



Pathos Communications plc

Connecting the world's SMEs
to global press through
technology

AIM Admission Document



THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or the action you should take, you should immediately seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent adviser who is authorised under the FSMA if you are in the United Kingdom, or, if outside the United Kingdom, from another appropriately authorised independent adviser.

The Company and the Directors, whose names appear on page 12, accept responsibility for the information contained in this Document. To the best of the knowledge of the Company and the Directors, the information contained in this Document is in accordance with the facts and makes no omission likely to affect its import.

This Document, which comprises an AIM admission document, has been drawn up in accordance with the AIM Rules for Companies, in connection with an application for admission to trading on AIM of the entire issued and to be issued share capital of Pathos Communications plc (the “**Company**”). This Document does not constitute an offer or any part of any offer of transferable securities to the public within the meaning of section 102B of the FSMA and is not a prospectus for the purposes of the Prospectus Regulation Rules. Accordingly, this Document has not been prepared in accordance with the Prospectus Regulation Rules, nor has it been approved by the FCA pursuant to section 85 of FSMA, and a copy has not been delivered to the FCA under regulation 3.2 of the Prospectus Regulation Rules.

Application will be made for the Enlarged Share Capital to be admitted to trading on AIM. It is expected that Admission will become effective and that trading in the Enlarged Share Capital will commence on AIM on 16 December 2025.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the Financial Conduct Authority (“FCA”). A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Companies admitted to trading on AIM are required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on Admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange has not itself examined or approved the contents of this Document.

Your attention is drawn to the risks and other factors which should be considered in connection with an investment in the Ordinary Shares set out in section entitled “Risk Factors” of this Document. All statements regarding the Company and the Group’s future business should be viewed in light of these risk factors. Notwithstanding this, prospective investors in the Company should read the whole text of this Document.

PATHOS COMMUNICATIONS PLC

(incorporated and registered in England and Wales under the Companies Act 2006 with registered number 12106511)

**Placing of 16,666,666 New Placing Shares and 2,034,704 Sale Shares
at 30 pence per share**

and

Admission to trading on AIM

**STRAND
HANSON**

Nominated & Financial Adviser

Cavendish

Sole Broker and Sole Bookrunner

Strand Hanson Limited (“**Strand Hanson**”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser to the Company in connection with the proposed admission of the Enlarged Share Capital to trading on AIM. Its responsibility as the Company’s nominated adviser under the AIM Rules for Nominated Advisers is owed solely to the London Stock Exchange and is not owed to the Company or to any Director or to any other person in respect of their decision to acquire shares in the Company in reliance on any part of this Document. Strand Hanson is acting exclusively for the Company and for no one else and will not be responsible to anyone other than

the Company for providing the protections afforded to its clients or for providing advice in relation to the contents of this Document or the proposed admission of the Enlarged Share Capital to trading on AIM.

Cavendish Capital Markets Limited (“**Cavendish**”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as sole broker and sole bookrunner to the Company in connection with the Placing and the proposed admission of the Enlarged Share Capital to trading on AIM. Cavendish is acting exclusively for the Company and for no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the contents of this Document or the Placing or the proposed admission of the Enlarged Share Capital to trading on AIM.

An investment in the Company carries risk. Prospective investors should read the whole of this Document and should carefully consider whether an investment in Ordinary Shares is suitable for them in light of their circumstances and financial resources. The whole of this Document should be read. Your attention is drawn, in particular to Part I: “Information on the Group” and the section entitled “Risk Factors” for a more complete discussion of the factors that could affect the Group’s future performance and the industry in which it operates.

This Document does not constitute an offer to sell, or the solicitation of an offer to buy or subscribe for, securities in any jurisdiction in which such offer or solicitation is unlawful and, in particular, is not for publication or distribution in or into the United States of America, Australia, Canada, Japan, New Zealand or the Republic of South Africa (each a “**Restricted Jurisdiction**”). The Ordinary Shares have not been and will not be registered under the US Securities Act nor under the applicable securities laws of any state, province or territory of any Restricted Jurisdiction, nor in any country or territory where to do so may contravene local securities laws or regulations. Accordingly, the Ordinary Shares may not be offered or sold directly or indirectly in or into any Restricted Jurisdiction or to any national, resident or citizen of any Restricted Jurisdiction. The distribution of this Document in other jurisdictions may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities law of any such jurisdictions. The Ordinary Shares have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the accuracy or adequacy of this Document. Any representation to the contrary is a criminal offence in the United States of America.

No legal, business, tax or other advice is provided in this Document. Prospective investors should consult their professional advisers as needed on the potential consequences of subscribing for, purchasing, holding, or selling Ordinary Shares under the laws of their country and/or state of citizenship, domicile or residence.

Copies of this Document will be available free of charge to the public during normal business hours on any day (except Saturdays, Sundays and public holidays) at the registered offices of the Company and the offices of Strand Hanson at 26 Mount Row, London W1K 3SQ for one month from Admission. This Document is also available on the Company’s website at www.pathoscommunicationsplc.com.

IMPORTANT INFORMATION

This Document should be read in its entirety before making any decision to subscribe for or purchase Ordinary Shares. Prospective investors should rely only on the information contained in this Document. No person has been authorised to give any information or make any representations other than as contained in this Document and, if given or made, such information or representations must not be relied on as having been authorised by the Company, Strand Hanson, Cavendish, or any of their respective affiliates, officers, directors, employees or agents. Without prejudice to the Company's obligations under the AIM Rules for Companies, neither the delivery of this Document nor any acquisition of Ordinary Shares made in reliance on this Document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company or the Group since the date of this Document or that the information contained herein is correct as at any time subsequent to its date.

Prospective investors in the Company must not treat the contents of this Document or any subsequent communications from the Company, Strand Hanson, Cavendish, or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

If you are in any doubt about the contents of this Document or the action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent adviser who is authorised under the FSMA if you are in the United Kingdom, or, if you are outside the United Kingdom, from another appropriately authorised independent adviser. The Company does not accept any responsibility for the accuracy or completeness of any information reported by the press or other media or any other person, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media or any other person, regarding the Placing, the Company and/or its subsidiaries. The Company makes no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

As required by the AIM Rules for Companies, the Company will update the information set out in this Document, by means of a supplement to it, if a significant new factor that may affect the evaluation of the Placing by prospective investors occurs prior to Admission or if it is noted that this Document contains any mistake or substantial inaccuracy. This Document, and any supplement thereto, will be made public in accordance with the AIM Rules for Companies.

This Document is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation, by the Company, the Directors, Strand Hanson, Cavendish, or any of their respective representatives, that any recipient of this Document should subscribe for or purchase any of the Ordinary Shares. Investing in and holding Ordinary Shares involves financial risk. Prior to making any decision as to whether to subscribe for or purchase any Ordinary Shares, prospective investors should read the entirety of this Document and, in particular, Part III entitled "Risk Factors".

Investors should ensure that they read the whole of this Document and not just rely on key information or information summarised within it. In making an investment decision, prospective investors must rely upon their own examination (or an examination by the prospective investor's FSMA-authorised or other appropriate advisers) of the Company and the terms of this Document, including the risks involved. Any decision to purchase Ordinary Shares should be based solely on this Document and the prospective investor's own (or such prospective investor's FSMA-authorised or other appropriate advisers') examination of the Company. Investors who subscribe for or purchase Placing Shares in the Placing will be deemed to have acknowledged that: (i) they have not relied on Strand Hanson, Cavendish or any person affiliated with them in connection with any investigation of the accuracy of any information contained in this Document for their investment decision; (ii) they have relied only on the information contained in this Document; and (iii) no person has been authorised to give any information or to make any representation concerning the Company or, the Placing Shares (other than as contained in this Document) and, if given or made, any such other information or representation has not been relied upon as having been authorised by or on behalf of the Company, the Directors, Strand Hanson or Cavendish.

No Prospectus

This Document is not a prospectus for the purposes of the UK Prospectus Regulation. This Document has been prepared on the basis that all offers of the Ordinary Shares will be made pursuant to an exemption under the UK Prospectus Regulation from the requirement to produce a prospectus. Accordingly, any person making or intending to make any offer within the United Kingdom or the EEA of the Ordinary Shares which is the subject of the offering contemplated in this Document should only do so in circumstances in

which no obligation arises for the Company, Strand Hanson or Cavendish to produce a prospectus for such offer. Neither the Company nor Strand Hanson nor Cavendish has authorised, nor will either of them authorise, the making of any offer of the Ordinary Shares through any financial intermediary, other than as contemplated in this Document.

General

No broker, dealer or other person has been authorised by the Company, the Directors, Strand Hanson or Cavendish to issue any advertisement or to give any information or make any representation in connection with the offering or sale of any Ordinary Shares other than those contained in this Document and if issued, given or made, that advertisement, information or representation must not be relied upon as having been authorised by the Company, the Directors, Strand Hanson or Cavendish.

Prospective investors should not treat the contents of this Document as advice relating to legal, taxation, investment, or any other matters. Prospective investors should inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer, repurchase or other disposal of Ordinary Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer, repurchase or other disposal of Ordinary Shares which they might encounter; and (c) the income or other taxation consequences which may apply in their own countries as a result of the purchase, holding transfer, repurchase or other disposal of Ordinary Shares. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants as to legal, taxation, investment and other related matters concerning the Company and an investment therein.

Statements made in this Document are based on the law and practice currently in force in England and Wales and are subject to change therein.

Notice to prospective investors in the United Kingdom

This Document is being distributed to, and is directed only at, persons in the United Kingdom who are qualified investors within the meaning of Article 2 of the UK Prospectus Regulation:

- (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (“**FPO**”); and/or
- (ii) high net worth entities, unincorporated associations and other bodies falling within Article 49 of the FPO; and
- (iii) other persons to whom it may otherwise be lawfully distributed without an obligation to issue a prospectus or other offering document approved by a regulatory authority (each a “relevant person”).

Any investment or investment activity to which this Document relates is available only to relevant persons and will be engaged in only with such persons. Persons who are not relevant persons should not rely on or act upon this Document.

Notice to prospective investors in the EEA

In relation to each member state of the EEA (each, a “**Member State**”), no Ordinary Shares have been offered or will be offered to the public in that Member State pursuant to the Placing prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the competent authority in that Member State, or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the EEA Prospectus Regulation, except that offers of Ordinary Shares to the public may be made at any time under the following exemptions under the EEA Prospectus Regulation:

- to any legal entity which is a “**qualified investor**” as defined in the EEA Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than “**qualified investors**” as defined in the EEA Prospectus Regulation) in such Member State; or
- in any other circumstances falling within Article 1(4) of the EEA Prospectus Regulation,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the EEA Prospectus Regulation or supplement to a prospectus pursuant to Article 23 of the EEA Prospectus Regulation and each person who initially acquires any Ordinary Shares or to whom any offer is made under the Placing will be deemed to have represented, acknowledged and agreed that it is a “qualified investor” within the meaning of Article 2(e) of the EEA Prospectus Regulation.

Neither the Company nor Strand Hanson nor Cavendish has authorised, nor do either of them authorise, the making of any offer of Ordinary Shares in circumstances in which an obligation arises for the Company and/or Strand Hanson and/or Cavendish to publish a prospectus or a supplemental prospectus in respect of such offer.

For the purposes of this provision, the expression “an offer to the public” in relation to any offer of Shares in any Member State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for those Shares, and the expression “EEA Prospectus Regulation” means Regulation (EU) 2017/1129 of the European Union.

Notice to US investors

The Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**US Securities Act**”), or any US state securities laws. The Ordinary Shares may not be offered, sold, pledged or otherwise transferred, directly or indirectly, within the United States or to, or for the account or benefit of, US persons (as defined in Regulation S under the US Securities Act) unless the Ordinary Shares are registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available. The Company has not registered and will not register under the United States Investment Company Act of 1940, as amended (the “**1940 Act**”).

The Ordinary Shares have not been approved or disapproved by the United States Securities and Exchange Commission, any US state securities commission or any other regulatory authority nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Document. Any representation to the contrary is unlawful. The Ordinary Shares will be offered and sold outside the United States to non-US Persons pursuant to the requirements of Regulation S under the US Securities Act (“**Regulation S**”). The Ordinary Shares cannot be offered, resold, pledged or otherwise transferred in the United States or to US Persons except in accordance with the restrictions and procedures set forth in the Appendix of this Document entitled “Terms and Conditions of the Placing”.

Notice to Overseas Shareholders

This Document does not constitute an offer to sell or issue, or the solicitation of an offer to subscribe for or buy, securities in any jurisdiction in which such offer or solicitation is unlawful and, in particular, is not for publication or distribution in or into the United States of America, Australia, Canada, Japan, New Zealand or the Republic of South Africa or any other country where such distribution may lead to a breach of any legal or regulatory requirement, or to any resident, national, citizen or corporation, partnership or other entity created under the laws thereof (each a “**Restricted Jurisdiction**”). The Ordinary Shares have not been and will not be registered under the US Securities Act nor under the applicable securities laws of any state, province or territory of and Restricted Jurisdiction or in any country or territory where to do so may contravene local securities laws or regulations. Accordingly, the Ordinary Shares may not be offered or sold directly or indirectly in or into or from any Restricted Jurisdiction or to any resident of any Restricted Jurisdiction. The distribution of this Document in other jurisdictions may be restricted by law and, therefore, persons into whose possession this Document 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 jurisdictions.

Notice to Distributors

Solely for the purposes of the product governance requirements contained within the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK Product Governance Rules**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the UK Product Governance Rules) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares are: (i) compatible with an end target market of investors who meet the criteria of professional clients and eligible counterparties each as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”); and (ii) eligible for distribution through all distribution channels as are permitted by the UK Product Governance Rules (the “**UK Target Market Assessment**”).

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising

in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares are: (i) compatible with an end target market of investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**EU Target Market Assessment**”).

Notwithstanding the UK Target Market Assessment and the EU Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Each of the UK Target Market Assessment and the EU Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the UK Target Market Assessment and the EU Target Market Assessment, Cavendish will only procure investors who meet the criteria of professional clients and eligible counterparties each as defined under COBS or MiFID II, as applicable.

For the avoidance of doubt, each of the UK Target Market Assessment and the EU Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A respectively of COBS or MiFID II, as applicable; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

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

Data protection

The information that a prospective investor provides in documents in relation to a purchase of Ordinary Shares or subsequently by whatever means which relates to the prospective investor (if it is an individual) or a third party individual (“**personal data**”) will be held and processed by the Group (and any third party to whom it may delegate certain administrative functions in relation to the Group) in compliance with the relevant data protection legislation and regulatory requirements of the United Kingdom and the Group’s privacy notice, a copy of which is available on the Group’s website at www.pathoscommunicationsplc.com (“**Privacy Notice**”). Such information will be held and processed by the Group (or any third party, functionary or agent appointed by the Group) for the following purposes:

- verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- carrying out the business of the Group and the administering of interests in the Group; and
- meeting the legal, regulatory, reporting and/or financial obligations of the Company in England and Wales and elsewhere (as required).

Where necessary to fulfil the purposes set out above and in the Privacy Notice, the Group (or any third party, functionary or agent appointed by the Group) will:

- disclose personal data to third party service providers, agents or functionaries appointed by the Group to provide services to prospective investors; and
- transfer personal data outside of the United Kingdom to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as the United Kingdom.

If the Group (or any third party, functionary or agent appointed by a member of the Group) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data are disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

In providing such personal data, investors will be deemed to have agreed to the processing of such personal data in the manner described above. Prospective investors are responsible for informing any third-party

individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions.

Forward looking statements

Certain statements in this Document are or may constitute “forward-looking statements”, including statements about current beliefs and expectations. In particular, the words “expect”, “anticipate”, “estimate”, “may”, “should”, “could”, “plans”, “intends”, “will”, “believe” and similar expressions (or in each case their negative and other variations or comparable terminology) can be used to identify forward looking statements. They appear in a number of places throughout this Document and include, but are not limited to, statements regarding intentions, beliefs or current expectations concerning, among other things, the Group’s results of operations, financial position, liquidity, prospects, growth, strategies and expectations of the industry in which the Group operates.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the development of the markets and the industry in which the Group operates, may differ materially from those described in, or suggested by, the forward-looking statements contained in this Document. In addition, even if the development of the markets and the industry in which the Group operates are consistent with the forward-looking statements contained in this Document, those developments may not be indicative of developments in subsequent periods. A number of factors could cause developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, industry trends, competition, changes in regulation, currency fluctuations, changes in the Group’s business strategy, political and economic uncertainty and other factors discussed in Part I and Part III of this Document.

Any forward-looking statements in this Document reflect current views 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 and growth strategy. Investors should specifically consider the factors identified in this Document which could cause results to differ before making an investment decision. Subject to the requirements of applicable law or regulation, the Group undertakes no obligation publicly to release the result 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.

Any forward-looking statement in this Document based on past or current trends and/or activities of the Group should not be taken as a representation or assurance that such trends or activities will continue in the future. No statement in this Document is intended to be a profit forecast or to imply that the earnings of the Group for the current year or future years will match or exceed the historical or published earnings of the Group.

European Union Legislation

If and when a European Union instrument is incorporated into the law of the United Kingdom, a reference to that European Union instrument in this Document shall, except where the context requires otherwise, mean the European Union instrument as so incorporated and any enactment, statutory provision or subordinate legislation that from time to time (with or without modifications) re-enacts, replaces or consolidates it for the purposes of the law of the United Kingdom.

Governing Law

Unless otherwise stated, statements made in this Document are based on the law and practice currently in force in England and Wales and are subject to change therein.

All references to legislation in this Document are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation or regulation shall include any amendment, modification, re-enactment or extension thereof.

Presentation of financial information

The consolidated Historical Financial Information of the Group for the three years ended 31 December 2024, and the unaudited Interim Financial Information of the Group for the six months ended 30 June 2025, each set out in Part IV of this Document, have been prepared in accordance with IFRS.

Certain non-financial measures such as EBITDA have been included in the financial information contained in this Document as the Directors believe that these present important alternative measures with which to assess the Group's performance. These measures should not be considered as an alternative to revenue and operating profit, which are IFRS measures, or other measures of performance under IFRS. In addition, the Company's calculation of EBITDA may be different from the calculation used by other companies and therefore comparability may be limited.

Rounding

The financial information and certain other figures in this Document have been subject to rounding adjustments. Therefore, the sum of numbers in a table (or otherwise) may not conform exactly to the total figure given for that table. In addition, certain percentages presented in this Document reflect calculations based on the underlying information prior to rounding and accordingly may not conform exactly to the percentages that would be derived if the relevant calculations were based on the rounded numbers.

Currency Presentation

In this Document, references to "sterling", "£", "penny", "pence" and "p" are to the lawful currency of the United Kingdom. References to "US dollars", "US\$", "\$", "dollars" and "cents" are references to the lawful currency of the United States. References to "euros", and "€" are references to the lawful currency of the European Union. Unless otherwise indicated, the financial information contained in this Document has been expressed in sterling. The Company presents its financial statements in US dollars.

Market, industry and economic data

Unless the source is otherwise identified, the market, economic and industry data and statistics in this Document constitute estimates by management of the Group, using underlying data from third parties. The Group has obtained market and economic data and certain industry statistics from internal reports, as well as from third party sources, as described in the footnotes to such information. All third-party information set out in this Document has been accurately reproduced and, so far as the Board is aware and has been able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Such third-party information has not been audited or independently verified, and the Company and the Directors accept no responsibility for its accuracy or completeness.

Market and industry data is inherently predictive and speculative and is not necessarily reflective of actual market conditions. Statistics in such data are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market. The value of comparisons of statistics for different markets is limited by many factors, including that: (i) the markets are defined differently; (ii) the underlying information was gathered by different methods; and (iii) different assumptions were applied in compiling the data. Consequently, the industry publications and other reports referred to above generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed and, in some instances, these reports and publications state expressly that they do not assume liability for such information.

No incorporation of website information

The contents of the Company's website, any other website mentioned in this Document, or any website directly or indirectly linked to these websites have not been verified and do not form part of this Document, and prospective investors should not rely on such information.

Interpretation

Certain terms used in this Document are defined and certain technical and other terms used in this Document are explained in the "Definitions" section.

All times referred to in this Document are, unless otherwise stated, references to London time.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

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FUNDRAISE AND ADMISSION STATISTICS

Issue Price per Placing Share	30 pence
Number of Existing Shares	50,000,000
Number of New Ordinary Shares to be issued pursuant to the Placing	16,666,666
Number of Sale Shares to be sold by the Selling Shareholder pursuant to the Placing	2,034,704
Enlarged Share Capital on Admission	66,666,666
New Ordinary Shares as a percentage of the Enlarged Share Capital	25.0 per cent.
Sale Shares as a percentage of the Enlarged Share Capital	3.1 per cent.
Expected market capitalisation of the Company on Admission*	£20.0 million
Gross proceeds of the Placing receivable by the Company	£5.0 million
Estimated net proceeds of the Placing receivable by the Company	£3.4 million

Note:

* *The market capitalisation of the Company at any given time will depend on the market price of the Ordinary Shares at that time, but this calculation is based upon the Issue Price. There can be no assurance that the market price of an Ordinary Share will equal or exceed the Issue Price.*

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Document	10 December 2025
Issue of New Ordinary Shares	16 December 2025
Admission and commencement of dealings in the Enlarged Share Capital on AIM	8.00 a.m. on 16 December 2025
Date for settlement within CREST (where applicable)	on or around 8.00 a.m. on 16 December 2025
Dispatch of definitive share certificates (where applicable)	on or around 30 December 2025

All times are London, UK times. Each of the times and dates in the above timetable is indicative only and is subject to change without further notice at the absolute discretion of the Company, Strand Hanson and Cavendish.

DEALING CODES

AIM ticker	AIM:NEWS
ISIN code	GB00BTWSXW71
SEDOL	BTWSXW7
LEI code	64880N2ZUTE87Z24Y695

COMPANY OFFICERS, REGISTERED OFFICE AND ADVISERS

Directors	<p>Mark Elliott (<i>Non-Executive Chair</i>) Omar Essam El-Din Saleh Hamdi (<i>Chief Executive Officer</i>) Adam Hurst (<i>Chief Financial Officer</i>) Tunji Akintokun (<i>Non-Executive Director</i>) Linda Marston-Weston (<i>Non-Executive Director</i>)</p>
Company secretary	Adam Hurst
Registered office	<p>101 New Cavendish Street 1st Floor South London W1W 6XH</p>
Website	www.pathoscommunicationsplc.com
Nominated & Financial Adviser	<p>Strand Hanson Limited 26 Mount Row London W1K 3SQ</p>
Sole broker and sole bookrunner	<p>Cavendish Capital Markets Limited 1 Bartholomew Close London EC1A 7BL</p>
Legal advisers to the Company	<p>Bird & Bird LLP 12 New Fetter Lane London EC4A 1JP</p>
Legal advisers to the Nominated Adviser and Broker	<p>Stephenson Harwood LLP 1 Finsbury Circus London EC2M 7SH</p>
Auditor and Reporting Accountants (UK)	<p>HaysMac LLP 10 Queen St Place London EC4R 1AG</p>
Bookkeepers to the Company	<p>SH Accounting & Bookkeeping Ltd 100 Bishopsgate London EC2M 4AG</p>
Local Accountants to the Company	<p>Harris & Trotter LLP 101 New Cavendish Street London W1W 6XH</p>
Accountants to the Company (DIFC)	<p>Redbond & Co Office 3003 HDS Business Centre Cluster M, Jumeirah Lake Towers Dubai, United Arab Emirates</p>
Tax Adviser (DIFC)	<p>Sanctuary Corporate Services FX LLC 301, Office 9, Building 3 Emaar Square Downtown Dubai U.A.E.</p>

Registrars

Neville Registrars Limited

Neville House
Steelpark Road
Halesowen
B62 8HD

**Financial Public Relations Advisers
to the Company**

BlytheRay Ltd

4-5 Castle Court
London
EC3V 9DL

DEFINITIONS

“Act” or “Companies Act”	the Companies Act 2006 (as amended)
Admission	the admission of the Enlarged Share Capital to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules for Companies
Adjusted EBITDA	EBITDA, adjusted for normalisation and one-off non-recurring expenditure, as set out in paragraph 6 of Part I of this Document
Adjusted profit before tax	profit before tax, adjusted for normalisation and one-off non-recurring expenditure, as set out in paragraph 6 of Part I of this Document
AI	Artificial Intelligence
AIM	the AIM market operated by the London Stock Exchange
AIM Rules for Companies	the AIM Rules for Companies published by the London Stock Exchange from time to time
AIM Rules for Nominated Advisers	the AIM Rules for Nominated Advisers published by the London Stock Exchange from time to time
Articles	the articles of association of the Company from time to time, a summary of the version in force at Admission being set out in paragraph 7 of Part VI of this Document
Audit and Risk Committee	the audit and risk committee of the Board, as constituted from time-to-time
Audited Historical Financial Information	the audited consolidated financial information of the Group for the 17-month period to 31 December 2022 and the two year periods ended 31 December 2024, as set out in Section B of Part IV of this Document
Board	the board of directors of the Company
Broker Agreement	the broker agreement, details of which are set out in paragraph 15.1.4 of Part VI of this Document
Cavendish	Cavendish Capital Markets Limited, the Company’s sole broker and sole bookrunner
certificated or in certificated form	not in uncertificated form (that is, not in CREST)
Client(s)	an individual or company that has entered into a contract for services with a Group entity
Companies Act	the Companies Act 2006 (as amended)
Company	Pathos Communications plc, a company incorporated in England and Wales with company number 12106511, having its registered office at 101 New Cavendish Street, 1st Floor South, London, United Kingdom, W1W 6XH
Concert Party	Omar Hamdi and The Festina Lente Trust
CREST	the computer-based system and procedures which enable title to securities to be evidenced and transferred without a written instrument, administered by Euroclear in accordance with the CREST Regulations
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001/3755), including: (i) any enactment or subordinate legislation which amends those regulations; and (ii) any applicable rules made under those regulations or such enactment or subordinate legislation for the time being in force
CRM	Customer Relationship Management

Dealing Day	a day (other than a Saturday, Sunday or public holiday) on which the London Stock Exchange is open for the transaction of business
DIFC	the Dubai International Financial Centre
Directors or Board	the directors of the Company as at the date of this Document, whose names appear on page 12 of this Document
Disclosure and Transparency Rules or DTRs	the Disclosure Guidance and Transparency Rules made by the FCA under Part VI of FSMA
Document	this document dated 10 December 2025
EBITDA	earnings before interest, tax, depreciation and amortisation
EEA	the European Economic Area
EEA Prospectus Regulation	Regulation (EU) 2017/1129 of the European Union
EIS	the Enterprise Investment Scheme
EIS Legislation	the EIS as set out under Chapters 2 and 4 of Part 5 of the Income Tax Act 2007 of the United Kingdom
EIS Shares	the new Ordinary Shares to be issued and allotted to persons seeking to invest in “eligible shares” for the purposes of the EIS Legislation pursuant to the Placing
EIS Tax Relief	tax reliefs as described in Chapter 1 of Part 5 Income Tax Act 2007
Enlarged Share Capital	the issued share capital of the Company immediately following Admission, comprising the Existing Shares and the New Ordinary Shares
ESG	environmental, social and governance
EU	European Union
EU GDPR	the General Data Protection Regulation (EU) No 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with respect to the processing of personal data and on the free movement of such data
Euroclear	Euroclear UK & International Limited, a company incorporated under the laws of England and Wales with registered number 2878738 and the operator of CREST
EUWA	the European Union (Withdrawal) Act 2018, as amended
Executive Directors	the executive Directors of the Company as at the date of this Document, being Omar Hamdi and Adam Hurst
Existing Shares or Existing Share Capital	the 50,000,000 Ordinary Shares in issue as at the date of this Document (which, for the avoidance of doubt, includes the Sale Shares)
FCA	the Financial Conduct Authority of the United Kingdom
FSMA	the Financial Services and Markets Act 2000, as amended
FY	the financial period ended or ending 31 December
GEO	generative engine optimisation, which is the practice of creating and adapting content to be prioritised by AI-driven search engines, such as ChatGPT and Google Gemini
Group	the Company and its subsidiaries and subsidiary undertakings (in each case as defined in the Companies Act)
Historical Financial Information	together, the Audited Historical Financial Information and the Interim Financial Information of the Group
HMRC	HM Revenue and Customs

IFRS	UK-adopted international accounting standards, as issued by the International Accounting Standards Board
Interim Financial Information	the unaudited consolidated financial information of the Group for the six months ended 30 June 2025, as set out in Section C of Part IV of this Document
Issue Price	30 pence per Placing Share
KPIs	Key Performance Indicators
Latest Practicable Date	9 December 2025
Lead	a potential Client that has expressed interest in the Group's services
LLM	Large Language Model, a type of AI that is trained on large datasets to understand, generate, and manipulate human language
London Stock Exchange	London Stock Exchange plc
Lock-in Agreements	the lock-in and orderly market agreements entered into by the Company, Strand Hanson, Cavendish, the Locked-in Shareholder and the Locked-in Directors, details of which are set out in paragraph 11 of Part I and paragraph 15.1.2 of Part VI of this Document
Lock-in Period	the period of 12 months following Admission
Locked-in Directors	Adam Hurst, Linda Marston-Weston and Mark Elliott, being those Directors who hold Ordinary Shares at Admission
Locked-in Shareholder	The Festina Lente Trustees
LTIP	means the discretionary executive share option plan to be known as the Pathos Communications plc Long-Term Incentive Plan, as amended from time to time and details of which are set out in paragraph 5.7.1 of Part VI (<i>Additional Information</i>) of this Document
LTIP Option(s)	has the meaning given in paragraph 5.7.1.1 of Part VI (<i>Additional Information</i>) of this Document
Member State	a member state of the EEA
New Ordinary Shares	new Ordinary Shares in the capital of the Company to be issued pursuant to the Placing at the Issue Price
Nominated Adviser or Strand Hanson	Strand Hanson Limited, a company incorporated in England and Wales with company number 02780169 and having its registered office at 26 Mount Row, London W1K 3SQ, which as at the date of this Document is appointed as the nominated adviser to the Company
Nominated Adviser Agreement	the nominated adviser agreement, details of which are set out in paragraph 15.1.3 of Part VI of this Document
Non-Executive Directors	the non-executive directors of the Company as at the date of this Document, Mark Elliott, Tunji Akintokun and Linda Marston-Weston
Official List	the official list maintained by the FCA
Ordinary Shares	ordinary shares of 0.1 pence each in the capital of the Company
Panel	the Panel on Takeovers and Mergers
PC Foundation	a foundation established in the DIFC with registration number OL8503 with registered address at Unit 11, Level 1, Currency House – Tower 2, DIFC
Placees	those persons acquiring Placing Shares pursuant to the Placing
Placing	the conditional placing by Cavendish, as agent for (i) the Company of the New Ordinary Shares; and (ii) the Selling Shareholder of the Sale

	Shares, each at the Issue Price, pursuant to the terms of the Placing Agreement
Placing Agreement	the conditional agreement in relation to the Placing and Admission entered into by the Company, Cavendish, Strand Hanson, the Selling Shareholder and the Directors on or around the date of this Document, details of which are set out in paragraph 15.1.1 of Part VI of this Document
Placing Shares	the 16,666,666 New Ordinary Shares and 2,034,704 Sale Shares to be issued and sold at the Issue Price by the Company and the Selling Shareholder, respectively, pursuant to the Placing
Prospectus Regulation Rules	the Prospectus Regulation Rules published by the FCA under section 73A of FSMA, as amended
PR	public relations
QCA	the Quoted Companies Alliance
QCA Code	the Corporate Governance Code 2023 published by the QCA
Registrars	the Company's registrars, being Neville Registrars Limited, a company incorporated in England and Wales with company number 04770411 and having its registered office at Neville House, Steelpark Road, Halesowen, B62 8HD
Registrars Agreement	the agreement entered into between the Company and the Registrars, details of which are set out in paragraph 15.1.6 of Part VI of this Document
Relationship Agreement	the relationship agreement entered into between The Festina Lente Trustees, Omar Hamdi, the Company and Strand Hanson on 10 December 2025, details of which are set out in paragraph 15.1.5 of Part VI of this Document
Remuneration and Nominations Committee	the remuneration and nominations committee of the Board, as constituted from time to time
RIS	has the meaning given to it in the AIM Rules for Companies
ROI	return on investment
Sales Cycle	the Company's process which aims to identify SME Leads, assess their suitability and deliver content to Clients' satisfaction, with the objective of generating repeat Clients, further details of which are set summarised in section 4 of Part I of this Document
Sale Shares	the 2,034,704 Ordinary Shares to be sold by the Selling Shareholder pursuant to the Placing at the Issue Price
SDRT	Stamp Duty Reserve Tax
Selling Shareholder	together, The Festina Lente Trustees
SEO	search engine optimisation, which is the practice of improving a website to increase its visibility in organic search engine results, such as Google
Shareholders	holders of Ordinary Shares, each a "Shareholder"
Share Plans	means the LTIP and any other share plans (including any sub-plan to the LTIP) that the Company may establish from time to time
SMEs	small and medium enterprises that employ fewer than 250 people and have an annual turnover of no more than €50 million or a balance sheet total not exceeding €43 million
Sopro	a trading brand of Prospect Global Ltd

Subsidiaries	each of Pathos Global Management Limited (incorporated in DIFC on 23 February 2024 under registration number 8103 and registered office at Units C401 and C407 Level 4, Burj Daman, Dubai International Financial Centre) and Global Marketing Services FZCO (redomiciled to the DIFC on 26 March 2024 under registration number 8251 and registered office at Unit C401 & C407, Level 4, Burj Daman, Dubai International Financial Centre)
Takeover Code	the City Code on Takeovers and Mergers published by the Panel
The Festina Lente Trust	a trust governed by the law of the Bailiwick of Guernsey, the trustees of which are The Festina Lente Trustees, and of which Omar Hamdi is a beneficiary, as set out in this Document
The Festina Lente Trustees	David Adam Larkin, Daniel Craig Fletcher and Andrew John Cheetham, in their capacity as trustees of The Festina Lente Trust
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
UK GDPR	GDPR as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018 (including as further amended or modified by the laws of the United Kingdom or a part of the United Kingdom from time to time)
UK MAR	the UK version of the Market Abuse Regulation (Regulation 596/2014) which is part of English law by virtue of EUWA, as amended
UK Prospectus Regulation	Regulation (EU) 2017/1129 of the European Union, as it forms part of English law by virtue of the EUWA, as amended
uncertificated or uncertificated form	recorded on the relevant register of the share or security as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
US or United States	the United States of America
US Persons	has the meaning given in Regulation S
US Securities Act	the US Securities Act of 1933, as amended
VAT	value added tax
VCT	venture capital trust
VCT Legislation	Part 6 of the Income Tax Act 2007 and any provisions of UK or European law referred to therein
VCT Shares	the new Ordinary Shares to be issued and allotted to VCTs pursuant to the Placing
X	the social media platform, previously Twitter
£ and p	United Kingdom pounds sterling and pence respectively
\$ and USD	United States dollars

PART I

INFORMATION ON THE GROUP

1. INTRODUCTION AND BACKGROUND

Pathos is a technology-enabled, human-led PR company, recently ranked the 33rd fastest growing company in Europe in the 2025 Financial Times 1000. The Company collaborates with its Clients to create and distribute articles and media across a variety of platforms, including established news outlets, digital media and podcast channels. The Company's Client base comprises small-medium enterprises ("SMEs"), including micro-SMEs, which can benefit from public exposure through media and news publishers. The Company is incorporated in the UK, with its primary operations in the DIFC.

