

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under FSMA if you are resident in the UK or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Existing Ordinary Shares, please immediately forward this document, together with the accompanying Form of Proxy and (if relevant) the Application Form as soon as possible, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Existing Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

The Directors (whose names and functions appear on page 7 of this document) and the Company (whose registered office appears on page 7 of this document) accept responsibility, both collectively and individually, for the information contained in this document and compliance with the AIM Rules. To the best of the knowledge and belief of the Directors and the Company (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 does not omit anything likely to affect the import of such information.



CREO MEDICAL GROUP PLC

(Incorporated under the Companies Act 2006 and registered in England and Wales with registered number 10371794)

**Placing of 17,123,288 new Ordinary Shares
and Open Offer of up to 2,775,896 new Ordinary Shares
each at a price of 182.5 pence per New Ordinary Share
and
Notice of General Meeting**

Nominated Adviser and Broker

Cenkos Securities plc

The Existing Ordinary Shares are admitted to trading on AIM. Conditional upon completion of the Placing and the Open Offer, application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that the New Ordinary Shares are expected to be admitted to AIM and to commence trading at 08.00 a.m. on 7 September 2021. The New Ordinary Shares will, on Admission, rank *pari passu* in all respects with the Existing Ordinary Shares and will rank in full for all dividends and other distributions declared, made or paid on Ordinary Shares after Admission.

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 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. The London Stock Exchange has not itself examined or approved the contents of this document. Prospective investors should read this document in its entirety.

The total consideration under the Open Offer will be less than €8 million (or an equivalent amount) in aggregate and the Placing Shares will only be available to qualified investors for the purposes of the Prospectus Rules or otherwise in circumstances not resulting in an offer of transferable securities to the public under section 102B of FSMA. Therefore, in accordance with section 85 and section 86 of FSMA, this document is not, and is not required to be, a prospectus for the purposes of the Prospectus Rules and has not been prepared in accordance with the Prospectus Rules. Accordingly, this document has not been, and will not be, reviewed or approved by the FCA,

pursuant to sections 85 and 87 of FSMA, the London Stock Exchange or any other authority or regulatory body. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules.

Your attention is drawn to the letter from the Chairman of the Company which is set out in Part I of this document and which contains, amongst other things, the Directors' unanimous recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting.

The latest time and date for acceptance and payment in full under the Open Offer is 3 September 2021. The procedure for acceptance and payment is set out in Part IV of this document and, where relevant, in the Application Form.

Cenkos Securities plc ("**Cenkos**"), which is authorised and regulated in the UK by the FCA, is acting for the Company in connection with the proposed Placing and Open Offer and will not be acting for any other person (including a recipient of this document) or otherwise be responsible to any person for providing the protections afforded to clients of Cenkos or for advising any other person in respect of the proposed Placing and Open Offer or any transaction, matter or arrangement referred to in this document. Cenkos' responsibilities as the Company's nominated adviser and broker under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire shares in the Company in reliance on any part of this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on Cenkos by FSMA or the regulatory regime established thereunder, Cenkos does not accept any responsibility whatsoever for the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Ordinary Shares or the Fundraising or the Admission. Cenkos accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this document or any such statement.

Notice of a General Meeting of Creo Medical Group plc, to be held at the offices of Osborne Clarke LLP at 2 Temple Back East, Temple Quay, Bristol BS1 6EG at 10.00 a.m. on 6 September 2021, is set out at the end of this document. To be valid, the accompanying Form of Proxy for use in connection with the General Meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach the Company's registrars, Equiniti Limited, by not later than 10.00 a.m. on 2 September 2021 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting). Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.

Shareholders who hold their Existing Ordinary Shares in uncertificated form in CREST may alternatively use the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual as explained in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by the issuer's agent (ID RA19) by no later than 10.00 a.m. on 2 September 2021 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting). The appointment of a proxy using the CREST Proxy Voting Service will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish.

