car park, The Burys, Godalming, Surrey GU7 1HR at 11.00 a.m. on 1 July 2020 for the purpose of considering and, if thought fit, passing the following resolutions of which Resolution 1 will be proposed as an ordinary resolution and Resolution 2 will be proposed as a special resolution (defined terms having the meanings given to them in the circular to the shareholders of the Company dated 15 June 2020):

ORDINARY RESOLUTION

- 1 **THAT** for the purposes of section 551 of the Act the Directors be and are hereby generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or grant rights to subscribe for, or to convert any security into, shares in the Company, as is contemplated in sub-sections 551(1)(a) and 551(1)(b) respectively of the Act up to an aggregate nominal amount of £665,260.70 pursuant to or in connection with the allotment of up to 83,157,587 new ordinary shares of 1.25 pence each in the capital of the Company to such persons as may be entitled in connection with the Placing, Open Offer, Subscription, issue of the Convertible Loan Notes (and any subsequent conversion) and Pay Reduction Catch Up Equity. Such authority, unless revoked, varied or renewed by the Company in a general meeting, shall expire at the conclusion of the next annual general meeting of the Company save that the Company be and is hereby authorised to make prior to the expiry of such period any offer or agreement which would or might require such shares to be allotted or such rights to be granted after the expiry of the said period and the Directors

may allot any such shares and grant any such subscription and conversion rights in pursuance of any such offer or agreement notwithstanding the expiry of the authority given by this resolution. This authority is in addition to all existing authorities under section 551 of the Act.

SPECIAL RESOLUTION

2. **THAT**, subject to the passing of Resolution 1, the Directors be and are hereby empowered in accordance with section 570 of the Act to allot equity securities (as defined in section 560 of the Act) for cash, pursuant to the authority conferred on them to allot such shares or grant such rights by that resolution, up to an aggregate nominal value of £665,260.70 as if sub-section (1) of section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to:
- 2.1 the allotment of up to 55,531,481 new ordinary shares of 1.25 pence each in the capital of the Company pursuant to the Placing, Open Offer and Subscription;
 - 2.2 the allotment of up to 426,106 new ordinary shares of 1.25 pence each in the capital of the Company pursuant to the Pay Reduction Catch Up Equity; and
 - 2.3 the allotment of up to 27,200,000 new ordinary shares of 1.25 pence each in the capital of the Company pursuant to the exercise of conversion rights under the terms of the Convertible Loan Note Instrument constituting £340,000 Convertible Unsecured 10% Notes due 2025, a copy of which is available for view at <https://escapehunt.com/investors/>.

Such authority, unless revoked, varied or renewed by the Company in a general meeting, shall expire at the conclusion of the next annual general meeting of the Company save that the Company be and is hereby authorised to make prior to the expiry of such period any offer or agreement which would or might require such shares to be allotted or such rights to be granted after the expiry of the said period and the Directors may allot any such shares and grant any such subscription and conversion rights in pursuance of any such offer or agreement notwithstanding the expiry of the authority given by this resolution. This power is in addition to all existing authorities under section 570 of the Act.

15 June 2020

BY ORDER OF THE BOARD

Graham Bird
Company Secretary

Escape Hunt Plc
3 Pear Place
London
SE1 8BT

Notes of the Notice of General Meeting

Proxies

- 1 By law, a member entitled to attend, speak and vote at the above meeting may appoint another person as his or her proxy to exercise all or any of his or her rights to attend, speak and vote on his or her behalf. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy need not be a member of the Company. **However, given the format of the meeting, we strongly recommend that you only appoint the Chairman of the meeting to act as your proxy to ensure your vote is counted.**
- 2 To appoint more than one proxy, you may photocopy the Form of Proxy. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate in the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope. **However, Shareholders are urged to appoint the Chairman of the meeting as his or her**

proxy as, given the Coronavirus situation and current Government advice (particularly as to social gatherings), attendance in person is not advised and members and their proxies may be refused entry if circumstances permit or require.

- 3 To be valid, any Form of Proxy together with any power of attorney or any other authority under which the Form of Proxy is signed (or a duly certified copy of such power or authority) or any other instrument appointing a proxy must be included with the Form of Proxy and received by post at the Company's Registrars, Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, no later than 48 hours (excluding any part of a day that is not a Business Day) before the time appointed for holding the meeting. If you prefer, you may return the Form of Proxy to the Registrars in the enclosed business reply envelope addressed to Equiniti Limited. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
- 4 Completion and return of a Form of Proxy, any other such instrument or any CREST Proxy Instruction (as described in paragraph 9 below) will not preclude a member from attending and voting in person, should he or she subsequently decide to do so. **However, Shareholders are urged to appoint the Chairman of the meeting as their proxy for the reasons set out above.**

Nominated Persons

- 5 A person who is not a shareholder of the Company, but has been nominated by a shareholder to enjoy information rights in accordance with section 146 of the Companies Act 2006 (the "Act") (a "Nominated Person") does not have the right to appoint a proxy, although he/she may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy. Alternatively, if a Nominated Person does not have such a right, or does not wish to exercise it, he/she may, under an agreement with the relevant shareholder, have a right to give instructions to the shareholder as to the exercise of voting rights. Such Nominated Persons are advised to contact the shareholder who appointed them for further information on this and the procedure for appointing any such proxy. **However, Shareholders are urged to appoint the Chairman of the meeting as their proxy for the reasons set out above.**

Record Date

- 6 Only the holders of ordinary shares entered on the register of members of the Company as at close of business on 29 June 2020 (or, in the event of any adjournment, close of business on the date which is two Business Days before the date of the adjourned meeting) shall be entitled to attend either in person or by proxy, and the number of ordinary shares then registered in their respective names shall determine the number of votes such persons are entitled to cast at the meeting. Changes to entries on the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend or vote at the meeting.

Total Voting Rights

- 7 As at date of this document, the Company's issued share capital consists of 26,925,925 ordinary shares of 1.25 pence each, carrying one vote each. Therefore, the total voting rights in the Company are 26,925,925.

CREST Proxy Instructions

- 8 CREST members 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. 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.
- 9 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 Euroclear UK and Ireland Limited's ("Euroclear") specifications, and must

contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). 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 the Company's agent, Equiniti Limited (ID RA19) by 11.00 a.m. on 29 June 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's agent 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.

- 10 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 message. 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 a voting service provider, to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this 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.
- 11 The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertified Securities Regulations 2001 (as amended).

Questions

- 12 Any shareholder has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, or (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Information available on the Website

- 13 A copy of this notice and the information required to be published by section 311(A) of the Act can be found at <https://EscapeHunt.com/investors/>. Shareholders may not use any electronic address provided in either this Notice of Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