Pathos was founded in 2019 by Omar Hamdi, who combined a background in computing, journalism and television presenting to create a rapidly scaling, technology-enabled PR and media business. The Company was established with an objective to democratise access to premium media outlets for SMEs globally.

In 2021, the Group established its global operations hub in Dubai to maximise growth and benefit from access to a global talent pool of employees, and in 2024 redomiciled to the DIFC, an English-language common law jurisdiction. From FY22 to FY24, the Company's revenue achieved a compound annual growth rate ("CAGR") of 83 per cent. (based on revenue for the 12 months to 31 December 2022 of \$3,410k (unaudited)) and consistently reported gross margins of at least 75 per cent. On an Adjusted basis (as detailed in paragraph 6 of this Part I), Pathos has generated a profit before tax and been cash generative in each year since inception, at an operating cash level, and its growth has been achieved without funding from any external sources.

A summary of the Group's historical financial information, as extracted from the Historical Financial Information set out in Part IV of this Document, and other key non-IFRS financial metrics is set out below.

	17-month period ended 31 December 2022 Audited	Year ended 31 December 2023 Audited	Year ended 31 December 2024 Audited	Six months ended 30 June 2025 Unaudited
US\$000				
Turnover	3,728	7,084	11,405	6,420
Gross profit	3,163	5,347	8,972	5,196
Adjusted EBITDA	842	1,499	1,855	1,271
EBITDA	1,586	390	287	1,186
Adjusted profit before tax	842	1,499	1,095	844
Profit/(loss) before tax	1,586	390	(473)	759

The Company's financial performance has culminated in Pathos being named in several growth company indices, including:

- 2024: "The fastest growing professional services firm in the UK" – UBS UK Fast Growth Index;
- 2025: Fastest growing advertising and marketing firm in the UK – Financial Times FT1000;
- 2025: 33rd fastest growing company in Europe – Financial Times FT1000;
- 2025: 6th fastest growing company in the UK – Deloitte UK Technology Fast50; and
- 2025: Most ambitious business leaders – Lloyds Development Capital Top50.

The Group benefits from a workforce of approximately 61 employees who have been recruited from a broad international talent pool. They have been trained to deliver on the Group's proven Sales Cycle (as more fully described in section 4 of this Part I below) and AI-driven technologies to service over 6,000 Clients across 89 countries, whilst continually expanding its Client base.

The Company's offerings to its Clients are supported by its proprietary AI-driven technologies, which are used to generate ideas, undertake market research and create news articles with limited human input required to generate highly efficient outputs. The Group's two primary technologies comprise:

- **PathosMind** is the Company's in-house LLM AI agent, which monitors over 50,000 news sources for existing Clients and Leads daily, identifies news hooks, generates article ideas and drafts full publications.

- **Pressella** is a virtual publicist that attends meetings with existing Clients and Leads to take notes, rates quality of calls and generates article ideas by utilising PathosMind. It has a chatbot functionality which enables efficient and effective interactions to refine output and develop the PR strategy, and this can be executed across channels such as WhatsApp, SMS, iMessage, LinkedIn direct messages and email.

Pathos is seeking Admission to raise funds to accelerate the Company's growth through the expansion of its existing operations, as well as to enter new geographical markets, enhance its technological capabilities, and to increase its public profile. The net proceeds of the Placing receivable by the Company will primarily be used to increase the capacity of the Group's Sales and Client Success teams, marketing spend and to continue the development of its AI-driven technological products.

2. KEY STRENGTHS

The Directors believe the growth of the Company and the expectations for its future development are founded on the following key strengths.

Differentiated business model

- The Company was founded with a vision to democratise SMEs' access to established news publications to increase their public relations exposure capabilities, which Pathos has assisted over 6,000 Clients in achieving to date.
- To deliver its service, the Group operates a differentiated approach to the traditional PR model, without the requirement of costly, long-term subscription fees, by offering a "pay-on-results" model, typically charging customers US\$5,000 per publication. Clients' risk and commitment are therefore reduced, particularly focused on SMEs which typically have lower PR budgets.
- The Company utilises a capital-light model, which limits its fixed costs and facilitates the Company's forward-thinking strategy as well as its ability to react nimbly to its Clients' and the market's needs.

Track record and "bootstrapped" growth

- Pathos is a multiple award-winning growth company, including in 2025 being recognised in the FT1000 as the fastest growing advertising and marketing firm in the UK, and the 6th fastest growing company in the Deloitte UK Technology Fast 50. In addition, the Company was named in the UBS UK Fast Growth Index as the fastest growing professional services firm in the UK in 2024.
- Since incorporation in July 2019, the Company's revenue increased to US\$3.7 million in FY22 and US\$11.4 million in FY24, at a CAGR of 83 per cent. (based on 12-month periods). Such growth has been achieved without any funding from any external sources.
- The Company has generated aggregate revenues of over US\$28 million since 2022, achieving an average gross profit margin of over 79 per cent.

Competitive advantage

- Since incorporation, the Company's sales pipeline has generated over 324,000 Leads who have expressed an interest in a further conversation with the Group. This has resulted in over 84,000 booked meetings between individuals and companies engaging with a member of the Pathos sales team, and, as at the Latest Practicable Date, 6,000 Clients. Pathos estimates from Sopro data that the typical cost to replicate its database of Leads is US\$53 million. Pathos continues to expand its network of Leads through its wide range of marketing platforms, which together enables the Company to aim to book over 150 meetings with Leads per day, sourced from a range of marketing channels. The Company aims to maintain diversification of Leads acquired by ensuring that no more than 30 per cent. of meetings booked are from a single marketing channel. In addition, the Company seeks to remain in contact with its Leads who may in future have the capacity to progress to become a Client.
- The Directors believe that the Company's differentiated approach and "pay-on-results" model, coupled with its ability to successfully place its Clients' articles in established news outlets on a timely basis, could be challenging for traditional PR agencies to adopt due to the potential conflict it could present against their existing business models.
- Pathos has continually developed and refined its Sales Cycle into a process that the Directors believe has had a significant influence on the Company's growth to date. Successful delivery of Pathos's service to its Clients is intrinsically dependent on the effectiveness and smooth running of its Sales

Cycle, meaning that the ethos of the Company is imperative to its success. These intangible attributes are considered by the Directors to be an important competitive advantage of the business, which cannot simply be acquired or easily replicated.

- In addition, the Company's competitive advantage lies within its proprietary AI technology, which supports the workforce to generate ideas, undertake research and draft news articles, enabling Pathos's "human-led, AI-fed" approach.

Market opportunity

- The Company's business model targets a vast market opportunity and is aiming to offer cost-effective PR services to the 400 million SMEs globally. This is also a rapidly replenishing market with an estimated 50 million new businesses started each year.
- Pathos has, to date, achieved the majority of its growth through Clients based in the US and, whilst the Company will continue to focus its attention in the US due to the scale of the market and further growth opportunity, the Company is well positioned to expand the business into additional jurisdictions, partially as a result of the Company's intention to increase the number of languages offered. In particular, the intention to introduce Spanish and Mandarin capabilities opens substantial growth opportunities across Latin America and China.

Client retention and concentration

- The Company retains a diversified existing Client base of over 6,000 Clients, with minimal sector concentration, across 89 countries and the ability to expand into new territories with limited operational risk and financial commitment. No single Client has represented more than 1 per cent. of the Company's annual revenue from FY22 to FY24.
- The Company prides itself upon its ability to retain Clients after it has published an initial article for them, as reflected in repeat customers accounting for 45 per cent. of total cash collection during the FY25 period through to 30 September 2025.
- The Company has received over 750 public video testimonials from Clients who have engaged Pathos's services, which the Sales team can utilise for Leads meetings.

Board of Directors

- Omar Hamdi has led the Company as founder and CEO since its inception. He is supported by an experienced board of directors, with expertise across London public capital markets, technology, services and accountancy.
- The Board is comprised of Mark Elliott as independent Non-Executive Chair, Omar Hamdi as Chief Executive Officer, Adam Hurst as Chief Financial Officer and Linda Marston-Weston and Tunji Akintokun as independent Non-Executive Directors.

3. MARKET AND COMPETITION

3.1 Market Opportunity

The Directors believe traditional PR companies often rely on monthly retainers, locking their customers into long-term contracts at high costs without any certainty over publishing outcomes, which presents challenges for SMEs faced with limited marketing and PR budgets. Moreover, the Directors believe many traditional PR firms operate inefficient, relationship-driven businesses, which have demonstrated limited investment in emerging technology and continue to operate on low margins, with limited growth opportunities. Pathos is challenging this traditional model via a "human-led, AI-fed" model to provide a meaningful and accessible service for SMEs.

The Company's Client base comprises SMEs, including micro-SMEs, which can benefit from public exposure through established media and news publishers. In 2024, Pathos explored broadening its target customers to include individuals and sole proprietors through a new market segment testing programme. However limited traction was gained and therefore the Company refocused its target customer base on SMEs alone, which represents a significant global market.

3.2 Value Proposition for SMEs

Certain industry analysts have estimated that less than one per cent. of SMEs in the US, the Group's largest geographical market currently, have access to external PR or marketing. SMEs' presence in mainstream media is significantly underrepresented, and the Directors believe SMEs, particularly

entrepreneurs and business owners, often face challenges in gaining tangible outcomes from their PR or marketing strategies. They tend not to be sufficiently resourced, in the forms of time, capital nor personnel to invest in self-promotion or media exposure via traditional PR models. Many SME business owners wishing to gain recognition may resort to running Facebook or Google ads that can be complex, expensive and time consuming, and may not achieve the desired result without the appropriate expertise and know-how. PR advice for SMEs therefore needs to be efficient and cost-effective to fuel growth, provide credibility and gain exposure in their field.

The Directors believe Pathos's "pay-on-results" approach addresses the need to democratise access to established media publications throughout the market by removing many of the financial barriers to entry inherent in SMEs obtaining professional PR services. In addressing the time and personnel hurdles faced by SMEs, the Directors consider Pathos's efficient Sales Cycle and technological innovations allow SMEs faster access to targeted publications which help to drive sales and deliver ROI-driven results.

By utilising PR, SMEs can gain advantage over their peers in crowded markets, build brand trust, and leverage digital and social media channels. The public exposure can also improve SMEs' ability to attract and retain key employees and talent and attract investors and partners who could assist with developing the business. In particular, inclusion in established publications can, in the Directors' experience, significantly improve a company's search engine optimisation ("SEO") and generative engine optimisation ("GEO") performance, which is becoming an increasingly crucial marketing tool for businesses. In addition, the Company's Clients can experience satisfaction that their business has been publicised by mainstream media, affording them the recognition they feel they deserve. Pathos's Clients are able to leverage the published article by pursuing a wider marketing strategy by such article adding credibility to social media posts or other outreach efforts, which the Company supports and advises Clients on.

The Directors believe that traditional large media outlets focus their coverage on a limited number of large multinational corporations, with revenues exceeding £1 billion, with minimal coverage of SMEs. As GEO grows, the discipline of ranking highly within generative AI platforms and LLMs such as ChatGPT is becoming increasingly important in addition to SEO. The Company sees press coverage in established outlets as a key element required for visibility in GEO, due to the sources used for GEO.

3.3 *Value Proposition for Publishers*

Traditional print news outlets that have transitioned to digital formats have become increasingly reliant on advertising revenue, resulting in such websites showing more intrusive advertising that can diminish the reader's experience. This has resulted in news outlets having the choice between maintaining editorial control at the expense of revenue or relinquishing editorial control to increase revenue generation through advertising. The Directors believe that Pathos offers an alternative approach to such publishers by providing genuine news content while enabling publishers to retain full editorial control and revenue generation.

3.4 *Market size*

3.4.1 *SMEs and AI*

Pathos is aiming to target the 400 million SMEs worldwide. The SME environment has become a self-replenishing market which welcomes approximately 50 million newly launched businesses each year.

The global SME market is expected to grow to approximately US\$3.3 trillion by 2031 with an approximately 8.6 per cent. CAGR, of which the US retains the largest market share. To date, the US has been Pathos's primary jurisdictional focus, however, there remains significant opportunity outside of the US, and the Company is set to expand into less developed markets, including into non-English speaking jurisdictions, pursuing Leads into Asia (the fastest-growing market due to rapid social media penetration), Latin America, and Europe.

Pathos has serviced Clients in over 89 countries in six continents to date, and it intends to continue expanding its offering. The Company utilises its experience and applicable data obtained from previous entries into to geographical markets to strategise the optimal marketing method for entries into new markets.

Pathos operates within the PR and communications market but is supported by in-house AI technologies which improve its reach and efficiency. This in turn results in Pathos operating in

the broader AI-as-a-Service (AIaaS) and Conversational AI sectors. The AI-as-a-Service sector enables businesses and individual users to integrate AI-powered capabilities such as machine learning and natural language processing into their systems. This can improve operational efficiencies and create additional business opportunities, an approach that Pathos has adopted and continues to advance through its Pressella and PathosMind products. The AIaaS sector is projected to grow from US\$20.3 billion in 2025 to \$91.2 billion by 2030, at a CAGR of 35.1 per cent. The Conversational AI market, which includes AI-driven customer engagement and PR tools, is expected to grow from US\$11.6 billion in 2024 to US\$41.4 billion by 2030.

The Directors believe that the widespread adoption of large language AI models, such as OpenAI's ChatGPT and Google's Gemini, will increase the importance of PR and media. A 2025 Muck Rack study found that cited content actively influences the output of LLMs. In addition, more than 95 per cent. of citations originate from unpaid media sources and 85 per cent. of those come from earned media sources, being publicity or mentions of a brand or company that have been published by a third party (such as the content that Pathos facilitates for its Clients). Accordingly, the Board believes businesses that are focused on their public exposure and relations will benefit from search engines that incorporate AI and LLM systems.

3.5 Competitors

Pathos competes in a landscape where reputation, innovation, and global reach are key differentiators. Within the context of the c. 145,000 global PR firms, the Directors are not aware of any direct competitors of Pathos and believe this is due to Pathos's technology-backed "pay-on-results" approach targeting SMEs in comparison to typical PR agencies' subscription-based models.

Notwithstanding the above, the Company is aware of services being provided by typically sole operators that offer "pay-on-results" models at low-cost for placing their customer's articles in news outlets, however the Directors do not consider these businesses to be direct competitors due to Pathos's relative scale, reputation, quality and technological capabilities.

4. BUSINESS AND PRODUCT OVERVIEW

4.1 Sales Cycle

Pathos has designed and continually refines a Sales Cycle that aims to identify SME Leads, assess their suitability and deliver content to Clients' satisfaction, with the objective of generating repeat Clients that will move from the initial "pay-on-results" to Pathos Priority, further details of which are provided in section 4.3 of this Part I.

Each stage of the Sales Cycle is managed by the Pathos teams through its CRM system, and the process is summarised below:

Phase 1 – Lead Generation

Lead generation is focussed on identifying credible Leads and passing them onto the Telemarketing team through the Company's CRM system. To achieve this, the lead generation team utilises multiple data sources to identify potential Leads through a range of channels. The Company's potential lead sources include over 20 different channels, diversified across social media, search, LLMs, referrals, partnerships, third-party data providers and existing Lead data. The team will then undertake a filtering process to refine the list of potential Leads to determine which are the most likely to engage.

Phase 2 – Telemarketing

Once a credible Lead has been identified, the Telemarketing team contacts them to book in calls with the Sales team. Output from Telemarketing is measured by the number of meetings booked and held with Leads.

Phase 3 – Sales

The Sales team is responsible for converting Leads into Clients. When speaking to the Leads, the Sales team will guide the Leads through the content design and delivery process and will assess which of Pathos's three sales packages (further details of each package can be found in paragraph 4.3 of this Part I) to offer the Lead. The Sales team's sold packages are monitored to consider whether Leads are purchasing the appropriate packages, including whether up-selling opportunities are being capitalised upon or if a Lead's payment risk profile is too high for a larger package. The Sales team also carry

out a risk review to ensure the Lead passes an initial pre-qualification process such as assessing whether the Lead is an active functioning business and whether there are any factors that may prevent them fulfilling their payment obligations.

Phases 4 & 6 – Client Success

The Client Success team is responsible for reviewing Clients from Sales, beginning with a Sales quality control process where all prior communications, including meeting recordings, can be reviewed. This allows the Client Success team to identify any further risks or requirements in relation to a Client. As part of the engagement process, the Client Success team typically obtains customer credit card details and carries out a low value test payment.

The Client Success team is also responsible for ensuring that content to be designed by the Content Creation team is in an agreed format with the Client, the timing of publications, and for collecting payment from Clients. Following completion of content creation, the Client Success team will agree the preferred publisher with the Client. Media outlets are selected by the Group based on each Client’s business and where the publication would have the greatest impact, including industry publications and podcasts.

Phase 5 – Content Creation

Content Creation are responsible for designing and drafting content in the agreed form, beginning with any requirements or business objectives expressed by the Client to the Sales team. Content is produced manually but with the assistance of PathosMind and Pressella. Pressella has the capability to automatically propose articles to Leads following calls. Throughout the process, Pathos maintains a “human-in-the-loop” approach to ensure all articles meet quality standards and remain relevant.

Phase 7 – Return on Investment

The Return on Investment team is responsible for supporting and advising Clients post-publication on how to maximise the benefits of its public exposure through providing further PR strategies. The service is deemed a critical part of the Sales Cycle as it cements the idea of PR and its value to new users and first-time adopters, where uncertainty is particularly common within the SME landscape.

Phase 8 – Client Retention

The Client Retention / Repeat Business team is responsible for contacting Clients who have had an article published and for exploring appetite for follow on publications as well as possibly signing up to the Pathos Priority package, further information of which can be found in paragraph 4.3 of this Part I. Only once Clients have passed through the Sales Cycle for the first time are they offered the Pathos Priority package.



Figure 1: Pathos’s Sales Cycle

4.2 Technological Products

Pathos operates a robust, scalable, omnichannel strategy for generating Leads, onboarding Clients, delivering its services and gaining repeat business, and the Company is developing two AI-driven technologies to facilitate the speed and effectiveness of all projects, from the initial targeting of specific Leads to eventual publication.

However, Pathos leans upon the traditional model of PR with what it calls a “human-led, AI-fed” approach, seeking to cater for the majority of the market that still wishes to engage with people. The Company’s model currently provides its Clients with a wholly human service, however such service is supported and driven by AI-facilitated technologies that seek to enhance the quality and speed of delivery.

PathosMind

PathosMind is an in-house AI agent that monitors over 50,000 news sources daily, alongside social media sites, for existing Clients and Leads every day. PathosMind then utilises these inputs to identify news hooks, generate article ideas and draft full publications, all of which are stored in the Company’s CRM system. Currently, PathosMind functions as an intelligence assistant to Pathos employees. By being integrated into the Company’s CRM system, the Sales team is able to utilise its output to prepare efficiently for meetings with Leads. Furthermore, the Sales team are able streamline and simplify tasks for the Content Creation team through its research, drafting, and formatting processes, enabling team members to focus on higher-value activities such as Client engagement, quality control, and strategic content direction.

Over time, the vision for PathosMind is to evolve from an assistive tool into a fully autonomous business product, capable of independently managing the end-to-end content creation process without human intervention.

Pressella

Pressella is a virtual publicist who can attend meetings with Leads and existing Clients to take notes, and create potential article ideas based on, *inter alia*, the discussion with the Client detailing their business, drawing on relevant news and information provided by PathosMind. The virtual publicist is accompanied by an accessible chatbot interface, and can be contacted through SMS, WhatsApp, iMessage, LinkedIn direct messages and email. This tool incorporates machine learning capabilities, enabling it to improve over time by analysing editorial adjustments made by publishers, thereby enhancing content efficiency and relevance.

Prior to Pressella being rolled out for direct Client use, the proprietary technology is being used and developed by internal staff, allowing quicker and more accurate AI learning. Pressella’s functionality extends to supporting the Company in training employees, particularly those in the Sales team, through its attendance of virtual sales meetings and grading the Pathos employee’s performance based on pre-set factors determined to be the most important to achieve a sale. The machine learning system continuously updates the factors considered to be the most pertinent for sales calls, based on the outcome of previous meetings.

Pathos intends that Pressella will continue to increase its presence in the Sales Cycle through further development of the model, as its reliability and capacity increases. The Company’s longer-term strategy includes developing its AI-based technologies to increase the level of automation across the full Sales Cycle, such that the level of human input is reduced, thereby increasing operational efficiency and expansion opportunities.

PodcastWise

PodcastWise is a web-driven tool which accesses podcast hosts and providers to allow Pathos to book relevant podcast appearances for Clients. The Directors believe PodcastWise is the world’s largest verified database of podcast bookers, constantly updated through the podcast Really Simple Syndication (“RSS”) feeds.

4.3 Client Contract Structure

The Group operates on a largely performance-based pricing model, known as “pay-on-results”, resulting in Clients only being billed when an article is successfully published. The standard fee for new Clients is typically US\$5,000 per published article and they are offered contracts covering one,

two, or three articles to the value of US\$5,000, US\$10,000 and US\$15,000, respectively. Of the fee, Pathos will pay the distributor an amount for pre-publication services.

Upon fulfilment of a Client's initial sales contract, the Group aims to retain Clients by offering subsequent contracts covering multiple articles on its Pathos Priority programme.

Pathos Priority requires an annual upfront, non-refundable payment of US\$949, which grants Client's access to a reduced rate of US\$3,500 per published article. This upfront fee is only charged after the first article has been successfully published.

5. GROWTH STRATEGY

Pathos is targeting growth through four separate channels, geographic growth, organic growth, technological growth and via micro acquisitions.

- Geographically, Pathos is sector agnostic and, as well as seeking to continue to drive growth in the US, is primed to pursue further Leads in Asia, Latin America and Europe, assisted by the intention to increase the number of languages Pathos is able to publish articles in. In particular, the intention to introduce Spanish and Mandarin capabilities opens substantial growth opportunities across Latin America and China.
- Organically, Pathos is looking to further build out marketing channels through increased performance and marketing spend, investment in personnel to push lead generation, whilst continually refining its Sales Cycle to optimise Client experience and operational efficiency.
- Technologically, Pathos's current technology is being utilised by its employees to generate Leads, undertake research and create article ideas. Further investment into product development is intended to enhance the efficacy of the technology and facilitate direct Client use to improve Client services and reduce the Company's costs. The Company's longer-term strategy includes developing its AI-based technologies to increase the level of automation across the full Sales Cycle to increase operational efficiency and expansion opportunities.
- Finally, Pathos will look to pursue micro-acquisitions, where appropriate, with the propensity to scale through an M&A strategy in the medium term. Previous acquisitions include PodcastWise, the largest verified database of podcast hosts and providers. On 28 June 2024 Pathos also acquired Thought Leadership PR delivering an ROI of 2,000 per cent. in contracted revenue within four months.

The net proceeds of the Placing are expected to be used to accelerate the Company's execution of its growth strategy through, *inter alia*, the expansion of its sales team, entry into new geographies, and investment into its technological products. In addition, the Directors believe that the increased public awareness and reputation of Pathos as an AIM-quoted company in London will assist with Client acquisition and sales.

6. SELECTED HISTORICAL FINANCIAL INFORMATION

A summary of the Group's historical financial information, as extracted from the Historical Financial Information set out in Part IV of this Document, and other key non-IFRS financial metrics is set out below and should be read in conjunction with the full text of this Document. Investors should not rely solely on the summarised information set out below.

	17-month period ended 31 December 2022 Audited	Year ended 31 December 2023 Audited	Year ended 31 December 2024 Audited	Six months ended 30 June 2025 Unaudited
US\$000				
Turnover	3,728	7,084	11,405	6,420
Gross profit	3,163	5,347	8,972	5,196
Adjusted EBITDA	842	1,499	1,855	1,271
EBITDA	1,586	390	287	1,186
Adjusted profit before tax	842	1,499	1,095	844
Profit/(loss) before tax	1,586	390	(473)	759

Revenue grew by US\$3,356k (approximately 90 per cent.) in FY23 and US\$4,321k (approximately 61 per cent.) in FY24, driven by increased booking and close rates and an increased marketing spend. The

Company's revenue is primarily earned from sales into the US, which accounted for 90 per cent. of total revenue in FY24.

Costs of sales primarily relate to publication costs, which typically move in line with revenue. Other costs of sales include the salaries and commissions for the Company's Sales team. Gross profit has grown by US\$2,184k (approximately 69 per cent.) in FY23 and US\$3,625k (approximately 68 per cent.) in FY24, and the margin has remained at least at 75 per cent. across FY22 to FY24. Gross margins increased from FY23 as a result of the Company's increased scale and volume of articles with its publishing partners.

In addition to the Historical Financial Information included in Part IV of this Document, the Group discloses other non-IFRS financial metrics as follows:

EBITDA

A reconciliation of the Group's audited "*profit/(loss) before tax*" to its unaudited EBITDA for the three periods ended 31 December 2024 and the six-month period ended 30 June 2025 is as follows:

US\$000	17-month period ended 31 December 2022 Audited	Year ended 31 December 2023 Audited	Year ended 31 December 2024 Audited	Six months ended 30 June 2025 Unaudited
Profit/(loss) before tax (<i>audited</i>)	1,586	390	(473)	759
<u>Adjustments:</u>				
Interest	—	—	166	78
Depreciation & Amortisation	—	—	594	349
EBITDA (<i>unaudited</i>)	1,586	390	287	1,186

Adjusted EBITDA

Adjusted EBITDA is defined as the Group's reported EBITDA, adjusted for the following normalisation and non-recurring expenditure:

- the normalisation adjustment relates to Omar Hamdi who was the sole director of the company during the review period. During the period Mr Hamdi was remunerated through payment of Director's fees depending on cash availability and profit levels. The normalisation adjustment has been calculated to replace the historically uneven Director's fee payments with the contractual amounts per his service agreement; and
- the non-recurring expenditure adjustment relates to the costs incurred by the Group in exploring a new market segment during the year ended 31 December 2024. The Group tested its SME business model in the sole trader market. However, following the test period the Group has determined that the sole trader market is non-core at this stage and has hence concluded that this expenditure is non-recurring in nature. In addition, one off costs were incurred relating to the redomiciliation of Global Marketing Services FZCO to the Dubai International Financial Centre in 2024.

A reconciliation of the Group's EBITDA to its Adjusted EBITDA for the three periods ended 31 December 2024 and the six-month period ended 30 June 2025 is set out below:

US\$000	17-month period ended 31 December 2022 Audited	Year ended 31 December 2023 Audited	Year ended 31 December 2024 Audited	Six months ended 30 June 2025 Unaudited
EBITDA (<i>unaudited</i>)	1,586	390	287	1,186
<u>Normalisation Adjustments:</u>				
Director's Fees	(744)	1,109	818	—
<u>Non-recurring adjustment:</u>				
New market testing, redomiciliation costs, IPO costs	—	—	750	85
Adjusted EBITDA (<i>unaudited</i>)	842	1,499	1,855	1,271

Bad debt provision

The significant growth achieved by the Group in recent years resulted in an increase in trade receivables, reflecting both the pace of growth and the volume of new customers onboarded during that period. As a result, in September 2025, a specialist third party agency was appointed to help manage the collection of legacy receivables outstanding at 30 June 2025 that remained unpaid. This recovery process is ongoing.

Based on the third-party agency's experience and initial collection efforts, and taking into account the profile and age of receivables that remained unpaid in September 2025, the following aggregate write-offs have been included in the Administrative Expenses of the Historical Financial Information of this document: FY23 – US\$1.1 million; FY24 – US\$2.5 million; and H1 25 – US\$1.6 million.

In recognition of the need to strengthen credit risk management, in April 2025 the Group implemented a comprehensive programme of process and governance enhancements, including a multi-stage approval process to ensure that only Clients meeting defined creditworthiness criteria are accepted. The Board is pleased with the results of this exercise and, since implementation of these measures, collections performance on contracts entered into since April 2025 has been materially above historical levels. For the last quarter to September 2025, 92 per cent. of the invoiced revenue in that period has either been collected or is not yet due (unaudited). Collections remain ongoing. The Board is confident that the level of collections will continue to improve further and, with collections now being a key internal KPI for the Company, this will remain a focus.

7. CURRENT TRADING AND SIGNIFICANT CHANGE

Since the period ended 30 June 2025, being the date to which the Historical Financial Information in Part IV has been prepared, Pathos has continued to trade strongly and in line with the Board's expectations.

Save in respect of the payment of fees due to Omar Hamdi in respect of his role as a director and repayment of a working capital loan to him, together amounting to approximately US\$730,000 which was paid on 10 December 2025, there has been no significant change in the financial or trading position of the Group since 30 June 2025. As a result of such payments to Mr Hamdi, the Company has no debt as at the date of this Document.

The Directors have confidence in the Group's prospects for both the current and upcoming financial year, driven by the positive momentum in the Group's business since 30 June 2025, the improvement in the strength of financial and cash collection processes and controls that have been put in place during the year, and the Group's overall growth strategy.