Qualifying non-CREST Shareholders will find an Application Form accompanying this document. Qualifying CREST Shareholders (none of whom will receive an Application Form) will receive a credit to their stock accounts in CREST in respect of the Open Offer Entitlements which will be enabled for settlement on 17 August 2021. Applications under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim arising out of a sale or transfer of Existing Ordinary Shares prior to the date on which the Existing Ordinary Shares were marked "ex-entitlement" by the London Stock Exchange. If the Open Offer Entitlements are for any reason not enabled by 3.00 p.m. on 31 August 2021 or such later time as the Company may decide on 31 August 2021, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements credited to its stock account in CREST. Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this

document and the Open Offer. Applications for Excess Shares pursuant to the Excess Application Facility may be made by the Qualifying Shareholder provided that their Open Offer Entitlement has been taken up in full and subject to being scaled back in accordance with the provisions of this document.

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

A copy of this document is available, subject to certain restrictions relating to persons resident in certain overseas jurisdictions, at the Company's website investors.creomedical.com.

IMPORTANT INFORMATION

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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

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

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors’ current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group’s operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM Rules, none of the Company, Cenkos nor their respective Directors undertakes any obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors’ expectations or to reflect events or circumstances after the date of this document.

NOTICE TO OVERSEAS PERSONS

The distribution of this document and/or any accompanying documents in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. In addition, the transfer of Open Offer Entitlements or Excess Open Offer Entitlements through CREST, in jurisdictions other than the UK, including the Restricted Jurisdictions (as defined below), may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any of those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

The New Ordinary Shares, the Open Offer Entitlements and the Excess Open Offer Entitlements have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, (the “**US Securities Act**”) and may not be offered, sold or delivered in, into or from the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Subject to certain exemptions, this document and the Application Form does not constitute an offer of Ordinary Shares to any person with a registered address, or who is resident in, the United States. There will be no public offer in the United States. Outside of the United States, the New Ordinary Shares are being offered in reliance on Regulation S under the US Securities Act. The New Ordinary Shares will not qualify for distribution under the relevant securities laws of the United States, Australia, Canada, the Republic of South Africa, New Zealand or Japan, nor has any prospectus in relation to the New Ordinary Shares been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Accordingly, subject to certain exemptions, the New Ordinary Shares may not be offered, sold, taken up, delivered or transferred in, into or from the United States, Australia, Canada, the Republic of South Africa, New Zealand, Japan or any other jurisdiction where to do so would constitute a breach of local securities laws or regulations (each a “**Restricted Jurisdiction**”) or to or for the account or benefit of any national, resident or citizen of a Restricted Jurisdiction. This document does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or purchase, any Ordinary Shares to any person in a Restricted Jurisdiction and is not for distribution in, into or from a Restricted Jurisdiction.

The New Ordinary Shares, the Open Offer Entitlements or the Excess Open Offer Entitlements have not been approved or disapproved by the US Securities and Exchange Commission, or any other securities commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the New Ordinary Shares nor have they approved this document or confirmed the accuracy or adequacy of the information contained in this document. Any representation to the contrary is a criminal offence in the United States.

In addition, Application Forms are not being posted to and no Open Offer Entitlements or Excess Open Offer Entitlements will be credited to a stock account of any person in the United States, Canada, Australia, Japan or the Republic of South Africa. The attention of Overseas Shareholders and other recipients of this document who are residents or citizens of any country other than the UK is drawn to the section entitled "Overseas Shareholders" at paragraph 6 of Part IV of this document.

PRESENTATION OF FINANCIAL INFORMATION

Certain data in this document, including financial, statistical and operational information has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data. Percentages in tables have been rounded and, accordingly, may not add up to 100 per cent. In this document, references to "pounds sterling", "£", "pence" and "p" are to the lawful currency of the UK, references to "US dollar", "dollar", "US\$" or "\$" are to the lawful currency of the United States and references to "Euros" and "€" are to a lawful currency of the European Union.

PRESENTATION OF MARKET, ECONOMIC AND INDUSTRY DATA

Where information contained in this document originates from a third party source, it is identified where it appears in this document together with the name of its source. Such third party information has been accurately reproduced and, so far as the Company is aware and is 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.

NO INCORPORATION OF WEBSITE INFORMATION

The contents of the Company's website or any hyperlinks accessible from the Company's website do not form part of this document and Shareholders should not rely on them.

INTERPRETATION

Certain terms used in this document are defined and certain technical and other terms used in this document are explained at the section of this document under the heading "Definitions".

All times referred to in this document, the Form of Proxy and the Application Form are, unless otherwise stated, references to London time.

All references to legislation in this document, the Form of Proxy and the Application Form 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.

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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DIRECTORS, SECRETARY AND ADVISERS

Directors	Charles Spicer (<i>Chairman</i>) Craig Gulliford (<i>Chief Executive Officer</i>) Richard Rees (<i>Chief Financial Officer</i>) Professor Christopher Hancock (<i>Chief Technology Officer</i>) David Woods (<i>Chief Commercial Officer</i>) John Bradshaw (<i>Senior Independent Non-executive Director</i>) Ivonne Cantu (<i>Independent Non-executive Director</i>) All of whose business address is at the Company's registered office
Registered Office	Creo House Unit 2, Beaufort Park Beaufort Park Way Chepstow Wales NP16 5UH
Company website	investors.creomedical.com
Company Secretary	Richard Rees
Nominated Adviser and Broker	Cenkos Securities plc 6.7.8 Tokenhouse Yard London EC2R 7AS
Legal advisers to the Company	Osborne Clarke LLP One London Wall London EC2Y 5EB
Legal advisers to the Nominated Adviser	Simmons & Simmons LLP Citypoint 1 Ropemaker Street London EC2Y 9SS
Auditors	KPMG LLP 15 Canada Square London E14 5GL
Registrars and Receiving Agent	Equiniti Limited Aspect House Spencer Road Lancing West Sussex BN99 6DA

FUNDRAISING STATISTICS

Issue Price	182.5 pence
Number of Existing Ordinary Shares	161,002,002
Number of Placing Shares being issued by the Company pursuant to the Placing	17,123,288
Open Offer basic entitlement	1 Open Offer Share for every 58 Existing Ordinary Shares
Number of Open Offer Shares (in aggregate) (assuming take-up in full of the Open Offer by Qualifying Shareholders)	up to 2,775,896
Number of Ordinary Shares in issue following the Admission ⁽¹⁾	180,901,186
Percentage of the existing issued ordinary share capital of the Company being placed pursuant to the Fundraising ⁽¹⁾	12.36 per cent.
Gross proceeds of the Placing	£31.25 million
Gross proceeds of the Open Offer ⁽¹⁾	up to approximately £5.07 million
Estimated expenses of the Fundraising ⁽¹⁾	Approximately £2.1 million
Estimated net proceeds of the Fundraising receivable by the Company ⁽¹⁾	Approximately £34.2 million
Ordinary Share ISIN	GB00BZ1BLL44
Open Offer Basic Entitlements ISIN	GB00BND8BN15
Open Offer Excess Entitlements ISIN	GB00BND8BS69

¹ Assuming take-up in full of the Open Offer by Qualifying Shareholders.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2021