8. REASONS FOR ADMISSION AND INTENDED USE OF PROCEEDS

The Directors believe that Admission will be beneficial to the Company for the following key reasons:

- the net proceeds of the Placing receivable by the Company, will allow Pathos to accelerate its growth strategy including as a result of the development of its AI-based technologies and targeting new geographies;
- raise the Company's public profile and brand awareness by becoming a public company, particularly as Pathos continues to expand geographically and offering a differentiated approach to PR;
- improve Pathos's ability to attract and retain key employees and managers of the business through incentivisation arrangements as the Company continues to grow; and
- facilitate potential in-organic expansion opportunities by potentially issuing new equity as part or full consideration and expand relationships with corporate partners.

The Placing and Admission will also enable the Selling Shareholder to realise, in part, its investment in the Company.

The Company intends to utilise the net proceeds of the Placing as follows:

Expenditure	£ millions
Global outreach and investment in staff	1.1
Advertising and social media marketing	0.5
Technological developments	1.6
Client retention, strategic partnerships and micro acquisitions	0.2
	<u>3.4</u>

The Company has to date grown without external funding; however, the Board believes that this is an opportune time for Pathos to leverage additional capital to expedite growth and development of its technological products. The Company has thus far funded development of Pressella and PathosMind from cashflow and, following Admission, it intends to utilise £1.6 million to advance its technological developments. Whilst the Board expects that the allocated net proceeds of the Placing of the New Ordinary Shares and operating cashflow will be sufficient to fund its current plans for the development of the Company's AI-based technologies, such products are typically capital intensive and there is no guarantee that additional external funding will not be required in the future.

9. DIRECTORS

Brief biographies of the Directors are set out below. Paragraph 10 of Part VI of this Document contains further details of the current and past directorships and certain other important information regarding the Directors.

Mark Westcombe Elliott, FCA (aged 67) – Independent Non-Executive Chair

Mark is an experienced Chair and Non-Executive Director, including leading SMEs through growth, transformation, and change. He currently serves as Non-Executive Chair of AIM-quoted Journeo plc and Malvern International plc. Mark's career includes roles within the technology, education and corporate finance sectors, including finance and management roles operating in Europe, the USA, and South Africa.

Mark is an ICAEW chartered accountant and previously held the role of Partner at Baker Tilly, following which he held various roles as CFO, including with Dovetail Services (UK) Ltd and Enables IT Group plc.

Omar Essam El-Din Saleh Hamdi (aged 40) – Founder and CEO

Omar founded Pathos in 2019 and has led the Company as CEO since its inception. Prior to establishing Pathos, he spent nearly seven years working in TV and media, holding several presenter and publishing roles with BBC One Wales, BBC Radio 2, The Independent, The Express, and New Internationalist. Mr Hamdi's most recent role in the media was as a television presenter on a BAFTA winning consumer affairs show on BBC One Wales. Omar has also contributed to four books, two of which were shortlisted for Times book of the year.

Omar Hamdi graduated from Leeds University with a degree in Cognitive Science, School of Computing. He has held positions of responsibility within the UK StartUp Awards and the Peachscore Venture Accelerator in California.

Adam Howard Hurst, ACA (aged 57) – Chief Financial Officer

Adam joined Pathos in July 2025 as the Group's CFO and brings more than 25 years' experience in senior financial roles across a diverse range of sectors. Most recently Adam served as Interim CFO for Shearwater Group plc, an AIM-quoted cybersecurity business, and prior to that was CFO at TISE listed digital marketing group Yell Ltd.

He started his career at Price Waterhouse before moving into industry where he held a variety of positions including in corporate development and as Group Financial Controller at FTSE 100 company Tate & Lyle plc. This was followed by ten years at AIM and FTSE 250 listed Entertainment One Ltd, which included divisional CFO roles, leading a variety of change management projects and supporting revenue growth across London, Toronto and Los Angeles.

Adam graduated in Economics from Manchester University and is a Fellow of the Institute of Chartered Accountants in England and Wales.

Linda Marston-Weston (aged 61) – Independent Non-Executive Director

Linda is an experienced director and ACA-qualified professional with a career spanning over 35 years in professional services and non-executive roles. She currently serves as a Non-Executive Director of FTSE 250 listed Playtech plc, where she chairs the Sustainability & Compliance Committee and sits on the Audit & Risk, the Remuneration and Nominations Committee and the Nominations Committee.

Previously a senior partner at EY, she held multiple leadership positions including Midlands Head of Tax and People Leader. She went on to establish and lead the Transaction Tax team at Cooper Parry, later becoming Head of Deals and Head of Tax for the Midlands.

A member of Chapter Zero and the 350 Club, she is committed to advancing ESG, strong governance, and inclusive leadership across her non-executive portfolio.

Adetunji (Tunji) Adeboyejo Akintokun, MBE CCMI (aged 60) – Independent Non-Executive Director

Tunji is a multi-award-winning technology and business leader with a career spanning senior roles at PwC, Cisco, and currently LinkedIn, where he serves as Senior Director leading the UK and Ireland Marketing Solutions business.

Beyond his corporate leadership, Tunji is a recognised advocate for diversity in STEM, social mobility, and workplace inclusion, earning accolades such as inclusion in GQ's 100 Most Connected Men in Britain and the Powerlist of the most influential Black people in the UK, as well as being a torchbearer at the 2016 Rio Olympics. He has contributed to boards and councils including Grant Thornton, techUK, Teach First, and The Arboretum London, and supports initiatives through advisory, mentoring, and philanthropy, notably founding the Ilesha Charitable Trust.

Tunji studied at London South Bank University and completed post-graduate and executive education at Stanford and Wharton. His contributions to young people from ethnic minorities in STEM were recognised with an MBE in the Queen's 2018 New Year's Honours List, and in 2025 he was awarded the Freedom of the City of London.

10. FUNDRAISE

10.1.1 The Placing

The Company has conditionally agreed to raise a total of approximately £5.0 million (before costs and expenses) by way of a conditional placing of the New Ordinary Shares at the Issue Price. In addition, the Placing will provide a partial realisation for the Selling Shareholder who will seek to raise approximately £0.6 million (before expenses) in aggregate from the sale of the Sale Shares in the Placing at the Issue Price. The New Ordinary Shares will represent approximately 25.0 per cent. of the Enlarged Share Capital at Admission. The Sale Shares will represent approximately 3.1 per cent. of the Enlarged Share Capital at Admission.

10.1.2 The Placing Agreement

Pursuant to the Placing Agreement, Cavendish has agreed to use its reasonable endeavours to procure subscribers and/or purchasers, being new institutional and other investors, for the Placing Shares at the Issue Price. The Company and the Directors have given certain warranties and undertakings (and the Company has given an indemnity) to Cavendish and Strand Hanson in the Placing Agreement, all of which are customary for this type of agreement. The Selling Shareholder has also given certain customary warranties to Cavendish and Strand Hanson as to title to the Sale Shares in the Placing Agreement.

The Placing, which is not underwritten, is conditional, among other things, on:

- the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms prior to Admission; and
- Admission occurring on 16 December 2025 (or such later date as Cavendish, Strand Hanson and the Company may agree, being no later than 30 December 2025).

Cavendish and Strand Hanson each have the right to terminate the Placing Agreement and not proceed with the Placing if certain events occur prior to Admission, including certain force majeure events. If the termination right is exercised by Cavendish or Strand Hanson, the Placing will lapse, and any monies received in respect of the Placing will be returned to the Placees without interest.

The New Ordinary Shares being subscribed for pursuant to the Placing will, on Admission, rank *pari passu* in all respects with the Existing Shares and will participate in full for all dividends and other distributions declared, made or paid on the ordinary share capital of the Company following Admission. The New Ordinary Shares will, immediately on and from Admission, be freely transferable.

Further details of the Placing Agreement are set out in paragraph 15.1.1 of Part VI of this Document.

11. LOCK-IN AND ORDERLY MARKET ARRANGEMENTS

The Locked-in Shareholder and the Locked-in Directors have entered into Lock-in Agreements, pursuant to which terms they have undertaken to the Company, Cavendish and Strand Hanson that, save in specified circumstances, they will not dispose of any interest in Ordinary Shares held by them for a period of at least 12 months from Admission.

Pursuant to the Lock-in Agreements, each of the Locked-in Directors and the Locked-in Shareholder have undertaken:

- for a period of 12 months from Admission (the “**Lock-In Period**”), not to dispose of any of the Ordinary Shares in which they are interested at Admission; and
- for a further period of 12 months, to comply with certain requirements designed to maintain an orderly market in the Shares.

Further details of the Lock-in Agreements are set out in paragraph 15.1.2 of Part VI of this Document.

12. SHARE OPTIONS

As at the date of this Document, 5,379,996 share options over Ordinary Shares have been agreed to be granted under the LTIP, representing 8.07 per cent. of the Enlarged Share Capital.

The Company intends its long-term incentive strategy to provide for awards to be granted under the terms of the LTIP as further described in paragraph 6 of Part VI (Additional Information) of this Document. Participation will be at the discretion of the Remuneration and Nominations Committee.

LTIP Options will usually vest over a three-year period and may be subject to certain performance conditions being met.

A one off LTIP Option will be awarded to Omar Hamdi, subject to a three-year vesting period, over 4 per cent. of the Enlarged Share Capital. The LTIP Option will be subject to performance conditions, whereby 50 per cent. shall vest upon satisfaction of earnings per share (EPS) conditions and 50 per cent. shall vest upon satisfaction of total shareholder return (TSR) conditions. Such LTIP Option will have an exercise price

equal to the Issue Price. The LTIP Options will be held by Mr Hamdi in his personal capacity and not by The Festina Lente Trust.

Adam Hurst will be awarded with an LTIP Option over 1.25 per cent. of the Enlarged Share capital, which shall vest as to one-third per annum for three years. Certain other members of key management (including some below board level) will be awarded with LTIP Options, subject to vesting conditions. The exercise price of all such LTIP Options is equal to the Issue Price.

LTIP Options may be subject to a two-year post-vesting holding period and malus and clawback may be applied under the rules of the LTIP. Dividend equivalents may accrue during the vesting period.

Any awards granted to Executive Directors pursuant to the Share Plans will be made in line with any applicable Directors' remuneration policy at the appropriate time.

In due course, the Remuneration and Nominations Committee may also decide to implement share awards for certain Non-Executive Directors. Similarly, a one-off award over Ordinary Shares may be made to an adviser of the Company in recognition of that individual's role in helping the Board steer the Company to Admission.

Further details of the share option scheme are set out in paragraph 5 of Part VI of this Document.

13. WARRANTS

At the date of this Document, there are no warrants in issue.

The Company has agreed to execute two warrant instruments creating warrants to be issued at Admission to each of Strand Hanson and Cavendish. The warrants issued pursuant to these warrant instruments will grant each of Strand and Cavendish the right to subscribe (on the basis of one Ordinary Share for each warrant) for 1,000,000 new Ordinary Shares, representing 1.5 per cent. of the Company's Enlarged Share Capital on Admission.

Such warrants will be issued at Admission to Strand Hanson and Cavendish and are to be exercisable within 36 months following Admission at a subscription price equal to the Issue Price.

Further details of the warrants are set out in paragraph 6 of Part VI of this Document.

14. RELATIONSHIP AGREEMENT

Immediately following Admission, The Festina Lente Trustees, on behalf of The Festina Lente Trust, will have an interest in 47,965,296 Ordinary Shares (representing 71.95 per cent. of the Enlarged Share Capital).

Accordingly, the Company, Strand Hanson, The Festina Lente Trustees, on behalf of The Festina Lente Trust and Omar Hamdi (as a beneficiary of The Festina Lente Trust) have entered into the Relationship Agreement which regulates the ongoing relationship between The Festina Lente Trustees, Omar Hamdi and the Company after Admission with a view to ensuring that, amongst other things, any transactions and relationships are entered into on an arm's length basis and on commercial terms.

The Relationship Agreement will be binding for so long as The Festina Lente Trustees, on behalf of The Festina Lente Trust, hold at least 20 per cent. of the issued share capital of the Company. Pursuant to the Relationship Agreement, The Festina Lente Trustees and Omar Hamdi have given certain undertakings to the Company to the effect that the Board can, amongst other things, operate on an independent basis. The Festina Lente Trustees have the right to nominate one person for appointment as a Director (subject to any requirements of the Company's nominated adviser). On Admission, Omar Hamdi will be The Festina Lente Trustees nominated Director. In addition, it is noted that Omar Hamdi will be interested, in a personal capacity, in an LTIP Option over 4 per cent. of the Enlarged Share Capital on Admission.

A summary of the terms and conditions of the Relationship Agreement is set out in paragraph 15.1.5 of Part VI of this Document.

15. TAXATION

Information regarding taxation is set out in Part V of this Document. These details are intended only as a general guide to the current tax position in the UK.

If an investor is in any doubt as to his or her tax position or is subject to tax in a jurisdiction other than the UK, he or she should consult his or her own independent financial adviser immediately.

16. EIS AND VCT STATUS

The Company has applied for and received advance assurance from HMRC to the effect that the EIS Shares will be regarded as an issue of 'eligible shares' as described in s.173 ITA 2007 for EIS purposes, and that subject to receipt of a satisfactory compliance statement from the Company, the EIS Shares are capable of satisfying the requirements for EIS Relief. This advance assurance is expected to apply only in relation to the EIS Shares.

The Company has received independent advice that the Ordinary Shares should be a qualifying holding for the purposes of the VCT Legislation. However, prospective investors should note that the Company does not make any representations as to whether any investment in the Company will be one in respect of which tax relief under VCT rules will be available or that any such tax relief will not subsequently be withdrawn by virtue of the Company's future actions.

The status of the EIS Shares as qualifying for EIS Relief will be conditional (amongst other things) on the qualifying conditions being satisfied, both by the Company and (as regards those conditions to be met by the investor) throughout a period of at least three years from the date of issue. The status of the VCT Shares as a VCT Qualifying Holding will be conditional (amongst other things) on the qualifying conditions being satisfied throughout the period of ownership. There can be no assurance that the Company will conduct its activities in a way that will secure or retain qualifying status for EIS and/or VCT purposes (and indeed circumstances may arise where the directors of the Company believe that the interests of the Company are not served by seeking to retain such status). Further, the conditions for EIS Relief and to be a VCT Qualifying Holding are complex, and relevant investors are recommended to seek their own professional advice before investing.

17. ADMISSION, SETTLEMENT AND DEALINGS

Application has been made to the London Stock Exchange for the Enlarged Share Capital to be admitted to trading on AIM. It is expected that Admission will become effective and dealings in the Ordinary Shares on AIM will commence at 8.00 a.m. on 16 December 2025.

The Ordinary Shares will be in registered form and will be capable of being held in either certificated or uncertificated form (i.e. in CREST). CREST is a voluntary, paperless settlement enabling securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument in accordance with the CREST Regulations. The system is designed to reduce the costs of settlement and facilitate the processing of settlements and the updating of registers through the introduction of an electronic settlement system. The Articles permit the holding of Ordinary Shares in electronic form and evidence of the title to Ordinary Shares will be established on an electronic register maintained by the Registrar. The Company will apply for the Enlarged Share Capital to be admitted to CREST from the date of Admission.

Accordingly, following Admission, settlement of transactions in the Ordinary Shares may take place within the CREST system if a Shareholder so wishes. In respect of Shareholders who will receive Ordinary Shares in uncertificated form, Ordinary Shares will be credited to their CREST stock accounts on 16 December 2025. Shareholders who wish to receive and retain share certificates are able to do so and share certificates representing the Placing Shares to be issued pursuant to the Placing are expected to be dispatched by post to such Shareholders on or around 30 December 2025.

No temporary documents of title will be issued. Pending the receipt of definitive share certificates in respect of the Ordinary Shares (other than in respect of those Ordinary Shares settled through CREST), transfers will be certified against the Company's share register.

18. CORPORATE GOVERNANCE

AIM-quoted companies are required to adopt a recognised corporate governance code on Admission, however, there is no prescribed corporate governance regime in the UK for AIM companies. The Directors recognise the importance of sound corporate governance commensurate with the size and nature of the Group and the interests of its Shareholders.

The Directors acknowledge the importance of the principles set out in the QCA Code and intend to apply the QCA Code, as far as they consider appropriate for a company of its size and nature with effect from Admission.

Immediately following Admission, the Board will comprise five Directors, two of whom shall be executive directors and three of whom shall be non-executive directors, reflecting a blend of different experience and backgrounds. Each of the Non-Executive Directors is considered to be independent.

The Board intends to meet regularly to consider strategy, performance and the framework of internal controls. To enable the Board to discharge its duties, all directors will receive appropriate and timely information. Briefing papers will be distributed to all directors in advance of Board meetings. All directors will have access to the advice and services of the Chief Financial Officer, who will be responsible for ensuring that the Board procedures are followed, and that applicable rules and regulations are complied with. In addition, procedures will be in place to enable the directors to obtain independent professional advice in the furtherance of their duties, if necessary, at the Company's expense.

Further details on how the Company intends to comply with the QCA Code are set out in Part II of this Document.

Board Committees

The Company will, upon Admission, have established an Audit and Risk Committee, and a Remuneration and Nomination Committee with formally delegated duties and responsibilities to operate with effect from Admission.

18.1 Audit and Risk Committee

The Audit and Risk Committee, which will initially comprise Mark Elliott, Tunji Akintokun and Linda Marston-Weston with Linda Marston-Weston acting as Chair, will determine and examine any matters relating to the financial affairs of the Company. The Committee will have primary responsibility for monitoring the integrity of the Company's financial statements, reviewing significant financial reporting issues, reviewing the effectiveness of the Company's internal control and risk management systems and overseeing the relationship with external auditors (including advising on their appointment, agreeing the scope of the audit and reviewing audit findings). The Audit and Risk Committee will also be responsible for monitoring the Company's compliance with the AIM Rules for Companies.

The Audit and Risk Committee will meet at least twice per annum at appropriate times in the reporting and audit cycle. The Audit and Risk Committee will also meet regularly with the Company's external auditors.

18.2 Remuneration and Nominations Committee

The Remuneration and Nominations Committee, which will initially comprise Mark Elliott, Tunji Akintokun and Linda Marston-Weston with Tunji Akintokun acting as Chair, will review the performance of the Executive Directors and determine their terms and conditions of service, including their remuneration and the grant of options, having due regard to the interests of Shareholders and identify and nominate, for the approval of the Board, candidates to fill Board vacancies as and when they arise. The Remuneration and Nominations Committee will also consider the Group's bonus and incentive arrangements for employees. The Remuneration and Nominations Committee will meet at least twice per annum.

19. DIVIDEND POLICY

The Company is primarily seeking to achieve capital growth for its Shareholders. Following Admission, when it is commercially prudent to do so and subject to the availability of distributable reserves, the Board may approve the payment of dividends. However, given the Group's early stage of development, the Directors do not envisage that the Company will pay dividends in the foreseeable future as it is the intention of the Board that any surplus funds will be reinvested in the development of the Group's business.

20. SHARE DEALING CODE

The Directors understand the importance of complying with Rule 21 of the AIM Rules for Companies relating to the Company maintaining an appropriate share dealing code, which incorporates the requirements of MAR, regulating dealings by directors and certain other employees of the Group in the Ordinary Shares. As a result, the Board has established a share dealing code appropriate for a company quoted on AIM and will take all reasonable steps to ensure compliance by the directors and any relevant employees.

21. ANTI-BRIBERY POLICY

The Group takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings and relationships wherever they occur. The Group implements effective systems to counter bribery and corruption and as part of this the Company has adopted an anti-bribery and anti-corruption policy. The policy provides guidance to those working for the

Group on how to recognise and deal with bribery and corruption issues and the potential consequences and applies to all persons working for the Group or on its behalf in any capacity, including employees at all levels, directors, officers, consultants and agents.

22. APPLICABILITY OF THE TAKEOVER CODE

The Company is incorporated in the UK and its Ordinary Shares will be admitted to trading on AIM. Accordingly, the Takeover Code will apply to the Company on and from Admission.

Under Rule 9 of the Takeover Code, any person who acquires an interest in shares (as defined by the Takeover Code) which, taken together with shares in which that person or any person acting in concert with that person is interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code is normally required to make an offer to all the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with that person, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of the voting rights of the company, an offer will normally be required if such person or any person acting in concert with that person acquires a further interest in shares which increases the percentage of shares carrying voting rights in which that person is interested.

An offer under Rule 9 of the Takeover Code must be made in cash at the highest price paid by the person required to make the offer, or any person acting in concert with such person, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

The Company has agreed with the Panel that The Festina Lente Trust (a trust governed by the law of the Bailiwick of Guernsey, the trustees of which are The Festina Lente Trustees or such other persons as may be appointed in their place from time to time) and Omar Hamdi are acting in concert in relation to the Company.

On Admission, the members of the Concert Party will be interested in 47,965,296 Ordinary Shares, representing 71.95 per cent. of the voting rights of the Company. Assuming vesting and exercise in full by Omar Hamdi in respect of the LTIP Options to be issued on Admission (and assuming that no other person converts any convertible securities or exercises any options or any other right to subscribe for shares in the Company), the members of the Concert Party would be interested in 50,631,962 Ordinary Shares, representing approximately 75.95 per cent. of the Enlarged Share Capital. For illustrative purposes, a table showing the respective individual interests in shares of the members of the Concert Party on Admission and assuming the exercise of the LTIP Options is set out below.

Concert Party member	Number of Ordinary Shares held on Admission	Percentage of Enlarged Share Capital on Admission	Number of Ordinary Shares held assuming full exercise of the LTIP Options*	Percentage of Enlarged Share Capital on Admission*
The Festina Lente Trust**	47,965,296	71.95%	47,965,296	71.95%
Omar Hamdi	—	—	2,666,666	4.00%
Total	47,965,296	71.95%	50,631,962	75.95%

Notes:

* – Shown to illustrate the maximum potential interest of the Concert Party on the assumptions set out above.

** – a trust governed by the law of the Bailiwick of Guernsey, the trustees of which are The Festina Lente Trustees or such other persons as may be appointed in their place from time to time.

On Admission, the members of the Concert Party will hold shares carrying more than 50 per cent. of the voting rights of the Company and (for so long as they continue to be acting in concert) may accordingly increase their aggregate interests in shares without incurring any obligation to make an offer under Rule 9 of the Takeover Code, although individual members of the Concert Party will not be able to increase their percentage interests in shares through or between a Rule 9 of the Takeover Code threshold without Panel consent.

The potential exercise by Omar Hamdi of the LTIP Options described above could normally trigger an obligation for an offer to be made under Rule 9 of the Takeover Code. However, the Panel has agreed to

waive this obligation such that there will be no requirement for an offer to be made in respect of the exercise of such LTIP Options.

23. RISK FACTORS

Your attention is drawn to the risk factors set out in Part III of this Document and to the section entitled “Forward Looking Statements” therein. In addition to all other information set out in this Document, potential investors should carefully consider the risks described in those sections before making a decision to invest in the Company.

24. ADDITIONAL INFORMATION

You should read the whole of this Document and not just rely on the information contained in this Part I.

Your attention is drawn to the information set out in Part VI of this Document which contains further information on the Group.

PART II

CORPORATE GOVERNANCE

As a company that will be admitted to trading on AIM, the Company is not required to adopt a specific corporate governance code. However, it is required to provide details of the corporate governance code it has decided to adopt, state how it complies with that code and provide an explanation where it departs from compliance with that code.

The Directors support a high standard of corporate governance and have decided that the Company shall adopt the QCA Code with effect from Admission. The Directors believe that the QCA Code provides the Group with the framework to help ensure that a strong level of governance is maintained, enabling the Group to embed the governance culture that exists within the organisation as part of building a successful and sustainable business for all of its stakeholders.

Principle 1: Establish a purpose, strategy and business model which promote long-term value for shareholders

The Group's purpose, business model and strategy is set out in Part I of this Document. The Directors believe that the Group's model and growth strategy will promote long-term value for Shareholders. An update on strategy will be given from time to time in the Strategic Report within the Annual Report and Accounts of the Group. The Board will set specific long-term objectives and will monitor the extent to which the Company is succeeding in delivering its purpose.

Principle 2: Promote a corporate culture that is based on ethical values and behaviours

The Board recognises that corporate culture is fundamental to the Company's success and is committed to promoting a culture based on ethical values and behaviours that support the delivery of the Company's purpose. The Board will ensure that the Company's culture is aligned with and supports its corporate purpose, strategic objectives, and business model, creating a coherent framework that guides decision-making at all levels of the organisation.

The corporate culture is based on the following key principles which is led by the CEO and communicated to all employees across the Group:

- Passion – our customers, colleagues and shareholders deserve us to be passionate about everything we do.
- Action – demonstrating our commitment to our customers through consistent actions.
- Trust – we trust our colleagues, and we trust the processes that the Company has developed to strive to deliver peak performance.
- Humility – we are always learning, as individuals and as a business. Without our colleagues and our customers, we cannot achieve anything alone.
- Optimism – we owe it to ourselves, our customers and our shareholders to be rationally optimistic every day.
- Speed – we have been one of the fastest growing companies in Europe because we move fast and believe in speed as a competitive advantage.

The values are reinforced to our employees right from the recruitment process through to regular communication and training. They are on display in the Company's office and included on the Company website so available to all stakeholders. The Company's business is underpinned by its Sales Cycle, which has been developed and is continually refined, and which is anchored by the Company's culture at an operational level.

The Board will monitor cultural effectiveness, including regular assessment of employee engagement, feedback systems, and evaluation of how well the Company's values are being lived throughout the organisation. The Company has implemented several policies and guidelines in effort to provide a framework for delivering certain ethical values, including an Anti-Bribery and Anti-Corruption Policy, a Data Protection Policy a Whistleblowing Policy; and a Social Media Policy.

The Board is committed to the continuous development and enhancement of the Company's culture and implementation of improvement measures where necessary. The Company is also committed to transparent reporting on its cultural initiatives, including in its annual reporting and corporate communications.

Principle 3: Seek to understand and meet shareholder needs and expectations

The Board recognises that effective shareholder engagement begins with a thorough understanding of the Company's shareholder composition and their diverse investment objectives. Day to day responsibility for investor relations will rest with the CEO and CFO, supported where appropriate by the Chair, for example as it relates to governance matters, and all other members of the Board.

The Group is committed to communicating openly with its shareholders to ensure that its strategy and performance are clearly understood. We will communicate with shareholders through the Annual Report and Accounts, full-year and half-year announcements, trading updates and the Company's Annual General Meeting ("AGM"), and we will encourage shareholder participation in calls and face-to-face meetings. A range of corporate information (including all Company announcements) will also be available to shareholders, investors and the public on our website.

The Company's AGM is the principal forum for dialogue with private shareholders, and we encourage all shareholders to attend and participate. The Notice of Meeting will be sent to shareholders at least 21 days before the meeting. The Chairs of the Board and all Committees, together with all other Directors whenever possible, will attend the AGM and will be available to answer questions raised by shareholders. Shareholders vote on each resolution by way of a poll, and the results are then announced and then published on our website. Should a certain resolution receive significant opposition, the Company will seek to understand the reasons for any such objection.

The Board is committed to maintaining open, transparent, and responsive communication with shareholders through multiple channels tailored to different shareholder needs. The Board will actively solicit and carefully consider shareholder feedback on all aspects of the Company's performance and governance, including, should there be any, votes against resolutions proposed at the AGM or any other general meetings of the Company.

The Company, Strand Hanson, The Festina Lente Trustees, on behalf of The Festina Lente Trust and Omar Hamdi (as a beneficiary of The Festina Lente Trust) have entered into the Relationship Agreement which regulates the ongoing relationship between The Festina Lente Trustees, Omar Hamdi and the Company, which provides minority shareholders with certain protections, as summarised in paragraph 15.1.5 of Part VI of this Document.

Principle 4: Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success

The Board recognises that sustainable long-term success requires systematic consideration of the interests and expectations of all stakeholders whose activities are affected by the Company's operations.

We set out below who the Company considers the following to be our main stakeholders and how we take their interests into account:

- Staff: The execution of our strategy is dependent on a high quality and motivated staff. We believe in providing opportunities to staff from a wide variety of backgrounds and are committed to actively supporting them in reaching their potential. Staff are engaged through regular communication channels, such as team meetings and performance reviews, and are provided with training 'on the job' as well as through other resources where appropriate. The Company has a track record of continuing to develop the team, providing opportunities for career progression that support both individual growth and organisational objectives.
- Customers: The success of our business is dependent on servicing our Customers so that they become advocates for the Company and continue to engage with us and use our services beyond the first sale. Our teams are encouraged to go 'above and beyond' for our Customers to ensure the best outcomes. We monitor this by obtaining feedback and ensuring all our Customers have the opportunity for a return on investment discussion after publication of their article.
- Publishers: The Company believes that sustainability of a vibrant media sector during rapid technological change is ultimately dependent on the quality and reliability of its content. The Company therefore focuses on ensuring that the articles it produces for its Customers are true to this philosophy.

— Shareholders: Our engagement with shareholders is set out in Principle 3 above.

The Board acknowledges the importance of incorporating environmental and social considerations into the Company's strategic planning, risk management framework, and business model development. The Company aims to minimise its impact on the environment by having as small a physical footprint as possible, utilising only digital products and output, and limiting activities such as business travel. The Company is also mindful of its responsibility to behave as a good corporate citizen which it achieves through its stakeholder management as described above. Staff who wish to carry out charitable and not for profit activities are also supported by the Company.

The Company is committed to transparent reporting on its stakeholder engagement activities and ESG performance through its future annual reporting, sustainability disclosures and regular stakeholder communications.

Principle 5: Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation

The principal risks facing the Group are set out in Part III of this Document. The Company maintains a risk register and the Directors will take appropriate steps to ensure the Company identifies and monitors risks and undertake a mitigation strategy to manage these risks following Admission. The Company's business is reliant upon third parties in the supply chain to facilitate operations. Pathos assesses and seeks to mitigate the potential risks associated with such external services. The Company has, to date, grown primarily organically, however any potential acquisition opportunities will be assessed in detail by the management team, Board and advisers (as required) from a risk perspective.

The Board, led by the Audit and Risk Committee, will formally review such risks at regular intervals and adapt them as the Group's operations grow and evolve. All proposals reviewed by the Board will include a consideration of the issues and risks of the proposal. Where necessary, the Board will draw on the expertise of appropriate external consultants or advisers to assist in dealing with or mitigating risk.

Principle 6: Establish and maintain the Board as a well-functioning, balanced team led by the Chair

On Admission the Board will comprise the following persons:

- an independent Non-Executive Chair;
- two further independent Non-Executive Directors; and
- two Executive Directors.

The biographies of the Directors are set out in paragraph 9 of Part I of this Document. The Non-Executive Chair, Mark Elliott, and Non-Executive Directors, Tunji Akintokun and Linda Marston-Weston, are considered to be independent and were selected with the objective of bringing experience and independent judgement to the Board.

The Board is also supported by the Audit and Risk Committee and Remuneration and Nominations Committee, further details of which are set out in paragraph 18 of Part I of this Document. The composition of the Board will be kept under regular review, taking into account the relevant skills, experience, independence, knowledge and gender balance of the Board. The Directors will be subject to retirement and re-election at every annual general meeting of the Company. It is expected that Non-Executive Directors will serve a maximum of nine years.

The Board will meet at regular intervals throughout the year and will hold at least six board meetings per annum. Processes are in place to ensure that each Director is, at all times, provided with such information as is necessary to enable each Director to discharge their respective duties.

The Group is satisfied that the current Board is sufficiently resourced to discharge its governance obligations on behalf of all stakeholders and will consider the requirement for additional executive and non-executive directors as the Company fulfils its growth objectives.

Principle 7: Maintain appropriate governance structures and ensure that individually and collectively the directors have the necessary up-to-date experience, skills and capabilities

The Board comprises Directors with complementary skills, diverse professional backgrounds, and extensive experience across the sectors and disciplines relevant to the Company's business strategy and operations. Detailed biographies of each Director, including their qualifications, career history, and specific expertise, are

set out in paragraph 9 of Part I of this Document. The Directors collectively bring a balanced combination of executive leadership, industry knowledge, financial expertise, and governance experience that enables effective oversight of the Company's strategic direction and operational performance.

The Board maintains an appropriate balance between executive and non-executive representation, ensuring robust challenge and independent oversight of management decisions. No single individual dominates Board proceedings, and the governance structure promotes open debate and democratic decision-making. All Directors are encouraged and empowered to challenge proposals constructively, contribute diverse perspectives, and exercise independent judgement in the best interests of the Company and its shareholders. The Board composition supports effective governance whilst maintaining the agility required for a growth-oriented AIM company.