Announcement of the Fundraising	12 August
Record Date for entitlement under the Open Offer	12 August
Announcement of the results of the Placing	13 August
Publication of this document, Form of Proxy and, to Qualifying Non-Crest Shareholders, the Application Form	16 August
Ex-entitlement date of the Open Offer	16 August
Open Offer Entitlements and Excess Open Offer Entitlements credited to stock accounts in CREST of Qualifying CREST Shareholders	17 August
Latest recommended time and date for requested withdrawal of Basic Open Offer Entitlements from CREST	4.30 p.m. on 27 August
Latest time and date for depositing Open Offer Entitlements in CREST	3.00 p.m. on 31 August
Latest time and date for splitting of Application Forms under the Open Offer	3.00 p.m. on 1 September
Latest time and date for receipt of Forms of Proxy and CREST voting instructions	10.00 a.m. on 2 September
Latest time and date for receipt of Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on 3 September
General Meeting	10.00 a.m. on 6 September
Results of the General Meeting and the Open Offer announced	6 September
Admission of the New Ordinary Shares to trading on AIM and commencement of dealings	8.00 a.m. on 7 September
Where applicable, expected date for CREST accounts to be credited in respect of New Ordinary Shares in uncertificated form	7 September
Where applicable, expected date for despatch of definitive share certificates for New Ordinary Shares in certificated form	21 September

Notes:

1. Each of the above times and/or dates is subject to change at the absolute discretion of the Company and Cenkos. If any of the above times and/or dates should change, the revised times and/or dates will be announced through a Regulatory Information Service.
2. All of the above times refer to London time unless otherwise stated.
3. All events listed in the above timetable following the General Meeting are conditional on the passing of the Resolutions at the General Meeting.

DEFINITIONS

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

“Admission”	admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules
“AIM”	the AIM Market operated by the London Stock Exchange
“AIM Rules”	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
“Albyn” or “Albyn Medical”	Albyn Medical S.L., a company incorporated and existing in accordance with the laws of Spain, with its registered office in Cordovilla (Navarra), at Poligono Industrial Cordovilla, Calle D, 1, and holder of Spanish tax identification number (NIF) B-62.943.063
“Application Form”	the application form accompanying this document to be used by Qualifying Non-CREST Shareholders in connection with the Open Offer
“APACI”	the Asia-Pacific
“Articles”	the articles of association of the Company
“Boucart Medical”	Boucart Medical SRL, a company incorporated under Belgian law, having its registered offices at 1070 Anderlecht, rue des Vétérinaires 42 and registered with the Banque Carrefour des Entreprises (“Kruispuntbank van Ondernemingen”) under number 0443.933.069 (RLE Brussels)
“Business Day”	a day (other than a Saturday, a Sunday or a public holiday) on which clearing banks are open for all normal banking business in the city of London.
“Cenkos” or “Nominated Adviser” or “Broker”	Cenkos Securities plc, as the Company’s nominated adviser and/or broker
“certificated form” or “in certificated form”	an Ordinary Share recorded on a company’s share register as being held in certificated form (namely, not in CREST)
“Company” or “Creo”	Creo Medical Group plc, a company incorporated under the laws of England and Wales with company number 10371794
“COVID-19”	Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755) (as amended)
“CROMA”	the CROMA Advanced Energy Platform
“Directors” or “Board”	the directors of the Company whose names are set out on page 7 of this document, or any duly authorised committee thereof
“EMEA”	Europe, Middle East, and Africa
“ENT”	ear, nose and throat
“EU”	the European Union
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST

“Excess Application Facility”	the arrangement pursuant to which Qualifying Shareholders may apply for additional Open Offer Shares in excess of their Open Offer Entitlement in accordance with the terms and conditions of the Open Offer
“Excess CREST Open Offer Entitlements”	in respect of each Qualifying CREST Shareholder, an entitlement equal to the maximum number of Open Offer Shares available through the Open Offer has been credited (in addition to his Open Offer Entitlement) to apply for Open Offer Shares pursuant to the Excess Application Facility, which is conditional on him taking up his Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this document
“Excess Open Offer Entitlements”	an entitlement for each Qualifying Shareholder to apply to subscribe for Open Offer Shares in addition to his Open Offer Entitlement pursuant to the Excess Application Facility which is conditional on him taking up his Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this document
“Excess Shares”	Open Offer Shares applied for by Qualifying Shareholders under the Excess Application facility
“Ex-entitlement Date”	the date on which the Existing Ordinary Shares are marked “ex” for entitlement under the Open Offer, being 16 August 2021
“Existing Ordinary Shares”	the 161,002,002 Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM
“FCA”	the UK Financial Conduct Authority
“FDA”	The United States Food and Drug Administration
“Form of Proxy”	the form of proxy for use in connection with the General Meeting which accompanies this document
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“Fundraising”	the Placing and the Open Offer
“General Meeting”	the general meeting of the Company to be held at the offices of Osborne Clarke LLP, 2 Temple Back East, Temple Quay, Bristol BS1 6EG at 10.00 a.m. on 6 September 2021, notice of which is set out at the end of this document
“GHz”	gigahertz
“GI”	gastrointestinal tract
“Group”	the Company, its subsidiaries and its subsidiary undertakings
“IP”	intellectual property
“IPO”	the admission of the Company’s Ordinary Shares to trading on AIM, effective on 9 December 2016
“Issue Price”	182.5 pence per New Ordinary Share
“London Stock Exchange”	London Stock Exchange plc
“Money Laundering Regulations”	The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended)
“MW”	microwave
“New Ordinary Shares”	the Placing Shares and the Open Offer Shares
“Notice of General Meeting”	the notice convening the General Meeting which is set out at the end of this document
“OBL”	Own Brand Labeller

“OEM”	Original Equipment Manufacturer
“Open Offer”	the conditional invitation by the Company to Qualifying Shareholders to apply to subscribe for the Open Offer Shares at the Issue Price on the terms and subject to the conditions set out in this document and, in the case of Qualifying Non-CREST Shareholders, in the Application Form
“Open Offer Entitlement”	the individual entitlements of Qualifying Shareholders to subscribe for Open Offer Shares allocated to Qualifying Shareholders pursuant to the Open Offer
“Open Offer Shares”	the up to 2,775,896 new Ordinary Shares to be issued by the Company pursuant to the Open Offer
“Ordinary Shares”	ordinary shares of £0.001 each in the capital of the Company
“Overseas Shareholders”	Shareholders with a registered address outside the UK
“Placees”	subscribers for the Placing Shares
“Placing”	the conditional placing of the Placing Shares by the Broker, as agents on behalf of the Company, pursuant to the Placing Agreement, further details of which are set out in this document
“Placing Agreement”	the conditional placing and open offer agreement dated 12 August 2021 and made between the Broker and the Company in relation to the Fundraising, further details of which are set out in this document
“Placing Shares”	17,123,288 new Ordinary Shares to be issued pursuant to the Placing
“Prospectus Rules”	the prospectus rules made by the FCA pursuant to section 73A of the FSMA
“Qualifying CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares in uncertificated form
“Qualifying Non-CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares in certificated form
“Qualifying Shareholders”	holders of Existing Ordinary Shares on the register of members of the Company at the Record Date but excluding any Overseas Shareholder who has a registered address in any Restricted Jurisdiction
“Record Date”	12 August 2021
“Registrars and Receiving Agent” or “Equiniti Limited”	Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA
“Regulatory Information Service”	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA’s website
“Resolutions”	the resolutions set out in the Notice of General Meeting
“RF”	radiofrequency
“Restricted Jurisdiction”	has the meaning set out on page 4 of this document
“Shareholders”	holders of Ordinary Shares
“UK”	the United Kingdom of Great Britain and Northern Ireland
“UKCA”	UK Conformity Assessed
“US” or “United States”	the United States of America, each State thereof, its territories and possessions (including the District of Columbia) and all other areas subject to its jurisdiction

**“uncertificated” or “in
uncertificated form”**

an Ordinary Share recorded on a company’s share register 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

**“£”, “pounds sterling”, “pence”
or “p”**

are references to the lawful currency of UK

PART I

LETTER FROM THE CHAIRMAN OF CREO MEDICAL GROUP PLC CREO MEDICAL GROUP PLC

(Incorporated under the Companies Act 2006 and registered in England and Wales with registered number 10371794)