The Board has established a comprehensive governance framework supported by the Audit and Risk Committee and Remuneration and Nominations Committee, each with clearly defined terms of reference and appropriate membership as detailed in paragraph of Part I of this Document. These committees enable focused oversight of key governance areas whilst ensuring that certain material matters remain reserved for consideration by the full Board. The committee structure enhances the Board's effectiveness by allowing detailed examination of specialist areas whilst maintaining collective responsibility for strategic decisions.

All Directors have received comprehensive briefings from the Company's Nominated Adviser, Strand Hanson, regarding their ongoing obligations under the AIM Rules for Companies. The Board is committed to ensuring that Directors maintain current knowledge of their duties and responsibilities, with ongoing training and development provided as required. The entry into the Relationship Agreement by The Festina Lente Trustees and Omar Hamdi, as summarised in paragraph 15.1.5 of Part VI of this Document, demonstrates the Board's commitment to maintaining appropriate governance standards and managing potential conflicts of interest.

The Board recognises that effective governance requires continuous evaluation and adaptation as the Company evolves. Accordingly, the Board commits to conducting annual reviews of the Group's governance framework, Board composition, and committee effectiveness to ensure they remain fit for purpose and aligned with the Company's strategic objectives and stakeholder expectations.

Principle 8: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

The Board recognises that regular and rigorous evaluation of its performance is essential to maintaining effective governance and ensuring continued alignment with the Company's strategic objectives.

The Board will conduct annual evaluations of its own effectiveness and that of its committees. These evaluations will assess the performance of each committee against their respective terms of reference, examining their contribution to Board decision-making, oversight effectiveness, and adherence to governance best practices. The evaluation process will consider the balance of skills, experience, independence, and diversity across the Board and its committees, ensuring that the composition remains appropriate for the Company's evolving strategic requirements and operational complexity.

Following Admission, the Company will establish a formal annual assessment process for individual Directors, conducted by the Non-Executive Chair in consultation with the CEO where appropriate. This process will evaluate each Director's contribution to Board discussions, their commitment and engagement, the relevance of their skills and experience to the Company's current needs, and their effectiveness in fulfilling their duties. The assessment will consider attendance at meetings, quality of participation in Board deliberations, contribution to strategic discussions, and performance of any specific responsibilities or committee roles.

The Chair will discuss evaluation results with the Board collectively and with individual Directors as appropriate, identifying areas for development and any training or support requirements. The Board will consider whether any changes to Board composition, committee membership, or governance processes are necessary to enhance effectiveness. The Chair will also regularly assess whether the annual evaluation process would benefit from external facilitation, particularly as the Company grows in size and complexity, and will engage independent consultants when deemed appropriate to ensure objectivity and best practice compliance.

Principle 9: Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture

The Company seeks to establish and maintain a remuneration policy that aligns with its strategic objectives and supports sustainable long-term value creation for shareholders whilst reflecting the Company's purpose, strategy and culture.

The Board, through its Remuneration and Nominations Committee, has developed and will oversee a comprehensive remuneration framework that balances competitive market positioning with performance-driven incentives. Executive remuneration will likely comprise a combination of base salary, performance-related bonuses linked to both financial and non-financial key performance indicators, and long-term incentive arrangements including equity-based compensation that vests over multi-year periods to encourage retention and align management interests with those of shareholders. Performance metrics will be clearly defined, measurable, and directly linked to the Company's strategic priorities, including both short-term operational targets and longer-term value creation objectives.

The Remuneration and Nominations Committee will regularly review and benchmark the policy against market practice and regulatory guidance to ensure it remains appropriate and effective in supporting the Company's business strategy whilst maintaining transparency through clear disclosure of remuneration principles and outcomes in the Company's annual reporting. Non-Executive Director fees will be set at levels sufficient to attract individuals of appropriate calibre and experience, structured as fixed fees without performance-related elements to preserve independence and objectivity in their oversight role.

Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with Shareholders and other relevant stakeholders

The Board is committed to maintaining effective communication and constructive dialogue with all shareholders through a comprehensive engagement strategy that ensures transparency and accessibility as set out in Principle 3 above.

The Company's primary communication channels will include its Annual Report and Accounts and interim reports, which will serve as key vehicles for updating shareholders on progress against strategic objectives, financial performance, and governance developments. These reports, together with the Company's corporate governance statement detailing compliance with the QCA Code principles, will provide comprehensive information to all stakeholders on the Company's governance framework, strategic direction, and operational performance. The Board will ensure that all regulatory announcements are made through a Regulatory Information Service (RIS) in accordance with the AIM Rules for Companies, maintaining timely and equal access to material information.

The Company will maintain a dedicated investor relations section on its website, which is updated regularly with current financial information, regulatory announcements, governance documentation, and corporate presentations. A dedicated investor relations email address has been established to facilitate direct communication, with all relevant contact details prominently displayed on the Company's website. The Board recognises the evolving nature of shareholder communication and remains committed to adopting appropriate digital platforms and communication methods to enhance accessibility and engagement effectiveness.

PART III

RISK FACTORS

An investment in the Ordinary Shares involves a high degree of risk. Accordingly, prospective investors should carefully consider the specific risks set out below in addition to all of the other information set out in this Document before investing in the Ordinary Shares. The investment offered in this Document may not be suitable for all of its recipients. Potential investors are accordingly advised to consult a professional adviser authorised under FSMA, who specialises in advising on the acquisition of shares and other securities, before making any investment decision. A prospective investor should consider carefully whether an investment in the Company is suitable in light of their personal circumstances and the financial resources available to them.

In addition to the usual risks associated with an investment in a company, the Directors believe that the factors and risks described below are the most significant in relation to an investment in the Company and should be carefully considered, together with all the information contained in this Document, prior to making any investment decision in respect of the Ordinary Shares. However, the risks listed do not necessarily comprise all of those associated with an investment in the Company and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Directors, or which the Directors currently deem immaterial, may also have an adverse effect on the Group and the information set out below does not purport to be an exhaustive summary of the risks affecting the Group. In particular, the Group's performance may be affected by changes in market or economic conditions and in legal, regulatory and tax requirements.

If any of the following risks were to materialise, the Group'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. The Company's performance may be affected by changes in legal, regulatory and tax requirements in any of the jurisdictions in which it operates or intends to operate as well as overall global financial conditions.

1. INDUSTRY RELATED RISKS

1.1 Operational Issues

The Group's growth and profitability are fundamentally dependent on its ability to consistently generate new business opportunities and convert Leads into Clients. The Group faces significant risks if it becomes unable to secure sufficient new Leads through its business development activities, referral networks, industry relationships, or marketing efforts. A decline in Lead generation could result from increased market competition, changes in Client procurement processes, economic downturns affecting marketing budgets, or deterioration in the Group's market reputation. Additionally, the Group's sales team performance is critical to converting Leads into revenue-generating Clients. If the sales team fails to perform effectively, whether due to inadequate training, poor incentive structures, high staff turnover, or market challenges, this could result in missed revenue targets, reduced market share, and inability to achieve growth projections.

The Group's reputation and relationships with its Clients depend heavily on its ability to deliver high-quality campaigns within agreed timeframes. Inadequate project management practices could result in missed deadlines, or inconsistent service quality that fails to meet Client expectations. Such operational failures could lead to Client dissatisfaction, contract terminations, negative references and reviews, both online and offline, that impact future business development, and damage to the Group's professional reputation. Project management challenges may arise from insufficient planning, inadequate resource allocation, poor communication between teams, lack of appropriate project management systems, or failure to anticipate and manage project risks effectively. The fast-paced nature of marketing campaigns and tight deadlines create additional pressure on project delivery, increasing the likelihood of operational failures.

The cumulative effect of these operational issues could result in a deteriorating cycle where poor performance leads to Client losses, reduced revenue, and further operational constraints that make it increasingly difficult to deliver quality services. The Group may face increased costs associated with remedial measures, staff recruitment and training, system improvements, and efforts to restore Client relationships. There can be no assurance that the Group will be able to maintain adequate operational standards or that operational issues will not materially adversely affect the Group's business, financial condition, results of operations and prospects.

1.2 *Reliance on key personnel*

The Group's business operations and its relationships with its Clients are heavily dependent on the continued services of its key personnel, particularly Omar Hamdi, who possesses critical industry expertise and institutional knowledge. The loss of Omar Hamdi could be disruptive given his role in establishing the Group's strategic direction, industry reputation, and key Client relationships, whilst the departure of other senior staff could result in loss of Client confidence, and potential contract terminations. These key individuals often serve as the primary point of contact for Clients and may be regarded by Clients as essential to service delivery. Their departure could trigger Client review processes, or decisions by Clients to seek alternative service providers.

The recruitment and integration of replacement personnel could result in service disruption, increased costs, and a period of reduced operational effectiveness whilst new team members develop necessary relationships and expertise. There can be no assurance that the Group will be able to retain its key personnel or successfully manage the transition if key individuals leave, and such departures could materially adversely affect the Group's business, financial condition, results of operations and prospects.

1.3 *Technological Risk*

The Group's marketing and customer acquisition activities rely extensively on direct telecommunications channels, particularly telephone calls, email communications, and SMS messaging. The effectiveness of these channels is increasingly subject to technological interventions and regulatory changes that could materially impact the Group's ability to reach prospective customers and maintain existing client relationships.

Call screening technology poses a particular and growing risk to the Group's operations. Mobile network operators, handset manufacturers, and third-party application providers have increasingly deployed sophisticated call screening, call blocking, and spam detection technologies designed to protect consumers from unwanted communications. These technologies utilise algorithms, artificial intelligence, and crowdsourced data to identify and filter calls that may be classified as marketing, sales, or potentially unwanted contact. Major mobile operating systems, including iOS and Android, have integrated native call screening features that can automatically silence, flag, or block calls from numbers not stored in a user's contacts or identified as potential spam. Third-party applications offering enhanced call screening capabilities have also gained widespread adoption amongst consumers.

The Group has limited or no influence over the development, deployment, or calibration of these call screening technologies. Changes to screening algorithms, expansion of blocked number databases, or modifications to the criteria used to classify calls as unwanted could result in legitimate business calls from the Group being incorrectly identified as spam and consequently blocked or screened before reaching intended recipients. Such interference could dramatically reduce connection rates, increase the cost of customer acquisition, diminish campaign effectiveness, and materially impact revenue generation. The Group may be required to rapidly adapt its contact strategies, invest in alternative communication methods, implement technical solutions to improve call deliverability, or modify its business model in response to changes in call screening technology.

Similarly, email communications face increasing challenges from spam filtering technologies, which continue to evolve in sophistication. Email service providers regularly modify their filtering algorithms, authentication requirements, and sender reputation systems. Changes to these systems can result in legitimate business emails being diverted to spam folders, blocked entirely, or flagged as potentially dangerous, thereby reducing the effectiveness of email-based marketing and client communication. The Group's sender reputation, deliverability rates, and email campaign performance may be adversely affected by algorithm changes, stricter authentication requirements (such as DMARC, SPF, and DKIM protocols), or modifications to content filtering rules, over which the Group has limited control.

SMS messaging, whilst generally subject to fewer filtering mechanisms than calls or emails, faces emerging regulatory restrictions and potential technological interventions. Mobile network operators and regulatory authorities in various jurisdictions have introduced or are considering restrictions on commercial SMS communications, including registration requirements, content restrictions, and enhanced filtering capabilities. Changes to SMS delivery protocols, increased filtering of marketing messages, or regulatory limitations on commercial SMS usage could reduce the effectiveness of this communication channel and require the Group to seek alternative methods of customer engagement.

1.4 *The Company may not be able to collect cash from its Clients on a timely basis or at all*

Pathos operates a “pay-on-results” business model which creates a risk that its Clients may not always pay the cash agreed under the contract to the Company and may lead to disputes over whether the “result” has been fulfilled. Pathos’s client base comprises primarily SMEs and micro-SMEs which generally have greater default risk than larger companies. The typical contract size for a Client is relatively low-value and, therefore, the cost of taking legal or enforcement action on a contract may outweigh the benefits.

Such issues resulted in the Company including significant bad debt provisions in its FY22 to FY24 accounts and expects its FY25 accounts to also have a significant bad debt provision which is driven mainly by Clients that were contracted in the first quarter FY25. Whilst the Company implemented a more robust onboarding and risk assessment process for new Clients in April 2025 in effort to reduce the risk of non-payment, there remains a risk that Clients will default or refuse to pay, which may lead to bad debt provisions being required in the future. In addition, the Company retains a significant amount of receivables from Clients who were onboarded before April 2025 and who are therefore considered to be at higher risk of becoming bad debts. Whilst the Company has applied a provision for bad debts that it deems to be appropriate, there can be no guarantee that the size of bad debts will not increase. There can be no assurance that the Company’s ability to collect cash from Clients will improve and that it will not deteriorate. Should Pathos be unable to collect cash from its Clients, the Group’s financial performance and condition could be significantly impacted.

Following a Client’s execution of a contract with the Company, there can be a significant period of time until the article is published and therefore when the revenue can be recognised. As a result, operational costs can be incurred prior to revenue generation and receipt of cash. This may give rise to a working capital risk for the Group, which could lead to an adverse effect on the Company’s financial position and performance.

1.5 *Cybersecurity risk*

The Group’s operations are heavily dependent on digital infrastructure, data systems, and online platforms, making it vulnerable to a wide range of cyber security threats that could materially disrupt business operations and compromise sensitive information. The Group faces significant risks from phishing attacks, ransomware, malware, distributed denial-of-service attacks, and other forms of cyber-crime that could result in system downtime, data corruption, theft of confidential information, and operational disruption. Ransomware attacks pose a particular threat, as they could encrypt critical business data, Client information, and campaign assets, potentially bringing operations to a halt and requiring substantial ransom payments or costly system restoration efforts. The Group also handles sensitive Client data, proprietary campaign strategies, and confidential business information that could be valuable targets for cyber criminals seeking to steal intellectual property, Client lists, or commercially sensitive data for competitive advantage or financial gain.

The reputational consequences of cyber security incidents could be particularly damaging for a company operating in the marketing and communications sector, where customer trust and data security are fundamental to business relationships. A significant breach could result in loss of Client confidence, contract terminations, difficulty in securing new business, and long-term damage to the Group’s market reputation. The Group may also face increased insurance premiums, enhanced regulatory scrutiny, and requirements to implement costly additional security measures. While the Group seeks to mitigate these risks through cyber security protocols, staff training, and technical safeguards, the evolving nature of cyber threats and the sophistication of modern attacks means there can be no assurance that security measures will prevent all incidents or that any breach will not materially adversely affect the Group’s business, financial condition, results of operations and prospects.

1.6 *Data Protection risk*

The Group’s business model requires the collection, processing, and storage of substantial volumes of sensitive data, including Client marketing strategies, proprietary campaign information, media contact databases, consumer personal data, and commercially confidential business intelligence. The Group faces significant risks of data breaches that could result in unauthorised access to or disclosure of this sensitive information through cyber-attacks, system failures, human error, or malicious insider activity. Client data breaches could expose confidential marketing plans, competitive strategies, media lists, influencer contacts, and other proprietary information that Clients regard as commercially sensitive and

strategically valuable. Such breaches could result in immediate Client contract terminations, substantial damages claims, loss of competitive advantage for affected Clients, and severe reputational damage that could permanently impair the Group's ability to attract and retain Clients who entrust it with confidential business information.

The Group operates under strict data protection obligations imposed by the General Data Protection Regulation (GDPR) and similar privacy legislation in other jurisdictions where it conducts, or may choose to conduct, business or processes personal data. Non-compliance with these regulations, whether through inadequate data handling procedures, insufficient consent mechanisms, failure to implement appropriate technical and organisational measures, or breach of data subject rights, could result in substantial regulatory penalties. Under GDPR, fines can reach up to 4 per cent. of annual global turnover or €20 million, whichever is higher, whilst other jurisdictions impose similarly severe sanctions for privacy violations. The Group may also face regulatory investigations, enforcement actions, mandatory audits, and requirements to implement costly remedial measures that could significantly impact operational efficiency and profitability.

The Group's marketing activities depend on the acquisition and utilisation of publicly available Client data. Changes to privacy laws, platform policies, or consumer consent requirements could significantly restrict the Group's ability to collect, process, or utilise Client data effectively. The deprecation of third-party cookies, enhanced privacy controls on digital platforms, and stricter consent requirements may limit the Group's capacity to deliver targeted campaigns, measure campaign effectiveness, or demonstrate return on investment to Clients. These data acquisition challenges could reduce the Group's competitive advantage, force adoption of less effective marketing strategies, and potentially result in Client dissatisfaction or contract losses. There can be no assurance that the Group will be able to adapt successfully to evolving data protection requirements or that data protection issues will not materially adversely affect the Group's business, financial condition, results of operations and prospects.

1.7 Reputational risk

The Group's business is dependent upon maintaining a strong reputation among its Clients. The Group's reputation could be materially adversely affected by a number of factors, which could in turn have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group's reputation is vulnerable to Client dissatisfaction or a coordinated disinformation campaign from malevolent parties. In the digital age, negative reviews, complaints or accusations against the Group, or fake reviews, be they positive or negative, whether founded or unfounded, can spread rapidly through social media and online platforms, potentially reaching a wide audience and causing significant reputational damage. Despite generally positive reviews and testimonials to date, such negative publicity could materially harm the Group's ability to attract and retain Clients, win new business opportunities, and maintain existing Client relationships, thereby adversely affecting the Group's revenue and profitability. The Group's reputation may also be damaged through its association with Clients who become involved in scandals, controversies, or unethical behaviour. Given the nature of the Group's business, it may from time to time represent or provide services to Clients who subsequently become subject to negative publicity, regulatory investigation, or public criticism. Such association, even where the Group has acted entirely properly and professionally, may result in public or industry backlash against the Group, potentially leading to loss of other Clients, difficulty in securing new business, and damage to the Group's standing within the industry.

Any significant damage to the Group's reputation could have wide-ranging consequences, including: (i) loss of existing Clients and difficulty in attracting new Clients; (ii) reduced pricing power and pressure on profit margins; (iii) increased difficulty in recruiting and retaining high-quality personnel; (iv) potential regulatory scrutiny; and (v) reduced enterprise value. The Group may also incur significant costs in attempting to restore its reputation through public relations campaigns, legal proceedings, or other remedial measures. The Group seeks to mitigate reputational risks through careful Client selection processes, robust crisis management procedures, and maintaining high professional standards. However, there can be no assurance that the Group will be able to avoid all reputational risks or that any damage to its reputation can be quickly or effectively remedied.

1.8 Competitive risk

The Group exists within a market that contains a wide range of participants, including established multinational agencies, boutique specialist firms, in-house marketing teams, and emerging technology-driven competitors. The competitive environment is characterised by aggressive tactics that pose significant risks to the Group's business model and financial performance. However, to date, none of these have directly competed with the Group, though this may change in future.

Price competition represents a particular challenge, with competitors potentially engaging in price wars to secure or retain customer relationships. Such competitive pricing pressures could force the Group to reduce its fees and margins to remain competitive, thereby adversely affecting profitability. The Group may also face situations where competitors offer services at unsustainably low prices in order to gain market share, creating market distortions that could persist over extended periods. Client poaching by competitors is another significant risk, particularly given the relationship-driven nature of the industry. Competitors may actively target the Group's Clients through aggressive business development activities or competitive pricing.

While the Group considers itself a 'technology leader' in the market, with its Pressella and PathosMind technologies, the Group faces the risk that competitors may gain significant technological advantages through superior digital platforms, artificial intelligence capabilities, data analytics tools, or automation technologies. Such technological advantages could enable competitors to deliver services more efficiently, provide enhanced customer insights, or offer innovative service propositions that the Group cannot readily match.

The marketing and communications industry is characterised by relatively low barriers to entry, which intensifies competitive pressure and increases the risk of market fragmentation. This low barrier to entry means that the Group faces the constant threat of new competitors entering the market, potentially with innovative business models, competitive pricing strategies, or specialised expertise that could attract the Group's existing Clients or Leads. The ease of market entry is further facilitated by the availability of freelance talent, cloud-based technology platforms, and digital marketing tools that enable new competitors to offer professional services without significant infrastructure investment. The Group also faces the risk that larger competitors may acquire smaller rivals, creating more formidable competitive threats with enhanced resources, broader service capabilities, and stronger customer relationships. Such consolidation could result in the Group facing fewer but more powerful competitors, potentially leading to increased competitive pressure and reduced market opportunities.

While the Group seeks to differentiate itself through service quality, Client relationships, and strategic positioning, there can be no assurance that these efforts will be sufficient to maintain its competitive position or that competitive pressures will not materially adversely affect the Group's business, financial condition, results of operations and prospects.

1.9 Regulatory Environment Risk

The Group operates across multiple jurisdictions with principal operations based in the United Kingdom and the United Arab Emirates (Dubai), but conducts business activities in over eighty countries worldwide, including the United States, subjecting it to an exceptionally complex web of regulatory requirements that may change independently and create conflicting compliance obligations. In the UK, the Group must comply with regulations enforced by bodies including the Advertising Standards Authority, the Information Commissioner's Office, Ofcom, the Competition and Markets Authority, and various sector-specific regulators, whilst in Dubai it is subject to oversight from the DIFC, the UAE Telecommunications and Digital Government Regulatory Authority, the UAE Data Protection Law requirements, and other federal and emirate-level regulatory bodies. In the United States, the Group must navigate federal regulations including those enforced by the Federal Trade Commission, the Federal Communications Commission, and state-level advertising and consumer protection laws, whilst its global operations may trigger compliance requirements under numerous other national and regional regulatory frameworks including the European Union's General Data Protection Regulation, various national data protection laws, advertising standards authorities, and sector-specific regulations across all jurisdictions where it operates.

The scale and complexity of operating across over eighty countries creates substantial regulatory risk, as the Group must monitor and comply with constantly evolving legal requirements in multiple jurisdictions simultaneously, many of which may impose conflicting standards for advertising content, data protection, consumer protection, media licensing, and professional conduct. Digital marketing campaigns can cross international boundaries instantaneously, potentially subjecting the Group to

enforcement action in multiple jurisdictions for a single campaign, whilst different countries may have varied cultural, religious, or political sensitivities that affect permissible content and marketing approaches. The Group faces particular challenges from divergent approaches to data protection and cross-border data transfers, with jurisdictions such as the EU, UK, certain US states, and various other countries implementing different privacy frameworks that may restrict the Group's ability to deliver integrated global campaigns or share data between offices. Post-Brexit regulatory developments, evolving US federal and state privacy laws, and the UAE's rapidly developing digital regulatory framework may further complicate compliance requirements, whilst the cost of maintaining legal expertise and compliance systems across over eighty jurisdictions represents a significant operational burden that could materially impact profitability. There can be no assurance that the Group will be able to navigate successfully this exceptionally complex multi-jurisdictional regulatory environment or that regulatory changes in any of the numerous countries where it operates, or seeks to operate, will not materially adversely affect the Group's business, financial condition, results of operations and prospects.

1.10 Artificial Intelligence Development Risks

The Group expects to invest significant resources in developing artificial intelligence capabilities to enhance service delivery and maintain competitive advantage, particularly through its proprietary Pressella and PathosMind technologies. However, AI development carries substantial risks including potential failure to deliver expected performance improvements due to inadequate data quality, insufficient training datasets, algorithmic limitations, or unrealistic expectations. The complexity of AI systems makes outcomes difficult to predict, and the Group may invest substantial resources in initiatives that prove ineffective or commercially unviable. Additionally, AI systems may produce unexpected or biased outcomes that could damage client campaigns, create regulatory compliance issues, or result in reputational harm.

The rapidly evolving AI landscape creates risk that the Group's investments may be superseded by superior technologies developed by competitors or open-source initiatives, potentially rendering the Group's AI approaches obsolete. The "black box" nature of some AI systems can make it difficult to explain AI-driven decisions to clients, potentially undermining client confidence and commercial relationships.

The Group's reliance on its proprietary Pressella and PathosMind technologies creates significant exposure to intellectual property theft and misappropriation risks. Third parties, including competitors, former employees, business partners, or malicious actors, may attempt to steal, reverse-engineer, or unlawfully access these critical technologies through cyber-attacks, industrial espionage, or breach of confidentiality obligations. Such theft could result in loss of competitive advantage, reduced market differentiation, substantial legal costs in enforcement proceedings, and potential loss of client confidence. The Group's business model and future growth prospects are substantially dependent on maintaining the confidentiality and proprietary nature of these AI technologies, and any compromise could materially impact the Group's financial performance and market position.

1.11 Contract disputes

The Group's business operations involve contractual relationships with Clients and vendors that may give rise to disputes concerning deliverables, timelines, payment terms, and performance standards. Client contracts in the marketing and communications industry often involve subjective elements such as creative quality, campaign effectiveness, and brand alignment, which can lead to disagreements over whether contractual obligations have been fulfilled satisfactorily. Disputes may arise where Clients are dissatisfied with campaign results, believe that deliverables do not meet specified requirements, or consider that services have not been provided within agreed timelines. Similarly, conflicts with vendors and suppliers may occur over service quality, delivery schedules, pricing arrangements, or compliance with contractual specifications. Tight project deadlines can exacerbate the potential for disputes, particularly where scope changes, urgent requirements, or external factors impact project delivery.

Vendor disputes could disrupt service delivery, increase operational costs, or require the Group to source alternative suppliers at short notice and potentially higher costs. The resolution of contract disputes through litigation or arbitration can be time-consuming and expensive, and there can be no assurance that disputes will be resolved in the Group's favour or that such disputes will not materially adversely affect the Group's business, financial condition, results of operations and prospects.

1.12 Transfer pricing

The Group operates a vertically integrated, yet geographically distributed publishing and marketing ecosystem, structured to leverage jurisdictional efficiencies while maximizing operational synergies. Presently, the Group undertakes a range of cross-border and domestic controlled transactions among its group entities, including the provision of business support services, strategic management functions, and marketing support activities. Certain arrangements involve contractual revenue flows and cost allocations under a principal-service provider framework, ensuring that profits are aligned with the functions performed, assets employed, and risks assumed by each entity. To do this, the Group utilises transfer pricing, an accounting practice that allows businesses owned by the same parent company to buy and sell goods and services to each other. The key principle of transfer pricing is that controlled transactions within a multinational group should adhere to the arm's length principle, as outlined in the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations 2022 ("OECD Guidelines").

The Group has implemented a transfer pricing policy that is aligned with the OECD Guidelines. While the OECD Guidelines provide the global framework, certain tax jurisdictions — including the UK and UAE — incorporate specific domestic rules, interpretations, or documentation thresholds. Therefore, there is a risk that the Group's transfer pricing policy becomes outdated and no longer reflects the applicable legislation, local guidance, or group operational arrangements, especially for complex or non-standard controlled transactions. The Company's transfer policy could also be subject to challenge, whether valid and appropriate or not. Changes in market data or comparables could significantly impact whether or not intra-group transaction remain aligned with the arm's length principle which could materially adversely affect the Group's business, financial condition, results of operations and prospects.

1.13 Value added tax (VAT) may be applicable to certain of the Group's sales

There is a risk that VAT treatment on certain transactions may not be fully compliant, particularly services received from overseas vendors that should be subject to the reverse charge mechanism. While the net VAT impact is currently nil due to the Group's fully taxable status, incorrect treatment could attract HMRC scrutiny. Additionally, the Group relies on general business-to-business place-of-supply rules to zero-rate non-UK sales, and any misclassification of customer location or process failure could lead to underpayment of VAT.

The Group provides consultancy services supported by AI tools but involving human intervention, meaning current supplies do not fall under Electronically Supplied Services (ESS) rules. If the process becomes more automated, VAT treatment could change, creating compliance risk. Furthermore, as most customers are overseas, the Group may face indirect tax obligations in jurisdictions with sales tax regimes, such as the US. While exposure is believed to be limited, thresholds and nexus rules vary by state, and failure to monitor these obligations could result in unexpected liabilities.

1.14 Early stage of operations

The Group's business is at a relatively early stage of development. In particular, the Group's future growth and prospects will depend on its ability to continue to develop relationships with commercial partners, to manage growth and to continue to improve operational, financial and management information and quality control systems on a timely basis, whilst at the same time maintaining effective cost controls.

2. MARKET RISKS RELATING TO THE MARKETS IN WHICH THE GROUP OPERATES

2.1 Market trends

The Company's business model and service offerings are inherently vulnerable to rapidly shifting consumer behaviour and evolving media consumption patterns that can fundamentally alter the effectiveness of established marketing strategies. Sudden changes in public sentiment towards specific platforms, privacy concerns, or communication preferences can render existing campaign approaches obsolete and require immediate strategic pivots. Such shifts may occur with little warning due to platform controversies, regulatory changes, generational preferences, or emerging competitor platforms, and the Company may struggle to adapt quickly enough to maintain campaign effectiveness for its Clients. The Company's investment in platform-specific expertise, tools, and relationships may become stranded assets if consumer preferences shift away from particular channels.

The Group faces additional risks from the ongoing transformation of news consumption patterns, with consumers increasingly obtaining news and information through social media platforms rather than traditional news outlets. This trend could significantly impact the Group's ability to secure valuable media placements for Clients in established news publications, television programmes, and other traditional media channels that have historically provided credible third-party endorsement and broad audience reach. As audiences migrate towards social media for news consumption, traditional media outlets may experience declining readership, viewership, and advertising revenues, potentially reducing their willingness to feature Clients or increasing the cost of securing coverage. The fragmentation of news consumption across multiple social media platforms and the rise of algorithm-driven content distribution may also make it more difficult for the Group to achieve the broad, consistent media coverage that clients expect. There can be no assurance that the Group will be able to adapt successfully to evolving market trends or that such changes will not materially adversely affect the Group's business, financial condition, results of operations and prospects.

2.2 *Economic conditions*

The Group may be affected by general market trends which are unrelated to the performance of the Group itself. Any economic downturn either globally or locally in any area in which the Group operates may have an adverse effect on demand for the Group's products. A more prolonged economic downturn may have a material adverse effect on the Group's prospects, results of operation and financial condition.

2.3 *Force majeure*

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

2.4 *Changes in accounting standards*

Changes in accounting standards, rules and regulations may have a significant impact on the reported financial results of the Group and it is impossible to specify or ascertain the effect of such changes or new standards, which is dependent on the financial position of the Group at the time. Moreover, in connection with financial reporting under new or amended accounting standards, the Group will make its own accounting judgements and elections in the future, which cannot be determined at this time.

2.5 *Foreign currency exchange risk*

The Group reports its results in US dollars and currently has limited exposure to transactions in other currencies. However, its presentation of consolidated financial statements and results of operations may be affected by both the transaction and translation effects of foreign currency exchange rate fluctuations. As the Group's business expands into new markets which do not use the US dollar, its exposure to foreign currency exchange rate fluctuations will increase. The Group is also exposed to currency fluctuation when it converts currencies through its operations into currencies required to pay for its fixed costs and services, which could result in a gain or loss depending on fluctuations in exchange rates.

3. RISKS RELATING TO THE SHARES AND ADMISSION

3.1 *The Festina Lente Trust's interest in the Ordinary Shares and the Relationship Agreement*

On Admission, The Festina Lente Trustees shall hold approximately 71.95 per cent. of the Enlarged Share Capital on behalf of The Festina Lente Trust. Notwithstanding the Relationship Agreement (which is summarised in paragraph 14 of Part I of this Document and paragraph 15.1.5 of Part VI of this Document), investors may perceive this level and concentration of share ownership negatively, due to the influence that The Festina Lente Trustees may resultantly exert, which may adversely affect the market value of the Ordinary Shares. The Festina Lente Trustees' interest is in excess of 50 per cent. and, therefore, it has the ability to pass ordinary resolutions at general meetings of the Company.

This substantial concentration of voting control in a single shareholder is significantly higher than is typical for AIM-quoted companies and materially limits the influence that minority shareholders can exercise over the Company's affairs. The size of this shareholding may also adversely affect the liquidity and trading volume of the Ordinary Shares, potentially resulting in greater price volatility and difficulty for investors seeking to acquire or dispose of significant holdings. Furthermore, the

concentrated ownership structure may deter certain institutional investors from investing in the Company due to concerns about minority shareholder rights and corporate governance, which could negatively impact demand for the Ordinary Shares and the Company's ability to raise capital in the future.