Directors:

Charles Spicer (*Chairman*)
Craig Gulliford (*Chief Executive Officer*)
Richard Rees (*Chief Financial Officer*)
Professor Christopher Hancock (*Chief Technology Officer*)
David Woods (*Chief Commercial Officer*)
John Bradshaw (*Senior Independent Non-executive Director*)
Ivonne Cantu (*Independent Non-executive Director*)

Registered office:

Creo House
Unit 2, Beaufort Park
Beaufort Park Way
Chepstow
Wales
NP16 5UH

16 August 2021

Dear Shareholder,

Proposed Placing of 17,123,288 new Ordinary Shares and Open Offer of up to 2,775,896 new Ordinary Shares at a price of 182.5 pence per share and Notice of General Meeting

1. INTRODUCTION AND SUMMARY

As announced on 12 August 2021, and as supplemented by the announcement made on 12 August 2021, the Company proposes to raise, subject to certain conditions, £31.25 million (before expenses) by the conditional Placing of 17,123,288 new Ordinary Shares at the Issue Price of 182.5 pence to certain institutional and other investors; and up to approximately £5.07 million (before expenses) by way of an Open Offer made to Qualifying Shareholders of up to 2,775,896 Open Offer Shares at the Issue Price.

The Fundraising comprises:

- A Placing (the results of which were announced on 13 August 2021) pursuant to which 17,123,288 Placing Shares have been committed at the Issue Price to raise £31.25 million (before expenses).
- An Open Offer pursuant to which Shareholders will be given the opportunity to participate in the proposed Fundraising at the same Issue Price. Pursuant to the Open Offer, all Qualifying Shareholders will be given the opportunity to subscribe for an aggregate of up to 2,775,896 Open Offer Shares, to raise up to approximately £5.07 million (before expenses), on the basis of 1 Open Offer Share for every 58 Existing Ordinary Shares held on the Record Date, at 182.5 pence per share. Shareholders subscribing for their full entitlement under the Open Offer may also request additional Open Offer Shares through the Excess Application Facility.

The Issue Price represents a discount of approximately 3.8 per cent. to the trailing 30 day volume weighted average price of 189.7 pence.. The Placing Shares will represent approximately 10.64 per cent. of the Company's existing issued ordinary share capital. The New Ordinary Shares together will represent approximately 12.36 per cent. of the Company's existing issued ordinary share capital (assuming the Open Offer Shares are taken-up in full).

The total amount that the Company could raise under the Fundraising is £36.25 million (before expenses), assuming that the Open Offer is fully subscribed.

Neither the Placing nor the Open Offer is being underwritten.

The Fundraising is conditional, *inter alia*, upon Shareholders approving the Resolutions at a General Meeting that will grant to the Directors the authority to allot the New Ordinary Shares for cash, which in the case of the Placing Shares is on a non-pre-emptive basis. The Resolutions are contained in the Notice of General Meeting at the end of this document. Admission is expected to occur no later than 8.00 a.m. on 7 September 2021 or such later time and/or dates as Cenkos and the Company may agree (being in any event no later than 8.00 a.m. on 14 September 2021).

The purpose of this document is, amongst other things, to provide you with more information about the background to and reasons for the Fundraising, to explain why the Board considers the Fundraising to be in the best interests of the Company and its Shareholders as a whole and why the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, notice of which is set out at the end of this document.