Subject to the provisions of the Relationship Agreement, The Festina Lente Trustees will possess sufficient voting power to have significant influence over all matters requiring shareholder approval, including, amendment to the Articles, approval of dividends and share buybacks, schemes of arrangement and mergers and acquisitions ability to delay, defer or prevent a change of control or cause a cancellation of the Company's securities to trading on AIM. This could have the effect of preventing the Company from entering into transactions that could be beneficial to it or its other Shareholders. In addition, the interests of the Concert Party may be different from the interests of the Company or other Shareholders as a whole. This control could also have the effect of delaying or preventing an acquisition or other change of control of the Company.

The Relationship Agreement contains covenants to maintain board and information rights, and to protect the interests of minority shareholders. Any failure to comply with, or amendments to, these provisions whether through negotiation, alteration, or termination, could result in significant conflicts of interest, reduced corporate governance safeguards, and potential breaches of AIM Rules, which may have a material adverse effect on the Company's business, reputation, and financial position. Furthermore, the remedies for breach of the covenants given by The Festina Lente Trustees and Omar Hamdi are limited to damages and specific performance which may be difficult to enforce, particularly in view of the jurisdictions in which they are based. There can be no assurance that The Festina Lente Trustees and/or Omar Hamdi will at all times adhere to or comply with the terms of the Relationship Agreement, and any breach may not be identified immediately or may only become apparent after damage has been caused to the Company or minority shareholders. The enforcement of the Relationship Agreement may prove difficult, time-consuming, and costly, requiring the Company to pursue legal remedies which could result in significant management distraction, legal expenses, and reputational harm, with no guarantee of a successful outcome. Moreover, the existence of the Relationship Agreement does not eliminate the fundamental imbalance of voting power, and The Festina Lente Trustees may be able to exercise their influence in ways that, whilst not technically breaching the Relationship Agreement, are nonetheless contrary to the interests of minority shareholders or the Company as a whole.

Further, on Admission, the members of the Concert Party will hold shares carrying more than 50 per cent. of the voting rights of the Company and (for so long as they continue to be acting in concert) may accordingly increase their aggregate interests in shares without incurring any obligation to make an offer under Rule 9 of the Takeover Code, although individual members of the Concert Party will not be able to increase their percentage interests in shares through or between a Rule 9 of the Takeover Code threshold without Panel consent. In this regard, it is noted that Omar Hamdi will hold LTIP Options over 4 per cent. of the Enlarged Share Capital, as detailed in paragraph 12 of Part I of this Document.

Shareholders will not benefit from any specific minority shareholder protection other than as provided for in relevant law, the AIM Rules for Companies or the Relationship Agreement.

3.2 *Risks relating to EIS and VCT or a change in the Company's tax status*

The Company has obtained advance assurance from HMRC that it is a qualifying company for the purposes of the EIS Legislation and the New Ordinary Shares issued pursuant to the Placing are expected to be capable of being a "qualifying holding" for the purposes of investment by VCTs, as described in the paragraph entitled EIS and VCT status in Part I of this Document.

Although it is intended that the Company will be managed so that this status is obtained and continues, there is no guarantee that this will be the case. Changes in the Company's circumstances may result in such status being withdrawn, in which case investors who had participated in the Placing as an EIS or VCT investment may lose the tax benefits associated with such an investment and any tax relief that has been claimed may be reduced or withdrawn.

Despite the advance assurance from HMRC, it is unlikely that all investors who subscribe for shares and who would otherwise qualify for relief will be able to benefit from EIS or VCT qualifying status on their subscription for shares. This is because there is a limit on the number of issued shares that can fall within the reliefs due, affected by a statutory limit on the amount that can be raised within

such schemes, in turn affected by previous EIS share allotments and grant(s) received. The Directors estimate approximately £10 million of relief being available. The Company and its advisers will have discretion regarding if and to what extent any available EIS or VCT relief will be allocated to otherwise eligible investors.

3.3 *General risks of investing in shares traded on AIM*

Application will be made for the Ordinary Shares to be admitted to AIM and will not be admitted to the Official List of the FCA or to any other stock exchange. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached rather than for larger or more established companies. The rules of AIM are less rigorous than those of the Official List and an investment in shares traded on AIM may carry a higher risk than an investment in shares admitted to the Official List. In addition, the market in shares traded on AIM may have limited liquidity, therefore making it more difficult for an investor to realise its investment on AIM than to realise an investment in a company whose shares are admitted to the Official List. Prospective investors should therefore be aware that the market price of the Ordinary Shares may be more volatile than that of shares admitted to the Official List and may not reflect the underlying value of the Company. Investors may, therefore, not be able to sell at a price which permits them to recover their original investment, and they could lose their entire investment in the Company.

3.4 *There is no guarantee that the Group will maintain its quotation on AIM*

The Group cannot assure investors that the Group will always retain a quotation on AIM. If it fails to retain such a quotation, certain investors may decide to sell their shares, which could have an adverse impact on the price of the Ordinary Shares. Additionally, if in the future the Group decides to obtain a quotation on another exchange in addition to AIM, the level of liquidity of the Ordinary Shares traded on AIM could decline.

3.5 *Determination of Issue Price*

Placees will subscribe for or purchase the Placing Shares at the Issue Price, which is a fixed price, prior to satisfaction of all conditions for the Placing Shares to be issued or purchased. The Issue Price may not accurately reflect the trading value of the Placing Shares when issued or purchased, or the Company's potential earnings or any other recognised criteria of value.

The Company may apply the proceeds of the Placing of the New Ordinary Shares to uses that Shareholders may not agree with and may make investments or incur expenditure that fail to produce income or capital growth or that lose value. The Company will have considerable discretion in the application of the net proceeds of the Placing of the New Ordinary Shares and Shareholders will need to rely on the judgement of the Directors regarding the application of such proceeds. The Company's allocation of the net proceeds is based on current plans and business conditions. The amounts and timing of any expenditure will vary depending on the amount of cash generated by the Group's operations and competitive and market developments, among other factors.

3.6 *Future funding needs*

The Group may need to raise additional funds in the future to finance, amongst other things, working capital, expansion of the Group's businesses, new developments relating to existing operations or acquisitions. No assurance can be given that any such financing will be available or that, if available, it will be available on terms favourable to the Company or to the Shareholders.

Furthermore, any additional capital raised through the sale of equity may dilute Shareholders' ownership interests in the Group and may have an adverse impact on the value of the Company's Ordinary Shares. The terms of financing may also adversely affect Shareholders' holdings or rights or may contain restrictive covenants. If adequate additional funding cannot be obtained, the Group may have to abandon or limit any planned commercialisation activity and/or business development, which may have a material, adverse effect on the Group's business, financial condition, future trading performance and prospects.

3.7 *Future issues of Ordinary Shares may result in immediate dilution of existing Shareholders and Shareholders outside of the United Kingdom may not be able to participate in future equity offerings.*

The Company may decide to issue additional Ordinary Shares in the future in subsequent public offerings or private placements to fund the future funding requirements of the Group and may also

issue additional Ordinary Shares in connection with future acquisitions if the Directors consider it appropriate to do so. In the case of pre-emptive offerings, if existing Shareholders do not subscribe for additional Ordinary Shares on a *pro rata* basis in accordance with their existing shareholdings, this will dilute their existing interests in the Company and, in the case of any non-pre-emptive offering, existing interests of Shareholders will be diluted by the issuance of new Ordinary Shares.

English law provides for pre-emptive rights to be granted to Shareholders on future equity offerings, unless such rights are disappplied by a Shareholder resolution. However, securities laws of certain jurisdictions outside the United Kingdom may restrict the Group's ability to allow participation by Shareholders located in such jurisdictions in future equity offerings. In particular, Shareholders in the United States may not be entitled to exercise their pre-emption rights unless such an offering is registered under the US Securities Act or made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. The holdings of Shareholders located outside the United Kingdom who are not able to participate in any future equity offerings could be diluted by any such offerings.

In addition, the issue of additional Ordinary Shares by the Company, or the possibility of such issue, may cause the market price of the Ordinary Shares to decline and may make it more difficult for Shareholders to sell Ordinary Shares at a desirable time or price.

3.8 *The market price of the Ordinary Shares may fluctuate significantly in response to a number of factors, some of which may be out of the Company's control.*

The Issue Price may not be indicative of the market price for the Ordinary Shares following Admission. As the Ordinary Shares have not previously traded, their market value is uncertain and may be subject to wide fluctuations in response to many factors, including those referred to in this Part III, as well as stock market fluctuations, changes in financial estimates by industry participants or securities analysts and general economic conditions or changes in political sentiment that may substantially affect the market price of the Ordinary Shares irrespective of the Group's actual financial, trading or operational performance. These factors could include the performance of the Group, large purchases or sales of the Ordinary Shares (or the perception that such sales may occur, as, for example, in the period leading up to the expiration of the various lock-in agreements to which certain holder(s) of Ordinary Shares are subject), legislative changes and market, economic, political or regulatory conditions. The combination of one or more of these factors could mean that investors are unable to recover their original investment in the Ordinary Shares.

3.9 *Dividend policy*

There can be no assurance that the Company will declare dividends in the future or as to the level of any dividends. The approval of the declaration and amount of any dividends of the Company is subject to the discretion of the Directors (and, in the case of any final dividend, the discretion of the holders of Ordinary Shares) at the relevant time and will depend upon, amongst other things, the Group's earnings, financial position, cash requirements and availability of distributable profits on the ability to pay dividends as well as the provisions of relevant laws and/or generally accepted accounting principles from time to time.

3.10 *Litigation*

While the Group has taken, and intends to continue to take, such precautions as it regards appropriate to avoid or minimise the likelihood of any legal proceedings or claims, or any resulting financial loss to the Group, the Directors cannot preclude the possibility of litigation being brought against the Group.

There can be no assurance that claimants in any litigation proceedings will not be able to devote substantially greater financial resources to any litigation proceedings or that the Group will prevail in any such litigation. Any litigation, whether or not determined in the Group's favour or settled by the Group, may be costly and may divert the efforts and attention of the Group's management and other personnel from normal business operations.

3.11 *No prior trading market for the Ordinary Shares*

Before Admission, there has been no prior market for the Ordinary Shares. Although application has been made for the Ordinary Shares to be admitted to trading on AIM, an active public market may not develop or be sustained following Admission.

3.12 Overseas Shareholders may be subject to exchange rate risks

The Ordinary Shares are, and any dividends to be paid on them will be, denominated in pounds sterling. An investment in Ordinary Shares by an investor whose principal currency is not pounds sterling exposes the investor to foreign currency exchange rate risk. Any depreciation in the value of pounds sterling in relation to such foreign currency will reduce the value of the investment in the Ordinary Shares or any dividends in relation to such foreign currency.

3.13 Taxation, legislation and tax status

Any change in taxation legislation or the interpretation of taxation legislation could affect the Company's ability to provide returns to Shareholders. Statements in this Document concerning the taxation of investors in the Ordinary Shares are based on current tax law and practice in the UK and other jurisdictions, which are subject to change. The taxation of an investment in the Company depends on the individual circumstances of the relevant investor.

This Document has been prepared on the basis of current legislation, regulation, rules and practices and the Directors' interpretation thereof. Such interpretation may not be correct, and it is always possible that legislation, rules and practice may change. Any change in legislation and in particular in tax status or tax residence of the Company or in tax legislation or practice may have an adverse effect on the returns available on an investment in the Company. There can be no assurance that future legislation, rules and practice will not adversely affect the Group's business, prospects, results of operations and/or financial condition.

PART IV

HISTORICAL FINANCIAL INFORMATION

**SECTION A: ACCOUNTANT’S REPORT ON
THE HISTORICAL FINANCIAL INFORMATION
OF THE GROUP**

The Directors
Pathos Communications plc
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1st Floor South
London
W1W 6XH

The Directors
Cavendish Capital Markets Limited
1 Bartholomew Close
London
EC1A 7BL

The Directors
Strand Hanson Limited
26 Mount Row
London
W1K 3SQ

Dear Addressees,

Pathos Communications plc (“Pathos Communications”)

We report on the Historical Financial Information set out in Part IV of Pathos Communications’ admission document dated 10 December 2025.

Opinion

In our opinion, the financial information gives, for the purposes of the Document, a true and fair view of the state of affairs of Pathos Communications as at 31 December 2024, 31 December 2023 and 31 December 2022 and of its results, cash flows, statement of comprehensive income and changes in equity for the three periods then ended in accordance with the basis of preparation described in Note 2.

Responsibilities

The directors of Pathos Communications (the “Directors”) are responsible for preparing the Historical Financial Information in accordance with International Financial Reporting Standards as adopted by the United Kingdom.

It is our responsibility to form an opinion on the Historical Financial Information and to report our opinion to you. Save for any responsibility arising under Paragraph (a) of Schedule Two of the AIM Rules for Companies to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person other than the addressees of this letter for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Schedule Two of the AIM Rules for Companies.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of Pathos Communications in accordance with the Financial Reporting Council’s Ethical Standard as applied to Investment Circular Reporting Engagements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the Historical Financial Information. It also included an assessment of the significant estimates and judgements made by those responsible for the preparation of the Historical Financial Information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Historical Financial Information is free from material misstatement, whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Conclusions relating to going concern

We have not identified any material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the ability of Pathos Communications to continue as a going concern for a period of at least twelve months from the date of this report. Accordingly, the use by the Directors of the going concern basis of accounting in the preparation of the Historical Financial Information is appropriate.

Declaration

For the purposes of Paragraph (a) of Schedule Two of the AIM Rules for Companies we are responsible for this report as part of the Document and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and makes no omission likely to affect its import. This declaration is included in the Document in compliance with Schedule Two of the AIM Rules for Companies.

Yours faithfully

HaysMac LLP Chartered Accountants
10 Queen Street Place
London
EC4R 1AG

SECTION B: AUDITED HISTORICAL FINANCIAL INFORMATION

Statement of Comprehensive Income

The consolidated Statements of Comprehensive Income of the Group for the 17-month period ended 31 December 2022 and two years ended 31 December 2023 and 31 December 2024 are set out below:

		Period ended 31-Dec 2022 \$	Year ended 31-Dec 2023 \$	Year ended 31-Dec 2024 \$
	Note			
Revenue	5	3,727,785	7,084,821	11,405,498
Cost of sales		(564,762)	(1,738,001)	(2,433,864)
Gross profit		3,163,023	5,346,820	8,971,634
Administrative Expenses		(1,577,088)	(4,956,635)	(9,263,820)
Fair value movement		—	—	(14,606)
Operating profit/(loss)	6	1,585,935	390,185	(306,792)
Finance expense	9	(185)	(493)	(166,143)
Profit/(loss) before tax		1,585,750	389,692	(472,935)
Taxation	10	(64,749)	(138,681)	(44,158)
Profit/(loss) for the period/year		1,521,001	251,011	(517,093)
Other Comprehensive Income/(loss) for the Period/Year				
Currency translation differences		6,446	(60,796)	(32,622)
Total Comprehensive Income/(loss) for the Period/Year		1,527,447	190,215	(549,715)
		Period ended 31-Dec 2022 \$	Year ended 31-Dec 2023 \$	Year ended 31-Dec 2024 \$
	Note			
Earnings/(loss) per share				
Basic and diluted	11	760,501	125,506	(258,547)

Statement of Financial Position

The consolidated Statements of Position of the Group as at 31 December 2022, 31 December 2023 and 31 December 2024 are set out below:

		As at 31-Dec 2022 \$	As at 31-Dec 2023 \$	As at 31-Dec 2024 \$
	Note			
Assets				
Non-current assets				
Property, plant and equipment	12	—	—	23,117
Intangible assets	13	—	—	197,175
Investments	14	30,245	31,850	16,698
Right of use assets	12	—	—	2,248,815
		30,245	31,850	2,485,805
Current assets				
Trade and other receivables	15	394,287	115,410	404,620
Cash and cash equivalents	16	1,561,416	928,594	218,862
		1,955,703	1,044,004	623,482
Total assets		1,985,948	1,075,854	3,109,287
Equity				
Share capital	17	2	2	2
Retained earnings	18	1,855,223	881,011	363,918
FX Reserve	18	28,713	(32,083)	(64,705)
Total equity		1,883,938	848,930	299,215
Liabilities				
Non-current liabilities				
Lease liabilities	19	—	—	1,905,677
		—	—	1,905,677
Current liabilities				
Trade and other payables	20	102,009	226,924	456,917
Lease liabilities	19	—	—	447,478
		102,009	226,924	904,395
Total liabilities		102,009	226,924	2,810,072
Total equity and liabilities		1,985,948	1,075,854	3,109,287

Statement of Changes in Equity

The consolidated Statements of Changes in Equity of the Group for the 17-month period ended 31 December 2022 and two years ended 31 December 2023 and 31 December 2024 are set out below:

	Note	Share capital \$	Retained earnings \$	FX Reserve \$	Total equity \$
As at 1 August 2021		2	334,222	22,267	356,491
Profit for the period			1,521,001	—	1,521,001
Other comprehensive income for the period			—	6,446	6,446
As at 31 December 2022		2	1,855,223	28,713	1,883,938
Profit for the year			251,011	—	251,011
Other comprehensive loss for the year			—	(60,796)	(60,796)
Dividend	25		(1,225,223)	—	(1,225,223)
As at 31 December 2023		2	881,011	(32,083)	848,930
Loss for the year			(517,093)	—	(517,093)
Other comprehensive loss for the year			—	(32,622)	(32,622)
As at 31 December 2024		2	363,918	(64,705)	299,215

Statement of Cash Flows

The consolidated Statements of Cash flows of the Group for the 17-month period ended 31 December 2022 and two years ended 31 December 2023 and 31 December 2024 are set out below:

		As at 31-Dec 2022 \$	As at 31-Dec 2023 \$	As at 31-Dec 2024 \$
Note				
	Profit/(loss) before tax for the year	1,585,750	389,692	(472,935)
	<i>Adjustments for:</i>			
	Finance expense	185	493	166,143
	Depreciation	—	—	494,949
	Amortisation	—	—	98,588
	Fair value movement	—	—	15,153
	(Increase)/decrease in trade and other receivables	(378,730)	278,878	(289,215)
	Increase/(decrease) in trade and other payables	22,391	(3,554)	244,508
	Currency translation differences	—	(60,796)	(32,622)
	Cash generated from operations	1,229,596	604,713	224,569
	Income taxes paid	(27,608)	(10,213)	(58,654)
	Net cash flows from operating activities	1,201,988	594,500	165,914
	Investing activities			
	Purchase of property, plant and equipment	—	—	(30,823)
	Purchase of intangible assets	—	(1,605)	(295,763)
	Purchase of investments	(30,245)	—	—
	Net cash used in investing activities	(30,245)	(1,605)	(326,586)
	Financing activities			
	Finance expense	(185)	(493)	(4,527)
	Lease payments	—	—	(544,534)
	Dividends paid	—	(1,225,223)	—
	Net cash used in financing activities	(185)	(1,225,716)	(549,061)
	Net change in cash and cash equivalents	1,171,558	(632,821)	(709,732)
	<i>Cash and cash equivalents, beginning of the period</i>	<i>389,858</i>	<i>1,561,416</i>	<i>928,594</i>
	Cash and cash equivalents, end of the period	1,561,416	928,594	218,862

1 Corporate information

Pathos Communication plc is a public company limited by shares incorporated in England and Wales (Reg No-12106511).

The registered office is 101 New Cavendish Street, London, England, W1W 6XH.

2 Basis of preparation

Accounting convention

The Historical Financial Information has been prepared using the historical cost convention. The accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The Historical Financial Information has been prepared in compliance with IFRS and IFRS Interpretations Committee interpretations as adopted by the UK. This is the first time that financial information for the Group has been prepared under IFRS (see note 23 to the Historical Financial Information).

Basis of preparation

The Group's consolidated and the Company's individual historical financial information have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations as adopted by the UK (collectively IFRSs).

The Group's adoption of IFRS was 1 August 2021. The principles and requirements for first time adoption are set out in IFRS 1 "First-time Adoption of International Financial Reporting Standards", as issued by the IASB.

The Group's consolidated historical financial information has been prepared on the basis of a future Group restructuring as set out in note 22.

Details of the Group's accounting policies, including changes during the year, are included in note 3.

In preparing the historical financial information, management has made judgments, estimates and assumptions that affect the application of the Group accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. A key estimation is the provision for expected credit losses on receivables (see note 15). This involves assessing historical trends, current conditions, and forward-looking information to estimate potential losses. These estimates are reviewed regularly and updated as necessary.

3. Accounting Policies

3.1 Basis of consolidation

The historical financial information comprises the three Group Entities that are under the same 100% common ownership and control. For the purposes of this document, the consolidation has been prepared on the basis of the Group structure that will be in place on admission. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

When necessary, adjustments are made to the historic financial information of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3.2 Going concern

The historical financial information has been prepared on the going concern basis which assumes that the Group will be able to continue in operation for the foreseeable future

Management has performed a detailed assessment which includes looking at the cash flow position and financial projections for the Group including sensitivity analysis of the various scenarios, including those arising from the potential IPO. As a result of their assessment and also based on the Group's current liquidity position, the directors are satisfied that the going concern basis of preparation is appropriate. The going concern analysis covers a period no shorter than 12 months from the date of Admission.

3.3 Revenue recognition

Revenue is recognised in accordance with IFRS 15 Revenue from Contracts with Customers, which requires an entity to recognise revenue as performance obligations are satisfied by transferring promised goods or services to customers.

The group enters into standardised contracts with its customers that clearly outline the obligations of both parties, payment terms, and conditions of service. Each contract is assessed as a distinct arrangement with defined performance obligations.

Revenue is earned under a "pay on results" model. The group's performance obligation is generally satisfied at a point in time — specifically, when a customer's article has been successfully published by a third-party media outlet. Only once this publication occurs is an invoice raised, and revenue is recognised.

3.4 Leases

Leases

At contract inception, the company assesses whether a contract is, or contains, a lease. A contract is considered a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lessee Accounting

The company recognises a right-of-use (ROU) asset and a corresponding lease liability at the lease commencement date for all leases, except for short-term leases (with a lease term of 12 months or less) and leases of low-value assets, which are expensed on a straight-line basis over the lease term.

Lease Liability

The lease liability is initially measured at the present value of future lease payments that are not paid at the commencement date. These payments include any:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, using the index or rate at the commencement date;
- Payments of penalties for terminating the lease, if the lease term reflects the company exercising an option to terminate.

Lease payments are discounted using the effective interest rate, as per The Bank of England at the commencement date, unless the interest rate implicit in the lease is readily determinable.

Subsequently, the lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in:

- Lease term;
- Future lease payments due to a change in an index or rate; or
- The company's assessment of whether it will exercise an option.

When the lease liability is remeasured, a corresponding adjustment is made to the right-of-use asset.

Right-of-Use Asset

The ROU asset is initially measured at cost, which comprises:

- The initial amount of the lease liability;
- Any lease payments made at or before the commencement date, less lease incentives received;
- Any initial direct costs; and
- An estimate of costs to dismantle and remove the asset or restore the site.

Subsequently, the ROU asset is depreciated on a straight-line basis over the shorter of the lease term or the useful life of the asset, and is adjusted for any remeasurement of the lease liability.

ROU assets are presented separately on the statement of financial position, unless immaterial.

Service Charges and Non-Lease Components

Where lease agreements include both lease and non-lease components (such as service charges), the company allocates consideration based on their relative stand-alone prices unless it elects, as a practical expedient, not to separate lease and non-lease components.

Short-Term and Low-Value Leases

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are those with a lease term of 12 months or less, and low-value assets typically include IT equipment and small office furniture.

3.5 Foreign currency

In preparing the historical financial information of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on monetary items receivable from or payable to foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

The consolidated financial statements are presented in USD, which is the Group's presentation currency. Each subsidiary in the Group determines its own functional currency, which reflects the primary economic environment in which it operates. For consolidation purposes, the financial statements of subsidiaries with a functional currency different from the Group's presentation currency are translated by converting assets and liabilities at the closing exchange rate prevailing at the reporting date, while income and expenses are translated at the exchange rates prevailing on the dates of the transactions, or at average rates where these approximate actual rates. The resulting exchange differences arising on translation are recognised in other comprehensive income and accumulated in the foreign currency translation reserve within equity.

For the 17-month period ended 31 December 2022, exchange rates fluctuated significantly. In order to provide a more representative translation of income and expenses, the Group applied a weighted approach to average rates: a nine-month average exchange rate was used for the period from August 2021 to April 2022, a four-month average rate was applied for May 2022 to August 2022, and a monthly average rate was used for the period from September 2022 to December 2022.

3.6 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of other employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

3.7 Taxation

Income tax expense represents the sum of the tax currently payable.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and their corresponding tax bases. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax is measured using tax rates that have been enacted or substantively enacted at the reporting date.

3.8 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation is provided on all items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following rates:

Fixtures and fittings – 25% straight-line

Computer equipment – 25% straight-line

3.9 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Contact databases – 33% straight-line

3.10 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits held at call with banks.

3.11 Financial instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value, which is normally the transaction amount. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.12 Financial assets

The Group's main financial assets are trade receivables and cash and cash equivalents. Trade receivables are initially recognised at their transaction price and subsequently measured at amortised cost, less any allowance for expected credit losses in accordance with IFRS 9. Cash and cash equivalents comprise cash

on hand and balances with banks that are readily available for use. These assets are held to collect contractual cash flows, which represent solely payments of principal and interest.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows: and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Impairment of financial assets

The Group always recognises lifetime ECL for trade receivables, amounts due from customers under contracts and lease receivables. The expected credit losses on these financial assets are based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

3.13 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit and loss (FVTPL).

Financial liabilities subsequently measured at amortised cost.

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Financial liabilities subsequently measured at amortised cost.

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

4. Presentational currency

The historical financial information is presented in United States Dollars (USD), as this is the primary economic currency in which the Group operates.

5 Revenue

The following is an analysis of the Group's revenue for the year from continuing operations

	2022 \$	2023 \$	2024 \$
Revenue from PR Services	3,727,785	7,084,821	11,405,498
	3,727,785	7,084,821	11,405,498

Management consider revenue is generated from one operating segment, being the provision of PR services on a 'pay on publication' basis.

Set out below is a summary of the revenue analysed by geographical area:

	2022 \$	2023 \$	2024 \$
US & Canada	2,773,480	5,880,401	10,264,948
UK & Europe	601,453	850,179	684,330
Rest of the World	352,852	354,241	456,220
	3,727,785	7,084,821	11,405,498

6 Operating profit

The operating profit has been arrived at after charging:

	2022 \$	2023 \$	2024 \$
Salary, wages and directors' fees	770,591	2,356,131	2,212,410
Publishing, Advertising & Marketing	573,225	1,451,036	2,004,234
Amortisation of intangible assets	—	—	98,818
Depreciation	—	—	494,949

7 Employee benefits

Employee benefits expenses comprise:

	2022 \$	2023 \$	2024 \$
Wages and salaries	770,591	722,521	869,119
	770,591	722,521	869,119

The monthly average number of persons employed by the Group during the year was as follows:

	2022 Number	2023 Number	2024 Number
Management	—	—	3
Employees	35	45	48
	35	45	52

8 Director's remuneration

Key management comprises the Director. Director's remuneration comprises:

	2022 \$	2023 \$	2024 \$
Director's fees	—	1,633,610	1,343,291
	<u>—</u>	<u>1,633,610</u>	<u>1,343,291</u>

9 Finance expense

	2022 \$	2023 \$	2024 \$
Lease interest	—	—	161,616
Other interest	185	493	4,527
	<u>185</u>	<u>493</u>	<u>166,143</u>

10 Taxation

	2022 \$	2023 \$	2024 \$
Corporation tax charge	64,749	138,681	44,158
Total	<u>64,749</u>	<u>138,681</u>	<u>44,158</u>

The tax assessed for each year is different from the standard rate of corporation tax as applied in the respective trading domains where the Group operates, the differences are explained below

	2022 \$	2023 \$	2024 \$
Profit before tax	1,585,750	389,692	(472,935)
PBT multiplied by rate of corporation tax applicable 19% for 2022, 25% for 2023, 2024	301,292	97,423	(118,234)
Effects of:			
Non-taxable profits from foreign subsidiaries	(354,928)	(3,354)	(148,268)
Non-taxable expenditure	—	—	2,329
Timing differences on provision for receivables	94,342	100,777	142,027
Foreign exchange differences affecting the tax charge	24,042	(21,793)	—
Other differences leading to an increase/(decrease) in the tax charge	—	(25,714)	(4,530)
Differences arising from change of tax rate during the year	—	(8,658)	—
Foreign taxation	—	—	6,772
Unrelieved tax losses carried forward	—	—	164,062
Tax charge for the year	<u>64,749</u>	<u>138,681</u>	<u>44,158</u>

The Group includes entities incorporated in the United Arab Emirates, where no corporate income tax was applicable until the year ended 31 December 2024. Accordingly, no tax charge has arisen on the profits from these entities prior to the year ended 31 December 2024.

Management do not consider a deferred tax asset will be recoverable within the foreseeable future, with respect to unrelieved losses carried forward at 31 December 2024.

11 Earnings/(loss) per share

	2022 \$	2023 \$	2024 \$
Profit/(loss) attributable to Shareholders	1,521,001	251,011	(517,093)
Weighted average number of ordinary shares	2	2	2
	<u>760,501</u>	<u>125,506</u>	<u>(258,547)</u>

Basic earnings/(loss) per Ordinary Share is calculated based on the weighted average number of Ordinary Shares in issue and the earnings/(losses) of the Group for each reporting period.

As at 31 December 2024, there no dilutive instruments in issue (2023: nil, 2022: nil). As such, the diluted earnings/(losses) per Ordinary Share were the same as the basic diluted earnings/(losses) per Ordinary share.

12 Property, plant and equipment

	Fixtures and fittings \$	Computer equipment \$	Total \$	Right of use asset \$	Total \$
Cost or valuation					
As at 31 December 2023	—	—	—	—	—
Additions	24,403	6,420	30,823	2,736,058	2,766,881
As at 31 December 2024	24,403	6,420	30,823	2,736,058	2,766,881
Accumulated depreciation					
As at 31 December 2023	—	—	—	—	—
Charge for the year	6,101	1,605	7,706	487,243	494,949
As at 31 December 2024	6,101	1,605	7,706	487,243	494,949
Net book value					
As at 31 December 2024	18,302	4,815	23,117	2,248,815	2,271,932

The Group had no capitalised property, plant and equipment as at 31 December 2022.

The Group has a lease arrangement for premises. Lease payments for Year 1 amounted to USD 544,518 (AED 2,000,000), of which USD 272,259 (AED 1,000,000) was recognised as a prepayment at the commencement of the lease and USD 272,259 (AED 1,000,000) was paid during the year.

In accordance with the contractual terms, annual lease payments are scheduled to increase by between 5.3% and 8.6% year on year, with the final annual lease payment amounting to USD 744,148 (AED 2,733,780) in Year 5.

13 Intangible assets

	Software \$	Contact databases \$	Total \$
Cost or valuation			
As at 31 December 2023	—	—	—
Additions	72,487	223,276	295,763
As at 31 December 2024	72,487	223,276	295,763
Accumulated depreciation			
As at 31 December 2023	—	—	—
Charge for the year	24,162	74,426	98,588
As at 31 December 2024	24,162	74,426	98,588
Net book value			
As at 31 December 2024	48,325	148,850	197,175

The Group had no capitalised intangible assets as at 31 December 2022.

14 Investments

	Unlisted investments \$	Total \$
Cost or valuation		
As at 1 August 2021	—	—
Additions	30,245	30,245
As at 31 December 2022	30,245	30,245
Foreign exchange movement	1,605	1,605
As at 31 December 2023	31,850	31,850
Foreign exchange movement	(546)	(546)
Impairment	(14,606)	(14,606)
As at 31 December 2024	16,698	16,698

During the year, an impairment loss was recognised on an unlisted investment, as its recoverable amount, determined using a discounted cash flow model, fell below its carrying value due to adverse changes in expected future performance.

15 Trade and other receivables

	2022 \$	2023 \$	2024 \$
Trade receivables – gross	616,287	763,817	2,674,655
Less: Provision for impairment	(222,000)	(665,457)	(2,454,360)
Trade receivables – net	394,287	98,360	220,295
Prepayments	—	—	111,621
Other receivables	—	17,050	72,704
Total trade and other receivables	394,287	115,410	404,620

The Group's rapid expansion in recent years resulted in an increase in trade receivables by 31 December 2024, reflecting both the pace of growth and the volume of new customers onboarded during that period. In recognition of the need to strengthen credit risk management as the business scaled, in April 2025 the Group implemented a comprehensive programme of process and governance enhancements including a multi-stage approval process to ensure that only clients meeting defined creditworthiness criteria are accepted.

Since implementation of these measures, collections performance on contracts entered into since April 2025 has been materially above historical levels. To address legacy balances, in September 2025 a specialist third-party agency was appointed to manage the collection of receivables outstanding at June 2025 that remained unpaid. The recovery process is ongoing.

Following discussions with the third-party agency, based on their historical experience and taking account of the profile and age of the December receivables that remained unpaid in September 2025, the Group has applied the following provisions, which are based on the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables, grouping receivables based on similar credit risk:

31 December 2022: 36% being all balances remaining unpaid in September 2025

31 December 2023: 87%, being all balances remaining unpaid in September 2025

31 December 2024: 93%, being all balances still unpaid at September 2025 and comprising 100% on balances outstanding since prior to 31 December 2023 and 92% on balances outstanding that were invoiced during 2024.

The movement in the provision for impairment between each year is wholly an increase to the provision per the methodology set out above.

16 Cash and cash equivalents

	2022 \$	2023 \$	2024 \$
Cash at bank	1,561,416	928,594	218,862
Cash and cash equivalent as per the cash flow statement	1,561,416	928,594	218,862

17 Share capital

The Company's issued and fully paid share capital is summarised below

Ordinary Shares £1 each	No.	Total
As at 1 August 2021	2	2
Issues	—	—
As at 31 December 2022	2	2
Issues	—	—
As at 31 December 2023	2	2
Issues	—	—
As at 31 December 2024	2	2

18 Reserves

Retained earnings

Includes all current and prior period retained profits and losses.

FX Reserve

Comprises accumulated differences arising from the translations of the historical financial information of the Group's entities into USD.

19 Lease liability

	2022 \$	2023 \$	2024 \$
Contracted undiscounted cash flows			
Less than one year	—	—	595,433
More than one year	—	—	2,102,621
	—	—	2,698,054
Lease liabilities included in the consolidated statement of financial position			
Current	—	—	447,478
Non-current	—	—	1,905,677
	—	—	2,353,155

The following amounts in respect of leases have been recognised in profit or loss:

	2022 \$	2023 \$	2024 \$
Interest expense on lease liabilities	—	—	161,616
	—	—	161,616

20 Trade and other payables

	2022 \$	2023 \$	2024 \$
Trade payables	—	1,472	120,713
Corporation tax	63,746	192,214	184,489
Tax and social security	27,527	10,022	16,701
Amounts due to Director at period end	5,594	1,680	2,191
Accruals & deferred income	5,142	8,281	8,139
Wages and other payables	—	—	124,684
Total trade and other payables	102,009	213,669	456,917

21 Financial instruments

21.1 Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	2022	2023	2024
	\$	\$	\$
Financial assets			
Cash and cash equivalents	1,561,416	928,594	218,862
Trade receivables – gross	616,287	763,817	2,674,655
Less: Provision for impairment	(222,000)	(665,457)	(2,454,360)
Trade receivables – net	394,287	98,360	220,295
Prepayments	—	—	111,621
Other receivables	—	17,050	72,704
Total financial assets	1,955,703	1,044,004	623,482
	2022	2023	2024
	\$	\$	\$
Financial liabilities			
Trade payables	—	1,472	120,713
Tax and social security	91,273	202,236	201,190
Accruals & deferred income	5,142	8,281	8,139
Other payables	—	—	124,684
Amounts due to Director at period end	5,594	1,680	2,191
Total financial liabilities	102,009	213,669	456,917

21.2 Credit risk management

Credit risk arises from cash and cash equivalents as well as credit exposures to wholesale and retail customers, including outstanding receivables. The Group has implemented policies to ensure that sales are made to customers with appropriate credit worthiness.

The credit risk in respect of cash balances held with banks and deposits with banks are managed via diversification of bank deposits, and only with major reputable financial institutions.

The company applies the expected credit loss (ECL) model in accordance with IFRS 9 – Financial Instruments to its trade receivables, which are financial assets measured at amortised cost.

The company uses the simplified approach permitted for trade receivables. This requires recognition of lifetime expected credit losses at all times, regardless of whether a significant increase in credit risk has occurred.

Trade receivables are assessed individually for impairment. Once a receivable becomes overdue, management evaluates the probability of recovery based on debtor-specific circumstances. This assessment incorporates: - Historical default experience;

- Current and forward-looking information, including macroeconomic factors and customer responsiveness; and
- Management's expectations about future credit losses.

The Group always recognises lifetime ECL for trade receivables, amounts due from customers under contracts and lease receivables. The expected credit losses on these financial assets are based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

This policy reflects a reasonable and supportable basis for estimating expected credit losses and ensures timely recognition of impairment losses in accordance with IFRS 9.

21.3 Liquidity risk

The Group maintains a robust cash position to ensure sufficient liquidity to meet its operational and strategic needs, even in periods of economic uncertainty. Given the Group's cash holdings and positive cash flow generation, the Company does not have borrowing facilities to fund its operations or capital expenditures. As of 31 December 2024, the Group held cash and cash equivalents of \$218,862 (2023: \$928,594, 2022: \$1,561,416),

Liquidity and interest risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The contractual maturity is based on the earliest date on which the Group may be required to pay.

31 December 2022

	Within 1 year \$	1-2 years \$	2-5 years \$
Trade payables	—	—	—
Total	—	—	—

31 December 2023

	Within 1 year \$	1-2 years \$	2-5 years \$
Trade payables	1,472	—	—
Total	1,472	—	—

31 December 2024

	Within 1 year \$	1-2 years \$	2-5 years \$
Trade payables	120,713	—	—
Total	120,713	—	—

21.4 Currency risk

Management consider currency risk to be low as the vast majority of income arises in USD and expenses arise in AED, which is pegged to USD. The majority of cash balances are also held in AED or USD.

22 Post balance sheet events

As at the date of this Historical Financial Information, a restructure has taken place, as a result of which Pathos Communications Limited has become the parent of the Group with the remaining Group companies becoming direct 100% subsidiaries.

On 3 December 2025, the Company registered as a public limited company with the name Pathos Communications PLC.

23 Adoption of IFRS, including exceptions, exemptions and adjustments

As stated in Note 3 “Accounting policies”, the Historical Financial Information has been prepared in accordance with IFRS. IFRS was adopted from 1st August 2021, as this was the first time the Group has been consolidated.

In preparing its opening Statement of Financial Position as at 1 August 2021 and adjusting amounts reported previously in the Historical Financial Information prepared in accordance with UK Generally Accepted Accounting Practice (“UKGAAP”), the Directors have applied IFRS 1 “First-time Adoption of International Financial Reporting Standards”, which contains a number of voluntary exemptions and mandatory exceptions from the requirement to apply IFRS retrospectively.

The Directors have applied the following mandatory exception required by IFRS 1 “First-Time Adoption of International Financial Reporting Standards” in the Group’s conversion from UK GAAP to IFRS:

- Estimates – Hindsight is not used to create or revise estimates. The estimates previously made by the Directors under UK GAAP were not revised for the application of IFRS, except where necessary to reflect any difference in accounting policies.

The most significant impact of the adoption of IFRS on the Historical Information is as follows

- IFRS 15 “Revenue” – The standard requires the Group to recognise revenue when they have performed their obligation to their customer using the 5 step model
- IFRS 16 “Leases” – the standard requires all qualifying leases to be recognised on the Statement of Financial Position. Leases previously treated as operating leases must have a right-of-use asset created together with an offsetting lease liability.
- Impairment of Financial Assets – Trade Receivables (IFRS 9)

The company applies the expected credit loss (ECL) model in accordance with IFRS 9 – Financial Instruments to its trade receivables, which are financial assets measured at amortised cost.

New and amended standards adopted

A number of new standards and amendments to standards and interpretations that are effective for annual periods beginning after 1 January 2024 are listed below.

- Amendments to IAS 7 & IFRS 7 – Supplier finance arrangements
- Amendments to IFRS 16 – Lease liability in sale and leaseback
- Amendments to IAS 1 – Classification of liabilities as current or non-current
- Amendments to IAS 1 – Non-current liabilities with covenants

None of these are expected to have a significant effect on the Group.

24 Related party transactions

The following transactions occurred with related parties:

	2022	2023	2024
	\$	\$	\$
Director’s fees	—	1,633,610	1,343,291
	—	1,633,610	1,343,291

The following balances were outstanding at the end of the reporting period in relation to transactions with related parties:

	2022 \$	2023 \$	2024 \$
Amounts due to Director at period end	5,594	1,680	2,191
	5,594	1,680	2,191

No interest was payable on amounts due to the Director.

25 Dividends

A dividend of \$612,611.63 per share was declared for the year ended 31 December 2023, resulting in a total dividend of \$1,225,223 for that year.

26 Subsidiaries

Name of Group entity	Location	Proportion of ownership		
		2022	2023	2024
Global Marketing Services FZCO	UAE	100%	100%	100%
Pathos Global Management Limited*	UAE	—	—	100%

* Incorporated in 2024

27 Ultimate controlling party

The ultimate holding party is The Festina Lente Trust, of which Omar Hamdi is the Principal Beneficiary.

28 Nature of the Historical Financial Information

The Historical Financial Information presented above does not constitute statutory financial statements for the periods under review.

SECTION C: UNAUDITED INTERIM FINANCIAL INFORMATION

Statement of Comprehensive Income

The unaudited, consolidated Statements of Comprehensive Income of the Group for six-month periods ended 30 June 2025 and 30 June 2024, are set out below:

	Note	6 months ended 30-Jun 2024 \$	6 months ended 30-Jun 2025 \$
Revenue		5,643,378	6,419,680
Cost of sales		(1,136,429)	(1,223,754)
Gross profit		4,506,949	5,195,926
Administrative Expenses		(3,599,387)	(4,358,420)
Operating profit	4	907,562	837,506
Finance expense		(75,844)	(78,044)
Profit before tax		831,718	759,462
Taxation		(21,044)	(15,381)
Profit for the period		810,674	744,081
Other Comprehensive Income for the period			
Currency translation differences		(5,463)	(26,675)
Total Comprehensive Income for the period		805,211	717,406

Statement of Financial Position

The unaudited, consolidated Statement of Position of the Group as at 30th June 2025, together with audited, consolidated Statement of Financial Position of the Group as at 31st December 2024, are set out below:

		As at 31-Dec 2024 \$	As at 30-Jun 2025 \$
	Note		
Assets			
Non-current assets			
Property, plant and equipment		23,117	27,138
Intangible assets		197,175	266,495
Investments		16,698	18,290
Right of use assets		2,248,815	1,977,701
		2,485,805	2,289,624
Current assets			
Trade and other receivables	6	404,620	1,193,254
Cash and cash equivalents		218,862	808,112
		623,482	2,001,366
Total assets		3,109,287	4,290,990
Equity			
Share capital	7	2	2
Retained earnings		363,918	1,107,999
FX Reserve		(64,705)	(91,380)
Total equity		299,215	1,016,621
Liabilities			
Non-current liabilities			
Lease liabilities		1,905,677	1,510,328
		1,905,677	1,510,328
Current liabilities			
Trade and other payables		456,917	1,140,621
Lease liabilities		447,478	623,420
		904,395	1,764,041
Total liabilities		2,810,072	3,274,369
Total equity and liabilities		3,109,287	4,290,990

Statement of Changes in Equity

The unaudited, consolidated Statements of Changes in Equity of the Group for the six-month periods ended 30 June 2025 and 30 June 2024, are set out below:

	Notes	Share capital \$	Retained earnings \$	FX Reserve \$	Total equity \$
As at 31 December 2023		2	881,011	(32,083)	848,930
Profit for the period			810,674		810,674
Other comprehensive loss for the period				(5,463)	(5,463)
As at 30 June 2024		2	1,691,685	(37,546)	1,654,141
Loss for the period			(1,327,767)		(1,327,767)
Other comprehensive loss for the period				(27,159)	(27,159)
As at 31 December 2024		2	363,918	(64,705)	299,215
Profit for the period			744,081		744,081
Other comprehensive loss for the period				(26,675)	(26,675)
As at 30 June 2025		2	(1,107,999)	(91,380)	1,016,621

Statement of Cash Flows

The unaudited, consolidated Statements of Cash Flows of the Group for the six-month periods ended 30 June 2025 and 30 June 2024, are set out below:

		6 months ended 30-Jun 2024 \$	6 months ended 30-Jun 2025 \$
	Note		
Profit before tax for the year		831,718	759,462
<i>Adjustments for:</i>			
Finance expense		75,844	78,044
Depreciation		214,918	276,342
Amortisation		17,908	72,902
(Increase)/decrease in trade and other receivables	6	(214,968)	(788,634)
Increase/(decrease) in trade and other payables		(667,365)	739,201
Currency translation differences		(5,463)	(26,674)
Cash generated from operations		252,592	1,110,643
Income taxes paid		(55,716)	(70,879)
Net cash flows from operating activities		196,876	1,039,764
Investing activities			
Purchase of property, plant and equipment		(28,084)	(8,995)
Purchase of intangible assets		(86,180)	(140,119)
Net cash used in investing activities		(114,264)	(149,114)
Financing activities			
Finance expense		28	6
Lease payments		(272,280)	(301,406)
Net cash used in financing activities		(272,252)	(301,400)
Net increase/(decrease) in cash and cash equivalents		(189,642)	589,250
<i>Cash and cash equivalents, beginning of the period</i>		<i>928,594</i>	<i>218,862</i>
Cash and cash equivalents, end of the period		738,952	808,112

Notes to the Interim Financial Information

1 Corporate Information

Pathos Communication Limited is a private company limited by shares incorporated in England and Wales (Reg No: 12106511).

The registered office is 101 New Cavendish Street, London, England, W1W 6XH.

2 Basis of preparation

Accounting convention

The Interim Financial Information has been prepared using the historical cost convention. The stated accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The Interim Financial Information has been prepared in compliance with IFRS and IFRS Interpretations Committee interpretations as adopted by the UK.

Basis of preparation

The accounting policies applied by the Company in the preparation of the Interim Financial Information are the same as those applied by the Company in the preparation of the Group Financial Information.

The Interim Financial Information is presented in United States \$, which is the Group's presentation currency.

3 Critical Accounting Estimates and Judgments

In preparing the Interim Financial Information, the Directors have to make judgments on how to apply the Company's accounting policies and make estimates about the future. The Directors do not consider there to be any critical judgments that have been made in arriving at the amounts recognised in the Interim Financial Information.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. A key estimation is the provision for expected credit losses on receivables. This involves assessing historical trends, current conditions, and forward-looking information to estimate potential losses. These estimates are reviewed regularly and updated as necessary.

4 Operating profit

The operating profit has been arrived at after charging:

	6 months ended 30-Jun 2024 \$	6 months ended 30-Jun 2025 \$
Salary, wages and director's fees	866,254	680,259
Publishing, Advertising & Marketing	911,470	1,272,404
Amortisation of intangible assets	17,908	72,902
Depreciation	214,918	276,342

5 Basic and diluted earnings per Ordinary Share

	6 months ended 30-Jun 2024 \$	6 months ended 30-Jun 2025 \$
Earnings		
Profit for the period	810,674	744,081
Number of shares	2	2
Weighted average earnings per Ordinary share	405,337	372,041

6 Trade and other receivables

	31-Dec 2024 \$	30-Jun 2025 \$
Trade receivables - gross	2,674,655	4,875,159
Less: Provision for impairment	(2,454,360)	(4,040,000)
Trade receivables - net	220,295	835,159
Prepayments	111,621	195,991
Other receivables	72,704	162,104
Total trade and other receivables	404,620	1,193,254

As explained in note 15 of the Historical Financial Information, the Group's rapid expansion in recent years resulted in an increase in trade receivables, reflecting both the pace of growth and the volume of new customers onboarded. In recognition of the need to strengthen credit risk management as the business scaled, in April 2025 the Group implemented a comprehensive programme of process and governance enhancements including a multi-stage approval process to ensure that only clients meeting defined creditworthiness criteria are accepted.

Since implementation of these measures, collections performance on contracts entered into since April 2025 has been materially above historical levels. To address legacy balances, in September 2025 a specialist third-party agency was appointed to manage the collection of receivables outstanding at June 2025 that remained unpaid. The recovery process is ongoing.

Following discussions with the third-party agency, based on their historical experience and taking account of the profile and age of the receivables that remained unpaid in September 2025, the Group has applied the following provisions, which are based on the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables, grouping receivables based on similar credit risk:

30 June 2025: 83%, being:

- 100% of all balances outstanding since 31 December 2023
- 92% of balances outstanding invoiced during the year ended 31 December 2024
- 73% of balances outstanding invoiced during the 6 months to 30 June 2025

31 December 2024: 93%, being:

- 100% of all balances outstanding since 31 December 2023
- 92% of balances outstanding that were invoiced during the year ended 31 December 2024

7 Share capital

The Company's issues and fully paid share capital is summarised below

Ordinary Shares £1 each

	No.	Total
As at 1 January 2024	2	2
Issues	—	—
As at 30 June 2024	2	2
Issues	—	—
As at 31 December 2024	2	2
Issues	—	—
As at 30 June 2025	2	2

8 Related Party

Amounts due to the Director at 30 June 2025 were \$552,695.

PART V

TAXATION

Taxation in the UK

The following information is based on UK tax law and HM Revenue and Customs (“**HMRC**”) practice currently in force in the UK as at the date of this Document. Such law and practice (including, without limitation, rates of tax) may change at any time. The information that follows is for guidance purposes only and does not constitute tax advice.

Any person who is in any doubt about their position, or who may be subject to tax in a jurisdiction other than the UK, should contact their professional adviser immediately. The tax legislation of an investor’s jurisdiction other than the UK, may have an impact on the income received from an investment in the Ordinary Shares.

1. Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK (except where express reference is made to the position of non-UK residents) and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

- who intend to acquire, or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), 10 per cent. or more, of the shares in, returns from, or voting rights in respect of, the Company; or
- who intend to acquire Ordinary Shares as part of tax avoidance arrangements;
- who are treated as having acquired their Ordinary Shares by reason of any office or employment; or
- who are connected with the Company; or
- who are dealers in securities, financial institutions, pension schemes, insurance companies, charities, tax exempt organisations or collective investment schemes; or
- who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

2. Dividends

Where the Company pays dividends, no UK withholding taxes are deducted at source. Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual Shareholders who hold their Ordinary Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.

Dividend income received by UK tax resident individuals after 6 April 2024 will have a £500 annum dividend tax allowance.

Dividends received by UK resident individuals after 6 April 2025 in excess of £500 will be taxed at 8.75 per cent. for basic rate taxpayers, 33.75 per cent. for higher rate taxpayers, and 39.35 per cent. for additional rate taxpayers.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax.

3. Disposals of Ordinary Shares

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

The rate of capital gains tax on the disposal of Ordinary Shares by basic rate taxpayers is 18 per cent. rising to 24 per cent. for higher rate and additional rate taxpayers. UK resident individual Shareholders have an annual exemption, such that capital gains tax is chargeable only on gains arising from all sources during the tax year in excess of this figure. The annual exemption is £3,000 for the tax year 2025-26.

For Shareholders within the charge to UK corporation tax, a disposal (or deemed disposal) of Ordinary Shares may give rise to a chargeable gain at the rate of corporation tax applicable to that Shareholder.

Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 25 per cent. for profits in excess of £250,000, with profits below £50,000 to be taxed at 19 per cent., and a marginal rate on profits between these values. The profit limits are reduced under certain circumstances, with close investment-holding companies not being entitled to the lower rate.

Further information for Shareholders subject to UK income tax and capital gains tax

4. “Transactions in securities”

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HMRC to raise tax assessments so as to cancel “tax advantages” derived from certain prescribed “transactions in securities”.

Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)

No stamp duty or stamp duty reserve tax will generally be payable on the issue of Ordinary Shares.

Neither UK stamp duty nor stamp duty reserve tax should arise on transfers of Ordinary Shares on AIM (including instruments transferring Ordinary Shares and unconditional agreements to transfer Ordinary Shares) based on the following assumptions:

- the *Ordinary* Shares are admitted to trading on AIM, but are not listed on any market (with the term “*listed*” being construed in accordance with section 99A of the Finance Act 1986), and this has been certified to Euroclear; and
- AIM continues to be accepted as a “*recognised growth market*” as construed in accordance with section 99A of the Finance Act 1986).

In the event that either of the above assumptions does not apply, stamp duty or stamp duty reserve tax may apply to transfers of Ordinary Shares in certain circumstances.

HMRC has accepted that it will no longer seek to impose the 1.5 per cent. charge in respect of transfers of shares into a clearance service so long as they are in the course of an integral part of a ‘capital raising arrangement’, on the basis that the charges were not compatible with EU law. On 14 September 2023 HMRC introduced draft legislation confirming that it will not reintroduce the 1.5 per cent. charge on the issue of shares into clearance following the UK’s exit from the EU and the withdrawal of the appropriate EU legislation from 31 December 2023. This measure was enacted in Finance Act 2024 with the legislation effective from 1 January 2024.

Any transfer of Ordinary Shares for consideration prior to admission to trading on AIM is likely to be subject to stamp duty or SDRT.

The above comments are intended as a guide to the general stamp duty and stamp duty reserve tax position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY

OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. INVESTORS SHOULD BE AWARE THAT THE TAX LEGISLATION OF THEIR HOME COUNTRY AND OF THE UK MAY HAVE AN IMPACT ON THE INCOME RECEIVED AND/ OR GAINS MADE FROM THE COMPANY'S ORDINARY SHARES. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO THEIR TAX POSITION OR WHERE THEY ARE RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT THEIR PROFESSIONAL ADVISER.

PART VI

ADDITIONAL INFORMATION

1. RESPONSIBILITY STATEMENT

The Company (whose registered office appears on page 12 of this Document) and the Directors (whose names, business address and functions appear on page 12 of this Document) accept responsibility for the information contained in this Document, including individual and collective responsibility, and for the Company's compliance with the AIM Rules for Companies. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Document is in accordance with the facts and makes no omission likely to affect the import of such information.

2. INCORPORATION AND STATUS OF THE COMPANY

- 2.1 The Company was incorporated in England and Wales on 16 July 2019 as a private company limited by shares, with the name Pathos Communications Limited and registered number 12106511.
- 2.2 On 3 December 2025 the Company was re-registered as a public company limited by shares and changed its name to 'Pathos Communications plc'.
- 2.3 The Company's principal activity is being a creative engagement, communications, and brand reputation business.
- 2.4 The principal legislation under which the Company was incorporated and operates is the Companies Act, and the regulations made thereunder. The liability of the Shareholders of the Company is limited to the amount, if any, unpaid on the shares respectively held by them.
- 2.5 The Company's legal and commercial name is Pathos Communications plc. The domicile of the Company is the United Kingdom.
- 2.6 The registered office of the Company is at 101 New Cavendish Street, 1st Floor South, London, United Kingdom, W1W 6XH.
- 2.7 The telephone number of the principal place of business of the Company is +44 207 138 3204.
- 2.8 The company secretary of the Company is Adam Hurst.
- 2.9 The address of the Company's website, at which the information required by Rule 26 of the AIM Rules for Companies can be found, is www.pathoscommunicationsplc.com.
- 2.10 The LEI for the Company is: 64880N2ZUTE87Z24Y695.

3. THE GROUP

- 3.1 The Company has two wholly owned subsidiaries, Pathos Global Management Limited and Global Marketing Services FZCO (the "**Subsidiaries**").

3.1.1 *Pathos Global Management Limited*

Pathos Global Management Limited was incorporated in DIFC on 23 February 2024 under registration number 8103 and registered office at Units C401 and C407 Level 4, Burj Daman, Dubai International Financial Centre. The principal legislation under which Pathos Global Management Limited was incorporated and operates is DIFC Companies Law No. 5 of 2018.

The Company acquired Pathos Global Management Limited from PublicRelations.ai Holdings Limited on 07 August 2025.

3.1.2 *Global Marketing Services FZCO*

Global Marketing Services FZCO was redomiciled to the DIFC on 26 March 2024 under registration number 8251 and registered office at Unit C401 & C407, Level 4, Burj Daman, Dubai International Financial Centre, pursuant to an office-sharing arrangement with Pathos Global Management Limited. The principal legislation under which Global Marketing Services FZCO operates is the DIFC Companies Law No. 5 of 2018.

Prior to re-domiciliation, Global Marketing Services FZCO operated under IFZA and was licensed in Dubai Silicon Oasis under license no. 6764. Following receipt of a no objection certificate on 3 June 2024, it was re-domiciled to the DIFC with effect from 26 March 2024. On 25 October 2024, the DIFC Registrar of Companies issued a certificate of continuation, and Dubai Silicon Oasis cancelled its registration on 25 November 2024.

The Company acquired Global Marketing Services FZCO from PublicRelations.ai Holdings Limited on 07 August 2025.

4. SHARE CAPITAL OF THE COMPANY

- 4.1 The issued share capital of the Company, at the date of this Document and immediately following Admission, is and will be as follows:

	Number of Ordinary Shares	£
At the date of this Document	50,000,000	50,000
On Admission	66,666,666	66,667

- 4.2 On 16 July 2019, the Company was incorporated with 2 ordinary shares of £1.00 each. One share was issued to Muhammad Salim Kassam, and the other share was issued to Omar Hamdi each at nominal value.

- 4.3 The history of the Company's share capital for the period from incorporation until the date of this Document is as follows:

- 4.3.1 On 28 May 2020, Muhammad Slim Kassam transferred his sole share to Omar Hamdi, making Omar Hamdi the sole shareholder of the Company.
- 4.3.2 On 29 May 2024, Omar Hamdi transferred both of his shares in the Company to PublicRelations.ai Holdings Limited (previously PC Holdings Limited).
- 4.3.3 On 6 October 2025, the entire issued share capital of PublicRelations.ai Holdings Limited was transferred to David Adam Larkin, Daniel Craig Fletcher and Andrew John Cheetham, in their capacity as trustees of The Festina Lente Trust by PC Foundation.
- 4.3.4 On 21 October 2025, PublicRelations.ai Holdings Limited distributed the entire issued share capital of the Company to David Adam Larkin, Daniel Craig Fletcher and Andrew John Cheetham, in their capacity as trustees of The Festina Lente Trust.
- 4.3.5 On 23 October 2025 the Company carried out a bonus issue of 40,441 ordinary shares of £1.00 each. The bonus issue was carried out by capitalising £40,441, being part of the amount standing to the credit of the Company's profit and loss account and applying that sum in paying up in full 40,441 ordinary shares of £1.00 each and allotting such shares to David Adam Larkin, Daniel Craig Fletcher and Andrew John Cheetham, in their capacity as trustees of The Festina Lente Trust.
- 4.3.6 Following the bonus issue referred to at paragraph 4.3.4 above, on 23 October 2025, the Company subdivided its entire issued share capital to reduce the nominal value of each of its shares from £1.00 each to £0.001 each.

- 4.4 Pursuant to resolutions passed on 28 November 2025:

- 4.4.1 the Directors were authorised to re-register the Company as a public company limited by shares and to change the name of the Company to Pathos Communications plc; and
- 4.4.2 the Company approved the adoption of amended articles of association suitable for a public company limited by shares, with effect from the re-registration of the Company, further details of which are set out at paragraph 2.2 of this Part VI.
- 4.4.3 the Directors were authorised to allot:
- 4.4.3.1 up to 22,500,000 Ordinary Shares in connection with the issue of warrants pursuant to the Warrant Instruments and in connection with the LTIP Options, such authority expiring (unless previously renewed, revoked, varied or extended) at the conclusion of the Company's first annual general meeting to be held in 2026;

- 4.4.3.2 up to 100,000,000 New Ordinary Shares in connection with the Placing, such authority expiring (unless previously renewed, revoked, varied or extended) at the conclusion of the Company's first annual general meeting to be held in 2026; and
- 4.4.3.3 up to such number of Ordinary Shares (other than those allotted pursuant to the authorities set out in paragraphs 4.4.3.1 and 4.4.3.2) so as to be equal to 50 per cent. of the Enlarged Share Capital, such authority expiring (unless previously renewed, revoked, varied or extended) at the conclusion of the Company's first annual general meeting to be held in 2026;
- 4.4.4 the Directors were given the power (pursuant to sections 570 and 573 of the Act) to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred by the resolution referred to:
 - 4.4.4.1 in paragraphs 4.4.3.1 and 4.4.3.2 above as if section 561 of the Act did not apply to any such allotment, such authority expiring (unless previously renewed, revoked, varied or extended) at the conclusion of the Company's first annual general meeting to be held in 2026; and
 - 4.4.4.2 in paragraph 4.4.3.3 above as if section 561 of the Act did not apply to any such allotment, up to a maximum which represents approximately 20 per cent. of the Enlarged Share Capital, such authority expiring (unless previously renewed, revoked, varied or extended) at the conclusion of the Company's first annual general meeting to be held in 2026.
- 4.5 At Admission, and in accordance with the authorities granted pursuant to the resolutions outlined at paragraph 4.4.3.2 a total of 16,666,666 New Ordinary Shares will be issued by the Company in relation to the Placing, raising a total of £5.0 million before transaction costs. The holders of Existing Shares will be diluted by the issue of the New Ordinary Shares. The effective dilution rate, assuming none of the holders of the Existing Shares participate in the Placing, is 25.0 per cent.
- 4.6 The Company has, and at incorporation had, no authorised share capital.
- 4.7 The Ordinary Shares have a nominal value of £0.001 each. All Ordinary Shares in issue as at the date of this Document are fully paid up.
- 4.8 The Ordinary Shares have been created under the Companies Act and shall have the rights and be subject to the restrictions referred to in paragraph 7 of this Part VI.
- 4.9 The Issue Price of £0.300 per Placing Share is payable in full on Admission. The Issue Price represents a premium over nominal value of £0.299 per Ordinary Share.
- 4.10 The New Ordinary Shares in issue following Admission will rank in full for all dividends and distributions declared, made or paid after their issue or otherwise *pari passu* in all respects with the Existing Shares, including, but not limited to, voting rights and the right to receive all dividends and other distributions declared, made or paid on the ordinary share capital of the Company but do not confer any rights of conversion or redemption.
- 4.11 The Ordinary Shares will be, in registered form and may be held in either certificated form or in uncertificated form. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument. Accordingly, it is intended that following Admission the settlement of transactions in the Ordinary Shares may take place in CREST if the relevant Shareholders so wish. The records in respect of Ordinary Shares held in uncertificated form will be maintained by the Registrars.
- 4.12 It is expected that definitive share certificates for the Ordinary Shares not to be held through CREST will be posted to allottees on or around 30 December 2025. In respect of uncertificated Ordinary Shares, it is expected that Shareholder's CREST stock accounts will be credited at 8.00 a.m. on or around 16 December 2025.
- 4.13 There are no listed or unlisted securities of the Company not representing share capital.
- 4.14 Otherwise than as referred to in paragraphs 5 and 6 of this Part VI, there are no convertible securities, exchangeable securities or securities with warrants in issue in the Company.
- 4.15 Other than the current application for Admission, the Ordinary Shares are not being admitted to dealings on any recognised investment exchange, nor has any application for such admission been

made, nor are there intended to be any other arrangements in place for there to be such dealings in the Ordinary Shares.

- 4.16 None of the Ordinary Shares are or will be in issue on Admission with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.
- 4.17 Save in connection with the Placing or as otherwise disclosed in paragraphs 5 and 6 of this Part VI:
 - 4.17.1 no share or loan capital of the Company has been issued or is proposed to be issued, fully or partly paid, either for cash or for a consideration other than cash;
 - 4.17.2 no share or loan capital of the Company is under option or is the subject of an agreement, conditional or unconditional, to be put under option;
 - 4.17.3 no commission, discounts, brokerage or other special term has been granted by the Company or is now proposed in connection with the issue or sale of any part of the share or loan capital of the Company;
 - 4.17.4 there are no Ordinary Shares held by or on behalf of the Company in itself or by any other member of the Group;
 - 4.17.5 there are no acquisition rights and or obligations over authorised but unissued capital or an undertaking to increase the authorised capital;
 - 4.17.6 no persons have preferential subscription rights in respect of any share or loan capital of the Company; and
 - 4.17.7 there is no present intention to issue any share capital of the Company nor is there an undertaking to increase the capital of the Company at the date of this Document.

5. SHARE OPTION SCHEME

- 5.1 As outlined in paragraph 12 of Part I of this Document, the Company intends its long-term incentive strategy to involve awards granted under the terms of the proposed LTIP as further described in paragraph 5.7.1 below. Participation will be at the discretion of the Remuneration and Nominations Committee.

LTIP Options will usually vest over a minimum three-year period and may be subject to certain performance conditions being met.

- 5.2 A one-off LTIP Option will be awarded to Omar Hamdi, subject to a three-year vesting period over 4 per cent. of the Enlarged Share Capital. The LTIP Option will be subject to performance conditions, whereby 50 per cent. shall vest upon satisfaction of earnings per share (EPS) conditions and 50 per cent. shall vest upon satisfaction of total shareholder return (TSR) conditions. Such LTIP Option will have an exercise price equal to the Issue Price. The LTIP Options will be held by Mr Hamdi in his personal capacity and not by The Festina Lente Trust.
- 5.3 Adam Hurst will be awarded with an LTIP Option over 1.25 per cent. of the Enlarged Share capital, which shall vest as to one-third per annum for three years. Certain other members of key management (including some below board level) will be awarded with LTIP Options, subject to vesting conditions. The exercise price of all such LTIP Options is equal to the Issue Price. The aggregate award of LTIP Options to management (including Omar Hamdi) will represent 8.07 per cent. of the Enlarged Share Capital.
- 5.4 LTIP Options may be subject to a two-year post-vesting holding period and malus and clawback may be applied under the rules of the LTIP. Dividend equivalents may accrue during the vesting period.
- 5.5 Any awards granted to Executive Directors pursuant to the Share Plans will be made in line with any applicable Directors' remuneration policy at the appropriate time.
- 5.6 In due course, the Remuneration and Nominations Committee may also decide to implement share awards for certain Non-Executive Directors. Similarly, a one-off award over Ordinary Shares may be made to an adviser of the Company in recognition of that individual's role in helping the Board steer the Company to Admission.

5.7 Key Terms of Currently Proposed Share Plans

5.7.1 Long-Term Incentive Plan (“LTIP”)

The LTIP is intended to be adopted by the Board immediately prior to Admission. The LTIP will begin to operate following Admission.

5.7.1.1 Status

The LTIP is a discretionary executive share option plan.

Under the LTIP, the Remuneration and Nominations Committee may, within certain limits and subject to any applicable performance conditions, grant to eligible employees, options over new Ordinary Shares (“**LTIP Option**”) which may be granted at nominal cost.

No payment will be required for the grant of an LTIP Option.

No LTIP Options may be granted following the tenth anniversary of the adoption of the LTIP.

5.7.1.2 Eligibility

All employees (including Executive Directors) will be eligible for selection to participate in the LTIP at the discretion of the Remuneration and Nominations Committee.

5.7.1.3 Limits

The LTIP may operate over Ordinary Shares that are newly issued, held in treasury or purchased in the market.

The rules of the LTIP provide that, in any period of 10 calendar years, not more than 10 per cent. of the Company’s issued ordinary share capital may be issued under the LTIP and under any other employees’ share scheme adopted by the Company. Ordinary Shares issued out of treasury under the LTIP will count towards these limits for so long as this is required under institutional investor guidelines. Ordinary Shares issued in satisfaction of awards granted under any Share Plan prior to Admission will not count towards these limits.

5.7.1.4 Grant of LTIP Options

LTIP Options may be granted in any periods that are permitted by the relevant regulations. However, no LTIP Options may be granted after the 10th anniversary the expected date of Admission.

LTIP Options are not transferable other than to the participant’s personal representatives in the event of their death. Any benefits received under the LTIP are not pensionable.

5.7.1.5 Holding period

At its discretion, the Remuneration and Nominations Committee may grant LTIP Options that are subject to a holding period following vesting.

5.7.1.6 Performance and other conditions

The Remuneration and Nominations Committee may impose performance conditions on the vesting of LTIP Options.

Where performance conditions are specified for LTIP Options, the underlying period of measurement for such conditions will usually be at least three years.

It is currently intended that any performance conditions will be set at the time the LTIP Options are made and each year the Remuneration and Nominations Committee will assess what performance conditions and associated weightings it considers appropriate in supporting the Company’s strategy and long-term objectives. The Remuneration and Nominations Committee currently intends that

any performance conditions for LTIP Options granted on or post-Admission will typically be subject to financial measures measured over the performance period. The LTIP Option granted to Mr Hamdi on Admission will be subject to both EPS and TSR conditions.

Any performance conditions applying to LTIP Options may, in exceptional circumstances be amended or replaced if the Remuneration and Nominations Committee considers it appropriate to do so and, if the Remuneration and Nominations Committee considers the new performance conditions are not materially more or less difficult to satisfy than the original condition would have been but for the circumstances in question.

The Remuneration and Nominations Committee may also impose other conditions on the vesting of LTIP Options.

5.7.1.7 Malus and clawback

Where exceptional circumstances apply, the Remuneration and Nominations Committee may decide that: (i) at any time prior to the vesting of an LTIP Option, the number of Ordinary Shares subject to such LTIP Option will be reduced (in whole or in part); (ii) following the vesting of an LTIP Option but before the delivery of Ordinary Shares in respect of such LTIP Option, the LTIP Options will lapse Ordinary Shares (in whole or in part); or (iii) following the delivery of Ordinary Shares in respect of an LTIP Option, a cash payment will be made to the Company equal to the taxable benefit to the participant (or such lesser amount as the Remuneration and Nominations Committee considers to be fair and reasonable), any other LTIP Options (or future awards granted or to be granted by the Company) be reduced/lapsed accordingly, any cash bonus payable to the participant be withheld in whole or in part, the participant's salary be reduced accordingly or a transfer of an appropriate number of Ordinary Shares to any person nominated by the Company for nil consideration.

The exceptional circumstances may include: (i) material misstatement in the results or accounts for any period of any member of the Group or any business area or undertaking; (ii) any error, inaccurate or misleading information or inaccurate assumptions in determining the number of shares in respect of which an LTIP Option subsists or the extent to which a performance condition (or any other condition) was satisfied; (iii) circumstances arising during the vesting period that would have warranted summary dismissal of the participant; (iv) material failure of risk management or corporate failure; (v) any other circumstances including the acts or omissions of a participant that in the opinion of the Remuneration and Nominations Committee would have a significant impact on the reputation of the business; (vi) conduct by the participant resulting in significant losses to the Group; (vii) the participant failing to meet appropriate standards of fitness and propriety which in the Remuneration and Nominations Committee's opinion had a material negative effect on the Group; (viii) evidence of fraud or material wrongdoing on the part of the participant; the participant acting in a manner which in the opinion of the Remuneration and Nominations Committee brings the Group into disrepute; (ix) a breach of the participants employment contract that is potentially fair reason for dismissal, a material breach of any post-employment restrictive covenant; and/or (x) a breach of fiduciary duty owed to the Group.

5.7.1.8 Vesting and exercise

LTIP Options, in whole or in part, will normally vest over a three-year period and become exercisable on the third anniversary of the date of granting the LTIP Option to the extent that any applicable performance conditions have been satisfied and to the extent permitted under any operation of malus or clawback. LTIP Options will normally remain exercisable until the tenth anniversary (or a shorter period at the discretion of the Remuneration and Nominations Committee) of the date of granting the LTIP Option.

5.7.1.9 Cessation of employment

If a participant leaves due to ill-health, injury, disability, redundancy, retirement by agreement with the Remuneration and Nominations Committee, the participant's employing company being transferred out of the group or any other reason at the discretion of the Remuneration and Nominations Committee (each an **LTIP Good Leaver Reason**), on cessation of employment, LTIP Options will continue and vest at the normal time, subject to any applicable performance condition being satisfied at the date of cessation and (unless the Remuneration and Nominations Committee decides otherwise) time pro-rating. Alternatively, the Remuneration and Nominations Committee may decide that the LTIP Option will vest on the date of cessation.

If a participant dies, their LTIP Option will vest on the date of their death subject to performance conditions being met as at the date of death and time pro-rating.

To the extent that an LTIP Option vests due to the participant ceasing employment for an LTIP Good Leaver Reason, the LTIP Option may be exercised for a period of 6 months following vesting and will otherwise lapse at the end of that period. If a participant dies, the vested shares may be exercised for a period of 12 months following the date of death and will otherwise lapse at the end of that period.

To the extent that a participant ceases employment for any reason other than an LTIP Good Leaver Reason or death then any unvested LTIP Option held by them will cease vesting on the cessation date and any vested, but unexercised LTIP Option will cease to be capable of exercise on the cessation date, and in each case, will lapse 30 days after.

5.7.1.10 Corporate events

In the event of a takeover or winding up of the Company (other than on an internal reorganisation), LTIP Options will vest early subject to (i) any applicable performance conditions being satisfied at that time, and (ii) (unless the Remuneration and Nominations Committee decides otherwise) time pro-rating.

Alternatively, the Remuneration and Nominations Committee may (and, in the case of an internal reorganisation, must) decide that the LTIP Options will (with the consent of the acquiring company) be replaced by equivalent new LTIP Options over shares in the acquiring company.

5.7.1.11 Variation of capital

If there is a variation of share capital of the Company or, in the event of a demerger, payment of a special dividend or other corporate event which materially affects the market price of the Ordinary Shares, then the Remuneration and Nominations Committee may make such adjustments as it considers appropriate to the number, exercise price and/or subscription price of Ordinary Shares under LTIP Options in order to retain the economic value of the LTIP Options as it was immediately prior to such event.

Alternatively, the Remuneration and Nominations Committee may determine that LTIP Options will vest. To the extent that LTIP Options so vest, they may be exercised for a period determined by the Remuneration and Nominations Committee and will otherwise lapse at the end of that period.

5.7.1.12 Dividend equivalents

The Remuneration and Nominations Committee may decide that participants will receive a payment (in cash and/or additional Ordinary Shares) equal in value to any dividends that would have been paid on the Ordinary Shares which vest under their LTIP Options by reference to dividend record dates falling between the time when the LTIP Options were granted and the time when the LTIP Options vested. This amount may assume the re-investment of dividends and may exclude or include special dividends.

5.7.1.13 Rights attaching to Ordinary Shares

LTIP Options will not confer any rights on any employee holding such LTIP Options until the relevant LTIP Option has been exercised and the employee in question has received the underlying Ordinary Shares. Any Ordinary Shares allotted when an LTIP Option is exercised will rank equally with Ordinary Shares then in issue (except for rights arising by reference to a record date prior to their allotment).

5.7.1.14 Cash alternative

At its discretion, the Remuneration and Nominations Committee may decide to satisfy LTIP Options with a cash payment equal to any gain that a participant would have made had the LTIP Options been satisfied with Ordinary Shares in the usual manner.

5.7.1.15 Amendments

The Remuneration and Nominations Committee may, at any time, amend the provisions of the LTIP in any respect, except that amendments to the material disadvantage of participants (other than a permitted alteration to the performance conditions or any other conditions) may only be made in respect of subsisting rights if such disadvantaged participants are invited to agree such amendment and the majority of those who respond consent to such amendment.

5.7.1.16 Overseas plans

The Remuneration and Nominations Committee may, at any time, establish further plans for overseas territories, any such plan to be similar to the LTIP but modified to take account of local tax, exchange control or securities laws. Any Ordinary Shares made available under such further overseas plans must be treated as counting against the limits on individual and overall participation in the LTIP.

5.7.2 UK Tax-advantaged Sub-Plan

The Remuneration and Nominations Committee may, at any time, establish a tax-advantaged sub-plan for UK participants, any such sub-plan to be similar to the LTIP but modified, as the Remuneration and Nominations Committee may consider necessary or desirable, to take account of the requirements of company share option plan legislation in Schedule 5 to the UK Income Tax (Earnings and Pensions) Act 2003. Any Ordinary Shares made available under such sub-plan must be treated as counting against the limits on individual and overall participation in the LTIP.

5.7.3 Adviser Award

Similarly, a one-off award over Ordinary Shares may be made to an adviser of the Company in recognition of that individual's role in helping the Board steer the Company to Admission. A standalone arrangement or a sub-plan to the LTIP may be used for such grant.

5.7.4 Employee Benefit Trusts

The Company may operate the Share Plans in conjunction with any employee benefit trust which the Company reserves the right to establish for the purposes of operating the Share Plans or any other equity-based employee incentivisation arrangements operated by the Company.

Any trust which is established following Admission may acquire Ordinary Shares either by market purchase or by subscription and the trustee shall be entitled to hold or distribute Ordinary Shares in respect of options/awards pursuant to the Share Plans. It is intended that any such trust would be funded by way of loans and other contributions from the Company and may not, at any time without prior Shareholder approval, hold more than 10 per cent. of the issued ordinary share capital of the Company (or such other greater percentage as may be required under institutional investor guidelines from time to time).

Any Ordinary Shares issued to an employee benefit trust following Admission will count for the purposes of the limits set out in the paragraphs entitled “Limits” above.

6. WARRANTS

- 6.1 At the date of this Document, there are no warrants in issue.
- 6.2 The Company has agreed to execute a warrant instrument immediately prior to Admission creating warrants to subscribe (on the basis of one Ordinary Share for each warrant) for 1,000,000 new Ordinary Shares, representing 1.5 per cent. of the Company’s Enlarged Share Capital on Admission (“**Strand Hanson Warrant Instrument**”).
- 6.3 The Company has agreed to execute a warrant instrument immediately prior to Admission creating warrants to subscribe (on the basis of one Ordinary Share for each warrant) for 1,000,000 new Ordinary Shares, representing 1.5 per cent. of the Company’s Enlarged Share Capital on Admission (“**Cavendish Warrant Instrument**”).
- 6.4 The warrants issued pursuant to the Strand Hanson Warrant Instrument and the Cavendish Warrant Instrument (collectively the “**Warrant Instruments**”) will confer the right (but not the obligation) on the relevant warrant holder, exercisable on the terms and subject to the conditions contained in the relevant Warrant Instrument, to subscribe in cash at the Issue Price for one new Ordinary Share and shall be issued to the warrant holder or to such persons as the warrant holder shall direct, provided such person is a person to whom the warrants could be transferred in accordance with the provisions of the relevant Warrant Instrument.
- 6.5 The warrants will be issued immediately prior to Admission to Strand Hanson and Cavendish (respectively) and are to be exercisable within thirty-six (36) months following Admission at a subscription price equal to the Issue Price.
- 6.6 No application will be made for the warrants to be listed or dealt on any recognised investment exchange (as that term is defined in the Financial Services and Markets Act 2000).
- 6.7 The warrants will be issued subject to the Articles and otherwise on the terms of the Warrant Instruments, which are binding upon the Company and each warrant holder and all persons claiming through or under them.

7. ARTICLES OF ASSOCIATION

- 7.1 The Articles do not place any limitation on the business on which the Company may carry on.
- 7.2 The following is a description of the rights attaching to the Ordinary Shares based on the Articles and English law. This description does not purport to be complete and is qualified in its entirety by the full terms of the Articles.

7.2.1 *Objects of the Company*

The Articles do not contain any provision for objects or purposes of the Company.

7.2.2 *Ordinary Shares*

Subject to the provisions of the Companies Act and the Articles, holders of Ordinary Shares shall have the right to receive notice of, and to attend, and to vote at all general meetings of the Company. A holder of Ordinary Shares may appoint one or more proxies to exercise all or any of his or her rights to attend and to speak at the meeting. Save as otherwise provided in the Articles, on a vote on a show of hands (irrespective of the number of shares held by such holder) each holder of Ordinary Shares present in person shall have one vote and every proxy present who has been duly appointed by a holder of Ordinary Shares shall have one vote (save that if the same proxy is appointed by more than one holder of Ordinary Shares, and is instructed by some holders of Ordinary Shares to vote one way and some to vote the other way, the proxy will have one vote for and one vote against the resolution). On a vote on a poll every holder of Ordinary Shares present in person or by proxy shall have one vote for each share held by him or her.

A resolution put to the vote at a general meeting held partly by means of electronic facility or facilities shall be decided on a poll, which poll votes may be cast by such

electronic means as the Directors, in their sole discretion, deems appropriate for the purposes of the meeting.

7.2.3 *Interests in shares*

If a Shareholder or any person appearing to be interested in any Ordinary Shares has been served with a notice pursuant to section 793 of the Companies Act and is in default in supplying to the Company information required within a prescribed period after the service of such notice, the Directors may serve on such Shareholder, or on any such person, a notice (a “direction notice”) in respect of the Ordinary Shares in relation to which the default occurred (“default shares”) directing that in relation to such Ordinary Shares the Shareholder shall not be entitled to be present or to vote at any general meeting or class meeting of the Company.

The direction notice will cease to have effect when the Shareholder complies with the direction notice or sells the whole beneficial ownership of the relevant Ordinary Shares to an unconnected third party acting in good faith by way of an arm’s length transfer. The prescribed period referred to above is 14 days from the date of service of the notice under section 793 of the Companies Act.

7.2.4 *Variation or alteration of shares*

If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class of shares may, subject to the Companies Act, be varied or abrogated either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class (excluding shares held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class but not otherwise.

To every such separate general meeting the provisions of the Articles relating to general meetings apply but so that the necessary quorum at such a meeting other than an adjourned meeting shall be two persons present in person or by proxy holding at least one-third in nominal value of the issued shares of the relevant class (excluding shares held as treasury shares) and at an adjourned meeting one person present in person or by proxy shall be a quorum. Any holder of shares of the relevant class present in person or by proxy may demand a poll upon which every holder of shares of that class present in person or by proxy shall be entitled to one vote for every such share held by him or her. The rights attached to any class of shares shall, unless otherwise expressly provided by the terms of issue of such shares or by the terms upon which such shares are for the time being held, be deemed not to be modified, abrogated or varied by the creation or issue of further shares ranking *pari passu* therewith or the purchase or redemption by the Company of any of its own shares in accordance with the Companies Act and the Articles.

7.2.5 *Redeemable shares*

Subject to the provisions of the Companies Act, any Ordinary Shares may be issued on terms that they may be redeemed or are liable to be redeemed at the option of the Company or the Shareholders on the terms and in the manner provided for by the Articles.

7.2.6 *Transfer of shares*

Subject to the following paragraph, the instrument of transfer of a Share shall be signed by or on behalf of the transferor (and, in the case of a Share which is not fully paid, by or on behalf of the transferee) and the transferor shall be deemed to remain the holder of the Ordinary Shares until the name of the transferee is entered in the register of members. All transfers shall be effected by instrument in writing, in the usual or common form or any other form which the Directors may approve.

The Directors may, in their absolute discretion, refuse to register any transfer of Ordinary Shares in certified form if it is not fully paid, if the Company has a lien on it, if it is not duly stamped, or it is by a Shareholder who has a holding of at least 0.25 per cent. of any class of shares of the Company and has failed to comply with a notice under section 793 of the Companies Act. In addition, the Directors may refuse to register a transfer of Ordinary Shares if it is in favour of more than four persons jointly, if it is made to or by

an infant, or it is of uncertificated shares in any circumstances that are allowed or required by the CREST Regulations or the relevant system.

If the Directors refuse to register a transfer of a share, they shall notify the transferee of the refusal and the reasons for it within two months after the date on which the transfer was lodged with the Company or the instructions to the relevant system received.

Notwithstanding any other provision of the Articles to the contrary, any Ordinary Shares may be held in uncertificated form and title to Ordinary Shares may be transferred by means of a relevant system such as CREST.

7.2.7 *Dividend rights*

The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors. No dividends shall be payable otherwise than in accordance with the Companies Act and out of the profits of the Company available for that purpose. Subject to any priority, preference or special rights, all dividends shall be declared and paid *pro rata* to the nominal amounts of the Ordinary Shares in respect of which the dividend is paid.

A Shareholder will not be entitled to receive any dividend if he has a holding of at least 0.25 per cent. of any class of shares of the Company and has failed to comply with a notice under section 793 of the Companies Act.

The Directors may pay such interim dividends as they think fit. No dividend or interim dividend shall be paid otherwise than in accordance with the provisions of the Companies Act.

Unless otherwise provided by the rights attached to any Share, no dividends in respect of a Share shall bear interest.

The Directors may, with the sanction of an ordinary resolution of the Company in general meeting, offer the holders of Ordinary Shares the right to elect to receive new Ordinary Shares credited as fully paid instead of cash in respect of the whole or any part of the dividend.

Any dividend unclaimed for a period of 12 years after it became due for payment shall be forfeited and cease to remain owing by the Company and thereafter shall belong to the Company absolutely.

7.2.8 *Return of capital*

Subject to the relevant statutory provisions and without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be subject to such restrictions on a return of capital as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination, as the Directors may classify and determine).

7.2.9 *General meetings*

The Company must, in respect of each financial year, hold a general meeting as its annual general meeting in accordance with the Companies Act. Subject to the foregoing and to the provisions of the Companies Act, the Annual General Meeting shall be held at such time and place as the Directors may determine.

Subject to the provisions of the Companies Act, an Annual General Meeting shall be called on not less than 21 days' notice and all other General Meetings shall be called on not less than 14 days' notice. The period of notice shall in each case be exclusive of the day on which it is given or deemed to be given and of the day on which the meeting is to be held. The accidental omission to give notice (or any document intended to accompany any notice) to, or non-receipt of notice (or any document intended to accompany any notice) by, any person entitled to it shall not invalidate the proceedings at any General Meeting.

No business other than the appointment of a chairperson may be transacted at any general meeting unless a quorum is present which will be constituted by two persons entitled to vote at the meeting each being a member or a proxy (including by means of an electronic

facility or facilities). If within ten minutes from the time appointed for the meeting (or such longer interval as the chairperson thinks fit) a quorum is not present, the meeting, if convened on the requisition of, or by, members, will be dissolved.

At a general meeting a resolution put to the vote will be decided on a show of hands unless, before or on the declaration of the show of hands, a poll is demanded by the chairperson or by at least five members present in person or by proxy and entitled to vote or by a member or members entitled to vote and holding or representing by proxy at least one tenth of the total voting rights of all the members having the right to vote at the meeting. A resolution put to vote at a general meeting held partly by means of electronic facility or facilities will be decided on a poll. Unless a poll is demanded as above, a declaration by the chairperson that a resolution has been passed, or passed with a particular majority is conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. An entry in respect of such a declaration in the book containing the minutes of the proceedings of general meetings of the Company is also conclusive evidence of the fact without such proof.

No Shareholder Is entitled to vote at any general meeting either personally or by proxy or to exercise any privilege as a member, unless all calls or other sums presently payable to him or her in respect of shares in the Company have been paid.

The appointment of a proxy must be in any usual form, or such other form as may be approved by the Directors and must be signed by the appointor or by his or her agent duly authorised in writing or if the appointor is a corporation, must be either under its common seal or signed by an officer or agent so authorised. An instrument of proxy need not be witnessed.

The proxy will be deemed to have the right to demand or join in demanding a poll and generally to act at the meeting for the member giving the proxy.

The Directors may direct that any person wishing to attend any general meeting held at a physical place must submit to such searches or other security arrangements or restrictions as the Directors consider appropriate in the circumstances and may, in their absolute discretion, refuse entry to, or eject from, such general meeting any person who fails to submit to such searches or otherwise to comply with such security arrangements or restrictions.

The Directors may call general meetings at such times and places as they shall determine including partially holding general meetings by electronic facility or facilities. The Shareholders present by electronic means, or their proxies will be entitled to participate in the meeting.

7.2.10 Directors

The number of Directors of the Company shall be not less than two but no more than twelve.

The Company may by ordinary resolution elect any person to be a Director. The Directors may also appoint a person as a Director, but such person will only hold office until the next annual general meeting and will then be eligible for re-election.

All Directors are required to retire at the first annual general meeting. At every subsequent annual general meeting, any Directors who have been appointed by the Directors since the last annual general meeting, or who were not appointed or reappointed at one of the preceding two annual general meetings, must retire and may offer themselves for re-election.

A director shall not be required to hold shares in the Company but shall be entitled to attend and speak at any general meeting of the Company or any meeting of the holders of any class of shares in the Company.

The office of a Director will be vacated if the Director resigns, becomes bankrupt or is the subject of other insolvency-related proceedings, in certain circumstances where the Director is suffering from mental disorder, if the Director is absent from meetings of the Directors for six successive months without leave and the Directors resolves that the Director's office

should be vacated or if removed by notice in writing from all the other Directors, if the Director is an executive Director and ceases to hold that office and the majority of the other Directors resolve that such office be vacated, or if the Director is removed or becomes prohibited from being a Director under any provision of applicable statutes.

No person other than a Director retiring at the meeting shall, unless recommended by the Directors, be eligible for election to the office of Director at any general meeting unless not less than fourteen nor more than thirty-five days before the date appointed for the meeting there has been notice in writing given to the Company by a member duly qualified to attend and vote at the meeting of his or her intention to propose the person for appointment and a written notice signed by the person to be proposed of his or her willingness to be elected. The Company has power by ordinary resolution (of which special notice has been given) to remove any Director from office before the expiration of his or her period of office and may by ordinary resolution appoint another person in his place.

At meetings of the Directors, questions are determined by a majority of votes and in the case of an equality of votes the chairperson of the meeting shall have a second or casting vote. The quorum at Directors' meetings may be fixed by the Directors but otherwise shall be two. The Directors may delegate any of its powers to committees. Decisions of the Directors may also be taken by written resolution approved by all Directors eligible to vote on the matter, provided they would have formed a quorum at a meeting of the Directors.

7.2.11 Directors' Conflicts of Interest

A Director must declare to the other Directors any situation in which he has, or could have, a direct or indirect interest that conflicts, or possibly might conflict, with the interests of the Company unless it relates to a contract, transaction or arrangement with the Company, or the matter has been authorised by the Directors or the situation cannot reasonably be regarded as likely to give rise to a conflict of interest.

The Directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law:

7.2.11.1 any matter which would otherwise result in a Director infringing his or her duty to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties);

7.2.11.2 a Director to accept or continue in any office, employment or position in addition to his or her office as a Director of the Company and may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises, provided that for this purpose the Director in question and any other interested Director are not counted in the quorum at any board meeting at which such matter, or such office, employment or position, is approved and it is agreed to without their voting or would have been agreed to if their votes had not been counted.

A Director shall not, by reason of his or her office, be accountable to the Company for any benefit which he derives from any matter, or from any office, employment or position, which has been approved by the Directors (subject in any such case to any limits or conditions to which such approval was subject).

7.2.12 Votes and Directors' Interests

A Director who is in any way, whether directly or indirectly, interested in a proposed or existing contract, transaction or arrangement with the Company must declare the nature and extent of that interest to the other Directors unless it cannot reasonably be regarded as likely to give rise to a conflict of interest.

A Director shall not vote on, or be counted in the quorum in respect of, any contract, transaction or arrangement or any other proposal in which he has an interest which

(together with any interest of any person connected with him or her) is to his or her knowledge a material interest (otherwise than by virtue of shares or debentures or other securities of or otherwise in or through the Company), except that this prohibition shall not apply to:

7.2.12.1 the giving of any security, guarantee or indemnity in respect of:

- (i) money lent or obligations undertaken by him or her or any other person at the request of or for the benefit of the Company or any of its subsidiaries; or
- (ii) a debt or obligation of the Company or any subsidiaries in respect of which the Director has assumed responsibility in whole or in part under a guarantee, indemnity or by giving security;
 - (a) any contract or arrangement by a Director to participate in the underwriting or sub-underwriting of any offer of shares, debentures or other securities of the Company or any of its subsidiaries for subscription, purchase or exchange;
 - (b) any contract or arrangement concerning any other company in which the Director and any persons connected with him or her do not to his or her knowledge hold an interest in shares (as that term is used in sections 820 to 825 of the Companies Act) representing one per cent. or more of either class of the equity share capital, or the voting rights, in such company;
 - (c) any arrangement for the benefit of Directors or employees of the Company or directors or employees of any of its subsidiaries which does not award them any privilege or benefit not generally awarded to the other persons to whom such arrangement relates; and
 - (d) any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for or for the benefit of *inter alia* any Directors of the Company.

Subject to the relevant statutory provisions the Company may, by ordinary resolution, suspend or release the above provisions either generally or in respect of a particular matter or ratify any transaction, arrangement or proposal not duly authorised by reason of a contravention of such provisions.

7.2.13 *Directors' fees and expenses*

The Directors shall be paid out of the funds of the Company for their services as Directors such aggregate sums as the Directors may determine. Any such sums shall be distinct from any salary, remuneration or other amounts payable to a Director.

The Directors are entitled to be paid all reasonable expenses as he may incur in attending and returning from meetings of the Directors, committees of the Directors, general meetings or otherwise in connection with the business of the Company or the proper exercise of his or her duties.

7.2.14 *Directors' indemnity and insurance*

The Directors may purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers or employees of the Company against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to the Company.

7.2.15 *Borrowing powers*

Subject to relevant statutory provisions and as provided in the Articles, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property, assets (present and future) including uncalled capital of the Company and to issue debentures and other securities, whether outright or as collateral security for

any debt, liability or obligation of the Company or of any third party. The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) so as to secure that the aggregate amount for the time being remaining outstanding of all moneys borrowed by the Group shall not at any time without the previous sanction of an ordinary resolution of the Company exceed an amount equal to two times the adjusted capital and reserves.

8. TAKEOVER CODE, MANDATORY BIDS, SQUEEZE OUT AND SELL OUT AND NOTIFICATION OF MAJOR INTERESTS IN SHARES

8.1 Takeover Code

Other than as provided by the Takeover Code and Chapter 28 of the Companies Act, there are no rules or provisions relating to mandatory bids and/or squeeze out and sell out rules that apply to the Ordinary Shares of the Company.

8.2 Mandatory Bid

The Takeover Code applies to the Company. Under Rule 9 of the Takeover Code, any person who acquires an interest in shares which, taken together with shares in which that person or any person acting in concert with that person is interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Code is normally required to make an offer to all the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with that person, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of the voting rights of the company, an offer will normally be required if such person or any person acting in concert with that person acquires a further interest in shares which increases the percentage of shares carrying voting rights in which that person is interested.

An offer under Rule 9 of the Takeover Code must be made in cash at the highest price paid by the person required to make the offer, or any person acting in concert with such person, for any interest in shares of the company during the 12 months prior to the announcement of the offer

8.3 Squeeze Out

Under the Companies Act, if a “takeover offer” (as defined in section 974 of the Companies Act) is made by an offeror to acquire all of the shares in the Company not already owned by it and the offeror were to acquire, or contract to acquire, not less than 90 per cent. in value of the Ordinary Shares which are the subject of such offer and not less than 90 per cent. of the voting rights carried by those shares, the offeror could then compulsorily acquire the remaining shares. The offeror would do so by sending a notice to outstanding shareholders before the end of the three month period beginning on the day after the last day on which the offer can be accepted. The notice must be made in the prescribed manner. Six weeks later, the offeror would send a copy of the notice to the Company together with an instrument of transfer executed in respect of the outstanding Ordinary Shares on behalf of the holder in favour of the offeror and pay the consideration for those Ordinary Shares. The Company would hold the consideration on trust for outstanding shareholders.

The consideration offered to those shareholders whose Ordinary Shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the original offer unless a member can show the offer value is unfair.

8.4 Sell-out

The Companies Act gives minority shareholders a right to be bought out in certain circumstances by a person who has made a takeover offer. If a takeover offer related to all the shares in the Company and at any time before the end of the period within which the offeror could be accepted, the offeror holds, or has agreed to acquire, not less than 90 per cent. in value of the Ordinary Shares and not less than 90 per cent. of the voting rights in the Company, any holder of Ordinary Shares to which the offer relates who has not accepted the offer can, by a written communication to the offeror, require it to acquire that holder’s Ordinary Shares.

The offeror is required to give each Shareholder notice of his or her right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, three months after the date specified in the notice given by the offeror. If a Shareholder exercises his or her rights, the offeror is entitled and bound to acquire those Ordinary Shares on the terms of the offer or on such other terms as may be agreed.

8.5 Notification of Major Interests in Ordinary Shares

Chapter 5 of the DTRs makes provisions regarding notification of certain shareholdings and holdings of financial instruments.

Where a person holds voting rights in the Company as a Shareholder through direct or indirect holdings of financial instruments, then that person has an obligation to make a notification to the FCA and the Company of the percentage of voting rights held where that percentage reaches, exceeds or falls below three per cent. or any whole percentage point above three per cent. The requirement to notify also applies where a person is an indirect Shareholder and can acquire, dispose of or exercise voting rights in certain cases.

Shareholders are encouraged to consider their notification and disclosure obligations carefully as a failure to make any required notification to the Company may result in disenfranchisement pursuant to the Articles.

9. INTERESTS OF THE DIRECTORS

9.1 The interests of the Directors and of members of their respective families (as defined in the glossary to the AIM Rules for Companies) (all of which are beneficial unless otherwise stated), in the issued share capital of the Company, were as at the date of this Document and are expected to be immediately following Admission, to the extent their existence is known to, or would with reasonable diligence be ascertained by, a Director, are as follows:

9.1.1 Prior to, and on, Admission, interests in the Ordinary Shares are and will be as follows:

Name	At the date of this Document		On Admission	
	No. of Ordinary Shares	Percentage of Existing Share Capital	No. of Ordinary Shares	Percentage of Enlarged Share Capital
Mark Elliott	—	—	116,666	0.17%
Omar Hamdi*	—	—	—	—
Adam Hurst	—	—	66,666	0.10%
Linda Marston-Weston	—	—	33,333	0.05%
Tunji Akintokun	—	—	—	—

Note:

* — Omar Hamdi has no direct interest in the Ordinary Shares; however he is a beneficiary of The Festina Lente Trust, which will be interested in 47,965,296 Ordinary Shares, representing 71.95 per cent. of the Enlarged Share Capital on Admission.

9.1.2 Prior to, and on, Admission, the following Options over Ordinary Shares will be outstanding:

Name	Share Option Plan	Number of Ordinary Shares under option	Exercise price	Latest exercise date
Omar Hamdi	The Pathos Communications plc Long Term Incentive Plan	2,666,666	£0.30	10 years from grant
Adam Hurst	The Pathos Communications plc Long Term Incentive Plan	833,333	£0.30	10 years from grant

- 9.2 Upon Admission, the Directors will in aggregate be interested in, directly and indirectly, 216,665 Ordinary Shares representing approximately 0.32 per cent. of the Enlarged Share Capital.
- 9.3 Save as disclosed above, none of the Directors (or persons connected with the Directors within the meaning of section 252 of the Companies Act) has any interest, whether beneficial or non-beneficial, in any share or loan capital of the Company.
- 9.4 There are no outstanding loans made or guarantees granted or provided by the Company or the Subsidiaries to or for the benefit of any of the Directors.
- 9.5 Save as disclosed in paragraphs 10 and 15 of this Part VI, no Director has any interest, whether direct or indirect, in any transaction which is or was unusual in its nature or conditions or significant to the business of the Group and which was effected by any member of the Group in the current or immediately preceding financial year or which were effected during an earlier financial year and which remains in any respect outstanding or under-performed.
- 9.6 None of the Directors or any person connected with them (within the meaning of sections 252 to 255 of the Companies Act) has any interest (whether beneficial or non-beneficial) in any financial product referenced to the Ordinary Shares (being a financial product whose value is, in whole or in part, determined directly or indirectly by reference to the price of the Ordinary Shares including a contract for difference or a fixed odds bet).

10. ADDITIONAL INFORMATION ON THE DIRECTORS

10.1 Other than in respect of the Company and the Subsidiaries, the names of all companies and partnerships of which the Directors have been a director or partner at any time in the five years preceding the date of this Document and indicating whether they are current or past are set out below:

Director	Current Directorships/ Partnerships	Past Directorships/Partnerships
Omar Hamdi	Pathos Communications Limited Pathos Global Management Ltd Global Marketing Services FZCO PublicRelations.ai Holdings Ltd OH Foundation	—
Adam Hurst	The Belsize Square Synagogue Coram Leap Confronting Conflict	Shearwater Group plc The Belsize Square Synagogue Yell Group Limited Yell Holdco Limited Yell Asia Pacific Holdings Limited Yell SIP Limited Yell Finance (FX) Limited Yell Finance (USD) Limited Yell Sales Limited Yell Mediaworks Limited Yell Studio Limited YH Limited Yell Bondco plc Owl Finance Limited Moonfruit Limited Yell Limited Sitemaker Software Limited
Mark Elliott	Malvern International plc Journeo plc ICE Partners Limited Journeo Fleet Systems Limited Metropolitan Cattle Trough and Drinking Fountain Association (Trustee) The Clockmakers Charity (Trustee)	Pension Trustees (Independent) Limited Ice Strategies LLP National Benevolent Society of Watch & Clockmakers (Trustees)
Linda Marston-Weston	Playtech plc Blue Horizon (Holyrood House) 2 Limited Blue Horizon (Persore) Limited Blue Horizon (Holyrood House) Limited MCD Projects Limited MCD Regeneration Limited MCD Regeneration Consulting Limited Holyrood House (Malvern) Management Company Limited Playtech UK Branch	Blue Horizon Marketing Limited Cooper Parry LLP
Adetunji Akintokun	England Athletics Ltd Personal Best Foundation	Joanna Abeyie Consultancy Ltd

- 10.2 Mark Elliott was a non-executive director of GE Securities Limited, a wholly owned subsidiary of GE Holdings plc, from December 2007 to September 2011. GE Securities Limited entered into creditors voluntary liquidation in May 2011, with an estimated deficit to creditors of £132,000.
- 10.3 On 6 June 2006, a personal insolvency was filed in Cardiff in respect of Omar Hamdi. At the time of the insolvency, Omar was 20 years old and was shortly to begin university. Whilst there are no formal records available, the estimated quantum of the insolvency is approximately £40,000.
- 10.4 Save as disclosed above, none of the Directors has:
- 10.4.1 any unspent convictions in relation to indictable offences;
 - 10.4.2 had any bankruptcy order made against them or entered into any voluntary arrangements;
 - 10.4.3 been a director of a company which has been placed in receivership, compulsory liquidation, creditors' voluntary liquidation, administration, been subject to a voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director;
 - 10.4.4 been a partner in any partnership which has been placed in compulsory liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
 - 10.4.5 been the owner of any asset or been a partner in any partnership which owned, any asset which while he owned that asset, or while he was a partner or within the 12 months after he ceased to be a partner in the partnership which owned the asset entered into receivership;
 - 10.4.6 been the subject of any public criticism by any statutory or regulatory authority (including recognised professional bodies); or
 - 10.4.7 been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of any company.

11. DIRECTORS' SERVICE AGREEMENTS AND LETTERS OF APPOINTMENT

11.1 Executive Directors' Service Agreements

- 11.1.1 Omar Hamdi has entered into a service agreement with the Company dated 10 December 2025, under the terms of which he has agreed to act as the Chief Executive Officer of the Company with effect from Admission. The appointment will continue for an indefinite term (subject to re-election by Shareholders as required by the Articles) and is terminable earlier by the Company in various specified circumstances and in any event by either party on twelve months' prior written notice, such notice not to be capable of being served by either party until the expiry of twelve months from Admission. The Company has agreed that Mr Hamdi shall receive an annual fee of the GBP equivalent of US\$100,000 per annum for his services as Chief Executive Officer of the Company.
- 11.1.2 In addition to the service agreement entered into between Mr Hamdi and the Company (the details of which are set out at paragraph 11.1.1 above), Mr Hamdi has also entered into a service agreement with Pathos Global Management Limited dated 10 December 2025, under the terms of which he has agreed to act as Chief Executive Officer of Pathos Global Management Limited with effect from 10 December 2025. The appointment will continue for an indefinite term and is terminable earlier by the Company in various specified circumstances and in any event by either party on twelve months' prior written notice. The basic annual salary payable to Mr Hamdi is US\$300,000, with an additional allowance of US\$100,000 per year.
- 11.1.3 Adam Hurst has entered into a service agreement with the Company dated 1 July 2025, under the terms of which he has agreed to act as Chief Financial Officer of the Company with effect from 7 July 2025. The appointment will continue for an indefinite term (subject to re-election by Shareholders as required by the Articles) and is terminable earlier by the Company in various specified circumstances and in any event by either party on six months' prior written notice, provided always that such notice cannot be served by either

party earlier than six months after the date of the Admission. The basic annual salary payable to Mr Hurst is £175,000 per annum.

The service agreements are governed by English law.

11.2 Non-Executive Directors' Letters of Appointment

11.2.1 Mark Elliott has entered into a letter of appointment with the Company dated 4 December 2025 under the terms of which he has agreed to act as a Non-Executive Director of the Company with effect from 4 December 2025. The appointment shall be for an initial term of twelve (12) months commencing on the date of Admission and may thereafter be terminated by either party on three months' prior written notice. The appointment is subject to confirmation by the shareholders at the Company's first annual general meeting and thereafter will be subject to re-election by Shareholders as required by the Articles.

Mr Elliott is to serve as the Non-Executive Chair of the Board and will receive an annual fee of £70,000 for services provided to the Company as Chair from Admission and for his services as a Non-Executive Director.

11.2.2 Linda Marston-Weston has entered into a letter of appointment with the Company dated 4 December 2025 under the terms of which she has agreed to act as a Non-Executive Director of the Company with effect from 4 December 2025. The appointment shall be for an initial term of twelve (12) months commencing on the date of Admission and may thereafter be terminated by either party on three months' prior written notice. The appointment is subject to confirmation by the shareholders at the Company's first annual general meeting and thereafter will be subject to re-election by Shareholders as required by the Articles.

The Company has agreed that Ms Marston-Weston shall receive an annual fee of £40,000 for her services as a Non-Executive Director and an additional annual fee of £5,000 for her role as Chair of the Audit and Risk Committee.

11.2.3 Tunji Akintokun has entered into a letter of appointment with the Company dated 4 December 2025 under the terms of which he has agreed to act as a Non-Executive Director of the Company with effect from 4 December 2025. The appointment shall be for an initial term of twelve (12) months commencing on the date of Admission and may thereafter be terminated by either party on three months' prior written notice. The appointment is subject to confirmation by the shareholders at the Company's first annual general meeting and thereafter will be subject to re-election by Shareholders as required by the Articles.

The Company has agreed that Mr Akintokun shall receive an annual fee of £40,000 for his services as a Non-Executive Director and an additional annual fee of £5,000 for his role as Chair of the Remuneration and Nominations Committee.

The letters of appointment are governed by English law.

11.3 General

11.3.1 Save as disclosed in this paragraph 11, the Company has not amended or entered into any service agreements with any Director within the last 6 months and no Director has a service agreement that has more than 12 months to run.

11.3.2 Save as disclosed in paragraphs 11.1.1-11.2.3 above, there are no service contracts or agreements existing or proposed between any Director, or parties in which they are interested, and the Company.

11.3.3 Other than payment of salary and benefits in lieu of notice, the Directors' service agreements and/or letters of appointment (as applicable) do not provide for benefits upon termination of employment or in connection with retirement from office.

12. SIGNIFICANT SHAREHOLDERS

- 12.1 Save as disclosed in paragraph 9 of this Part VI, the Company is only aware of the following persons who, at the date of this Document and immediately following Admission, represent an interest (within the meaning of DTR Chapter 5) directly or indirectly, jointly or severally in three per cent. or more of the Company's issued share capital or could exercise control over the Company:

Name	At the date of this Document		On Admission	
	No. of Ordinary Shares	Percentage of Issued Share Capital	No. of Ordinary Shares	Percentage of Enlarged Share Capital
The Festina Lente Trustees*	50,000,000	100%	47,965,296	71.95%
Octopus Investments Limited	—	—	10,000,000	15.00%
Pentwater Capital Management Europe LLP	—	—	3,333,333	5.00%
Puma AIM VCT PLC	—	—	2,500,000	3.75%

* – the trustees of The Festina Lente Trust, of which Omar Hamdi is a beneficiary.

- 12.2 Neither the Directors nor any significant holder of Ordinary Shares, as listed above in paragraph 12.1 of this Part VI, has voting rights different to other Shareholders.
- 12.3 Save as disclosed in paragraph 12.1 of this Part VI, the Directors are not aware of any persons who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company. To the best knowledge of the Company there are no arrangements which may at a date subsequent to Admission result in a change of control of the Company.

13. SELLING SHAREHOLDER

The following persons are selling Ordinary Shares in the Placing. The table below sets out the number of Ordinary Shares which are being sold in the Placing and the percentage such number represents of the Existing Shares:

Selling Shareholder	At the date of this Document		On Admission	
	No. of Ordinary Shares	Percentage of Issued Share Capital	No. of Ordinary Shares	Percentage of Enlarged Share Capital
The Festina Lente Trustees*	50,000,000	100%	47,965,296	71.95%

* – the trustees of The Festina Lente Trust, of which Omar Hamdi is a beneficiary.

14. EMPLOYEES

- 14.1 The Group currently has 61 employees who are primarily based in DIFC.
- 14.2 The table below sets out the number of employees employed by the Group during the last three financial years:

Financial year	Average number of persons employed
2022	35
2023	46
2024	52

15. MATERIAL CONTRACTS

Other than as set out below, and other than contracts entered into in the ordinary course of business, neither the Company nor any member of the Group, has entered into any contract in the two years immediately prior to the date of this Document which is or may be material, or which contains any provision under which the Company or any member of the Group has any obligation or entitlement which is material to the Company as at the date of this Document:

15.1 *Agreements entered into by the Company*

15.1.1 *Placing Agreement between the Company, the Directors, Strand Hanson, the Selling Shareholder and Cavendish*

The Company has entered into a Placing Agreement dated 10 December 2025 with: (i) the Directors (ii) Strand Hanson; (iii) the Selling Shareholder and (iv) Cavendish, pursuant to which Cavendish was appointed as agent of the Company to use its reasonable endeavours to procure subscribers for the New Ordinary Shares and purchasers for the Sale Shares, each at the Issue Price. The Placing Agreement is conditional, among other things, on Admission taking place no later than 16 December 2025 or such later date as may be agreed between the Company, Strand Hanson and Cavendish and the Company, the Selling Shareholder and the Directors complying with certain obligations under the Placing Agreement. The Placing is not being underwritten.

Pursuant to the Placing Agreement, the Company, and the Directors have given certain warranties to Strand Hanson and Cavendish regarding, among other things, the accuracy of information in this Document. In addition, the Selling Shareholder has given certain customary warranties as to title to the Sale Shares.

Cavendish and Strand Hanson are each entitled, in certain limited circumstances, to terminate the Placing Agreement prior to Admission and to the payment of their outstanding costs on such termination. The agreement is governed by English law.

15.1.2 *Lock-in Agreements between each of the Locked-in Shareholder, the Locked-in Directors, the Company, Cavendish and Strand Hanson*

Lock-in Agreements were entered into between each of the Locked-in Shareholder, the Locked-in Directors, the Company, Cavendish and Strand Hanson, on 10 December 2025.

Pursuant to the terms of the agreements, the Locked-in Shareholder and the Locked-in Directors have agreed not to dispose of any interest in Ordinary Shares during the Lock-in Period, except in certain specified circumstances.

The specified circumstances include:

- a) any disposal with the prior approval of the Company, Strand Hanson and Cavendish;
- b) any disposal pursuant to an offer by the Company to purchase its own shares which is made on identical terms to all holders of the same class;
- c) any disposal relating to the operation of The Festina Lente Trust such as the appointment of an additional or new trustee, or a transfer to a beneficiary provided that the transferee enters into a lock-in on similar terms;
- d) any sale to an offeror or potential offeror who has been named in an announcement made pursuant to the Takeover Code; or
- e) any disposal pursuant to an intervening court order.

The Locked-in Shareholder and the Locked-in Directors have also agreed for a further period of 12 months following the expiry of the Lock-in Period, to only dispose of an interest in Ordinary Shares through Cavendish and in such manner as they may reasonably require with a view to maintenance of an orderly market in the Ordinary Shares (other than with the prior written consent of the Company, Strand Hanson and Cavendish).

Upon Admission, the Locked-in Shareholder and the Locked-in Directors will in aggregate be interested in, directly and indirectly, 48,181,961 Ordinary Shares representing approximately 72.27 per cent. of the Enlarged Share Capital.

The Lock-in Agreements are each governed by English law.

15.1.3 Nominated Adviser Agreement between the Company and Strand Hanson

A Nominated Adviser Agreement dated 10 December 2025 has been entered into between the Company, the Directors and Strand Hanson pursuant to which the Company has appointed Strand Hanson to act as its nominated adviser to the Company for the purposes of the AIM Rules for Companies.

The Nominated Adviser Agreement has a minimum term of eighteen (18) months and thereafter is subject to termination, among other things, by either the Company or Strand Hanson on the giving of not less than three (3) months' prior written notice. Either party may nevertheless terminate the agreement with immediate effect if the other party is in material breach of its obligations under the Nominated Adviser Agreement.

The agreement contains certain undertakings by the Company and indemnities given by the Company in respect of, among other things, compliance with all applicable regulations.

The Nominated Adviser Agreement is governed by English Law.

15.1.4 Broker Agreement

The Company has entered into an agreement with Cavendish pursuant to which Cavendish has been appointed to act as the Company's broker on an ongoing basis.

The Broker Agreement will continue for a minimum period of 12 months and is subject to termination, among other things, by either the Company or Cavendish on the giving of not less than three months' prior written notice.

The Broker Agreement contains certain undertakings by the Company and indemnities given by the Company in respect of, among other things, compliance with all applicable regulations.

The Broker Agreement is subject to English law.

15.1.5 Relationship Agreement between the Company, Strand Hanson and Omar Hamdi

On 10 December 2025, the Company entered into a Relationship Agreement with Strand Hanson, Omar Hamdi and The Festina Lente Trustees, on behalf of The Festina Lente Trust, the operative terms of which are conditional on Admission.

The Relationship Agreement seeks to ensure that, on and from Admission, the Company is capable at all times of carrying on its business independently of The Festina Lente Trustees and its associates as well as Omar Hamdi and his associates. In particular, under the Relationship Agreement, neither The Festina Lente Trustees and its associates nor Omar Hamdi and his associates shall take any action which will prevent the Company from complying with the AIM Rules for Companies and each shall exercise their voting rights so as procure insofar as the relevant person is able to do so by the exercise of such rights that:

- all transactions of The Festina Lente Trustees and their associates with the Group shall be conducted at arm's length and on normal commercial terms;
- all transactions of Omar Hamdi and his associates with the Group shall be conducted at arm's length and on normal commercial terms;
- no variations or amendments are made to the Articles which would:
 - be contrary to the maintenance of the Company's ability to carry on its business independently of either The Festina Lente Trustees and/or its associates or Omar Hamdi and his associates; and/or
 - be inconsistent with, undermine or breach any provision of the Relationship Agreement or the AIM Rules for Companies;
- at all times the non-executive Directors who are unaffiliated with The Festina Lente Trustees and/or Omar Hamdi, (being, on and from Admission, Mark Elliott, Tunji Akintokun and Linda Marston-Weston) be sufficient in number to hold a

majority of the voting rights of the Board (taking account of the Chair's casting vote where there would otherwise be an equality of votes);

- at all times the non-executive Directors who are unaffiliated with The Festina Lente Trustees and/or Omar Hamdi comprise a majority of any audit, remuneration and nomination committees established by the Board from time to time;
- any Directors who are not unaffiliated with The Festina Lente Trustees and Omar Hamdi, do not vote on any resolution of the Board or a Board committee in respect of agreements or arrangements with The Festina Lente Trustees and/or its associates, and Omar Hamdi, and/or his associates or any decision as to whether to enforce any such agreement or arrangement or in relation to a dispute in relation to such an agreement and/or arrangement;
- the Group shall be managed (in all material respects) in accordance with the QCA Code or such other applicable corporate governance code as may be adopted by the Board from time to time;
- there is no solvent cancellation of the admission of the Company's Ordinary Shares from trading on AIM pursuant to Rule 41 of the AIM Rules for Companies without the Shareholder resolution required for such cancellation under the AIM Rules for Companies being approved by both:
 - 75 per cent. of the votes cast by Shareholders at the relevant general meeting; and
 - more than 50 per cent. of the votes cast by Shareholders at the relevant general meeting who are independent of both The Festina Lente Trustees and Omar Hamdi,

subject to the following exceptions:

- an offer (however proposed to be effected) by a *bona fide* third party (not being either (i) The Festina Lente Trustees or an associate of The Festina Lente Trustees; or (ii) Omar Hamdi or an associate of Omar Hamdi) to acquire the entire issued share capital of the Company; or
- an offer by The Festina Lente Trustees (and/or any of their associates), Omar Hamdi (and/or any of his associates), or a third party offeror for the Company which has been conducted by means of a scheme of arrangement and approved by the requisite majorities of shareholders; or
- the proposed admission of the whole of the issued and to be issued ordinary share capital of the Company to the equity shares (commercial companies) segment of the FCA's official list and to trading on the London Stock Exchange's main market for listed securities.

Subject to any requirements of the Company's nominated adviser, The Festina Lente Trustees have the right to nominate a person for appointment as a Director (but they may elect that such person instead be observers, any observer to have full information rights as if he/she were a director) on the Board and to remove from office any such person appointed by them and to nominate someone in their place. On Admission, Omar Hamdi will be The Festina Lente Trustees nominated Director.

The Relationship Agreement (including the right to appoint Directors/ observers) shall terminate when The Festina Lente Trustees and/or their associates or Omar and/or his associates cease to be interested in directly or indirectly, 20 per cent. or more of the voting rights of the Company.

The Relationship Agreement is governed by English law.

Your attention is drawn to the risk factor titled "The Festina Lente Trust's interest in the Ordinary Shares and the Relationship Agreement" in Part III of this Document for further information on the risks associated with the Relationship Agreement.

15.1.6 Warrant Instruments

The Company has agreed to execute the Warrant Instruments immediately prior to admission.

Further details of the Warrant Instruments are set out in paragraph 6 of this Part VI.

15.1.7 Registrar Agreement between the Company and the Registrar

On 26 August 2025, the Company entered into an agreement with the Registrars pursuant to which the Company appointed the Registrar as its share registrar to provide, or procure the provision of, share registration services and certain online services with effect from Admission.

Pursuant to the terms of the Registrars Agreement, the Company is to pay certain fees and charges to the Registrars including annual fees, and in certain circumstances fees for transfers. The Registrars Agreement is terminable by either party giving six weeks' written notice to the other. In certain circumstances the parties will be entitled to terminate the Registrars Agreement without notice. The Registrars Agreement is governed by English law.

15.1.8 Pathos Global Management Limited Share Exchange Agreement between the Company and PublicRelations.ai Holdings Limited

On 6 August 2025, the Company entered into a share exchange agreement with PublicRelations.ai Holdings Limited pursuant to which the Company acquired the entire issued share capital of Pathos Global Management Limited.

Pursuant to the terms of the Pathos Global Management Limited Share Exchange Agreement, the Company acquired 100 ordinary shares of USD 100.00 each in Pathos Global Management Limited, comprising the whole of the allotted and issued share capital of Pathos Global Management Limited, for a purchase price of £7,510, which was satisfied by the issue to PublicRelations.ai Holdings Limited of 7,510 ordinary shares of £1.00 each in the capital of the Company, credited as fully paid.

15.1.9 Global Marketing Services FZCO Share Exchange Agreement between the Company and PublicRelations.ai Holdings Limited

On 6 August 2025, the Company entered into a share exchange agreement with PublicRelations.ai Holdings Limited pursuant to which the Company acquired the entire issued share capital of Global Marketing Services FZCO.

Pursuant to the terms of the Global Marketing Services FZCO Share Exchange Agreement, the Company acquired 100 ordinary shares of USD 100.00 each in Global Marketing Services FZCO, comprising the whole of the allotted and issued share capital of Global Marketing Services FZCO, for a purchase price of £2,047, which was satisfied by the issue to PublicRelations.ai Holdings Limited of 2,047 ordinary shares of £1.00 each in the capital of the Company, credited as fully paid.

15.1.10 Festina Lente Declaration of Trust

The Declaration of Trust dated 2 September 2025 was executed by The Festina Lente Trustees. The beneficiary of The Festina Lente Trust is Omar Hamdi.

Pursuant to the terms of the Trust Deed, The Festina Lente Trustees have discretion to hold the Trust Fund and its income, with power to appoint, pay or apply the income of the Trust Fund to or for the benefit of all or such one or more of the Beneficiaries exclusive of the other or others of them as are then living and in such shares if more than one and in such manner generally as The Festina Lente Trustees shall in their absolute discretion from time to time think fit. The Festina Lente Trustees may at any time appoint, pay or apply the whole or any part of the Trust Fund whether or not in specie to or for the benefit of all or such one or more of the Beneficiaries exclusive of the other or others of them in such shares if more than one and in such manner generally as The Festina Lente Trustees shall in their absolute discretion think fit. The Festina Lente Trustees have all the same powers as a natural person acting as beneficial owner of the Trust Fund and its income, and have additional powers and immunities set out in the instrument.

Trust moneys may be invested in stocks, funds, shares, securities or other investments of any nature and wheresoever situate, whether involving liabilities or not and whether producing income or not, or upon personal credit with or without security, including purchase, erection and improvement of property as a residence for any Beneficiary and purchase of chattels for such person's use, giving The Festina Lente Trustees full and unrestricted powers of investing and transposing investments. The Festina Lente Trustees are not bound to maintain a balance between income and capital nor are they under any obligation to diversify investments in the Trust Fund. The Festina Lente Trustees also have extensive powers to add or exclude beneficiaries, vary trust provisions, change the governing law, and delegate their powers, all subject to their absolute discretion and the requirements of the Proper Law.

The Trust is governed by the Trusts (Guernsey) Law, 2007. Any body corporate conducting trust or fiduciary services business and appointed as Trustee is entitled to act upon its standard terms and conditions including reimbursement of proper expenses, costs and liabilities plus remuneration for services

15.1.11 Deed of Addition

The Instrument of Addition of Trust Property dated 6 October 2025 was entered into between PC Foundation and The Festina Lente Trustees. This Instrument is supplemental to the Declaration of Trust, outlined at paragraph 15.1.9 above, under which The Festina Lente Trust was established. The Festina Lente Trustees have power under Clause 2.2 of the Trust Instrument at any time during the Trust Period in their absolute discretion to accept or decline any money, investments or property of whatsoever nature and wheresoever situate from any person by gift inter vivos, by will or by the provisions of any other trust or otherwise to be held upon the trusts.

The Donor settled (for no consideration) with immediate effect the "Additional Property" to The Festina Lente Trustees to be held by The Festina Lente Trustees as an accretion to the capital of the Trust Fund subject to the terms of the Trust. The Additional Property comprises 100 ordinary shares of USD 100 nominal value each, being 100 per cent. of the issued share capital in Publicrelations.ai Holdings Limited (which at the time of the settlement was the sole shareholder of the Company).

The Instrument and the gift of the Additional Property are construed, have effect and are governed by the law of the Bailiwick of Guernsey.

16. RELATED PARTY TRANSACTIONS

Save as set out in paragraph 7 of Part I and paragraph 24 of Section B of Part IV of this Document, there are no related party transactions that the Group has entered into during the period covered by the Historical Financial Information set out in Part IV up to the date of this Document.

17. INTELLECTUAL PROPERTY

The Group has a portfolio of intellectual property in place as detailed below. Save as disclosed in this Document, there are no patents or licences, industrial, commercial or financial contracts or new manufacturing processes which are or may be of material to the Company's business or profitability.

17.1 Patents

The Group's has no registered patents.

17.2 Trademarks

The Group has no registered trademarks.

On 19 November 2025, Pathos Global Management Limited applied for the registration in the UK of the Company's name, Pathos Communications, the trading styles 'Pathos' and 'pay on results PR' and the Pathos logo.

17.3 Unregistered IP

The Group's material unregistered intellectual property sits within Pressella, PathosMind, PodcastWise and the Pathos logo. All intellectual property rights in Pressella, PathosMind and PodcastWise are currently owned by Pathos Global Management Limited.

17.4 Pressella and PathosMind

Pressella and PathosMind were developed by the Company alongside a third-party contractor.

17.5 PodcastWise

Pursuant to an asset purchase agreement dated 19 January 2024, Omar Hamdi acquired all of the assets and "IP Rights" (broadly defined as patents, inventions, know-how, copyright, trade marks, and domain names) related to the operation of PodcastWise and any related business entities, specifically including "the codebase and IP, brand, marketing materials, website, domain, customers, customer and transaction history, marketing communication history, and technical documentation". In anticipation of Admission, the Company put in place an agreement transferring ownership of all IP in PodcastWise from Omar Hamdi to Pathos Global Management Limited. The assignment agreement was signed on 3 October 2025.

18. NO GOVERNMENTAL, LEGAL OR ARBITRATION PROCEEDINGS

The Company is not and has not been involved in any governmental, legal or arbitration proceedings, which may have or have had during the 12 months immediately preceding the date of this Document a significant effect on the financial position or profitability of the Company or the Group, and so far as the Directors are aware, there are no such proceedings pending or threatened against the Company or the Group.

19. WORKING CAPITAL

In the opinion of the Directors, having made due and careful enquiry, and taking into account the net proceeds of the Placing of the New Ordinary Shares, the working capital available to the Company and the Group is sufficient for its present requirements, that is, for at least the next 12 months from the date of Admission.

20. ACCOUNTING MATTERS

20.1 Save for the Placing and as disclosed in paragraph 7 of Part I of this Document, there has been no significant change in the financial or trading position of the Group since 30 June 2025, the date to which the unaudited interim financial information in Part IV of this Document has been prepared.

20.2 The financial information set out in this Document relating to the Group does not constitute statutory accounts. HaysMac LLP, which is registered by the Institute of Chartered Accountants in England and Wales (ICAEW) to carry on audit work in the UK, have been the auditors of the Group since 26 September 2025.

20.3 The gross proceeds of the Placing of the New Ordinary Shares are expected to be £5 million, with net proceeds expected to be approximately £3.4 million. The total costs and expenses relating to the Placing payable by the Company are estimated to be £1.6 million (excluding VAT).

20.4 The accounting reference date of the Company is 31 December.

21. CONSENTS

21.1 Strand Hanson Limited of 26 Mount Row, London W1K 3SQ has given and not withdrawn its written consent to the inclusion in this Document of reference to its name in the form and context in which it appears.

21.2 Cavendish Capital Markets Limited of 1 Bartholomew Close, London EC1A 7BL has given and not withdrawn its written consent to the inclusion in this Document of reference to its name in the form and context in which it appears.

21.3 HaysMac LLP of 10 Queen St Pl, London EC4R 1AG, has given and not withdrawn its written consent to the inclusion in this Document of reference to its name in the form and context in which it appears and to the inclusion of its accountant's report on the Audited Historical Financial Information included in Section A of Part IV of this Document in the form and context in which it

appears and has authorised the contents of that report for the purposes of the AIM Rules for Companies.

22. GENERAL

- 22.1 Strand Hanson is registered in England and Wales under number 02780169, and its registered office is at 26 Mount Row, London W1K 3SQ. Strand Hanson is authorised and regulated by the FCA and is acting in the capacity of nominated and financial adviser to the Company.
- 22.2 Where information has been sourced from a third party, the Company confirms that the information has been accurately reproduced and that as far as it is aware and is able to ascertain from the information published by those third parties, no facts have been omitted which would render the information produced inaccurate or misleading.
- 22.3 Save as disclosed in this Document, the Group has not made any investments since 30 June 2025 up to the date of this Document, nor are there any investments by the Group in progress or anticipated which are significant.
- 22.4 No public takeover bids have been made by third parties in respect of the Company's issued share capital since its incorporation up to the date of this Document.
- 22.5 Save as disclosed in this Part VI of this Document, no person (excluding professional advisers otherwise disclosed in this Document and trade suppliers) has:
- 22.5.1 received, directly or indirectly, from the Company within the 12 months preceding the date of application for Admission; or
 - 22.5.2 entered into contractual arrangements (not otherwise disclosed in this Document) to receive, directly or indirectly, from the Company on or after Admission any of the following:
 - 22.5.2.1 fees totalling £10,000 or more;
 - 22.5.2.2 securities in the Company with a value of £10,000 or more calculated by reference to the expected price of a Placing Share at Admission; or
 - 22.5.2.3 any other benefit with a value of £10,000 or more at the date of Admission.

23. AVAILABILITY OF THIS DOCUMENT

Copies of this Document are available free of charge from the Company's registered office and at the offices of Strand Hanson at 26 Mount Row, London W1K 3SQ, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) and shall remain available for at least one month after Admission. An electronic version of this Document is also available to download from the Company's website at www.pathoscommunicationsplc.com.

10 December 2025