2. BACKGROUND TO AND REASONS FOR THE FUNDRAISING

The Directors believe that, despite the impact from the COVID-19 pandemic, 2020 was a transformational year for the Group, the highlights of which were:

- The acquisitions of Albyn Medical and Boucart Medical, providing a direct sales presence in key European markets to facilitate the roll-out of the Group's CE marked advanced energy devices and immediate revenue derived from the sale of own, own label and third party GI and Urology products;
- The appointment of David Woods as Chief Commercial Officer, strengthening the Group's executive leadership and bringing a wealth of knowledge and experience to the business;
- The recruitment of a direct sales team in the US and APAC providing greater access to these important markets;
- A tenfold increase in the Group's commercial, marketing and distribution resource;
- An increase in the Group's headcount from 91 employees in 2019 to 217 at the end of 2020;
- The signing of commercialisation agreements with the UK Department of Health and Social Care providing preferential pricing to NHS hospitals for a limited period;
- The clearing of five additional advanced energy devices through the CE mark process and the gaining of US FDA 510(k) clearances for three devices; and.
- The launch of the Kamaptive brand and resulting creation of multiple partnership opportunities with significant commercial and industrial partners to license and develop Creo technology under the "powered by Kamaptive" brand.

The Company is pursuing the Fundraising to continue building on the success of 2020 and the milestones that it has achieved since IPO and to move into the next stage of its development. The Directors believe that, with the technology it has developed along with its pipeline medical devices and the commercial infrastructure that is now in place, the Company continues to be well placed to capitalise on the rise of endoscopic surgery, enabling the performance of clinical procedures to be carried out via an endoscopic procedure minimally and non-invasively and which, many expect, will replace more traditional open and laparoscopic surgical procedures.

The Company has developed a suite of patented electrosurgical devices, each of which is powered by the Company's CROMA Advanced Energy platform, powered by Kamaptive, which enables bipolar RF energy and high frequency focused microwave energy to be delivered to its devices via a single accessory port. The Company intends to use the net proceeds of the Fundraising to:

- accelerate the commercial roll-out of its products in the US, EMEA and APAC;
- explore potential strategic acquisition opportunities;
- continue to develop its pipeline of commercial licensing and partnering opportunities via its CROMA Advanced Energy platform under the "powered by Kamaptive" brand to allow licence potential to be exploited, specifically in relation to robotics to fuel organic growth and expanding the Kamaptive programme;
- continue to develop the Company's IP portfolio in areas such as electroporation, plasma sterilisation and other energy modalities within CROMA;
- undertake clinical trials for Chinese and Japanese markets;
- continue research and development to develop new devices; and
- mitigate funding risk for the foreseeable future.

Summary of Creo Medical

The Group is a medical device company focused on the development and commercialisation of minimally invasive electrosurgical devices, bringing advanced energy to endoscopy.

The Company's vision is to improve patient outcomes through the development and commercialisation of a suite of electrosurgical devices that are enabled by CROMA, powered by Kamaptive. The Group has developed CROMA powered by Kamaptive full-spectrum adaptive technology to optimise surgical capability and patient outcomes. Kamaptive is a seamless, intuitive integration of multi-modal energy sources, optimised to dynamically adapt to patient tissue during procedures such as resection, dissection, coagulation and ablation of tissue. Kamaptive technology provides clinicians with increased flexibility, precision and controlled surgical solutions. CROMA currently delivers bipolar RF energy for precise localised cutting and focused high frequency MW energy for controlled coagulation and ablation via a single accessory port. This technology, combined with the Group's range of patented electrosurgical devices, is designed to provide clinicians with flexible, accurate and controlled clinical solutions. The Group's three initial areas of focus are (1) in the GI tract, (2) soft tissue ablation (including but not limited to, the liver, pancreas, kidney) and (3) lung interventions for the resection and/or ablation of pre-cancerous and cancerous lesions. The Directors believe the Company's technology can impact the landscape of surgery and endoscopy by providing a safer, less-invasive and more cost-efficient option for procedures. To date the Company's devices have been used in over 750 procedures.

The Group has four technology families – Speedboat, MicroBlate, SlyphSeal and SpydrBlade.

Core Products Utilising CROMA

CROMA delivers bipolar RF and focused high frequency MW advanced energy through a single accessory port to enable a suite of multi and single modality, matched single-use devices which are optimised around the core tissue effects of dissection, resection, haemostasis and ablation. These core tissue effects are optimised around a wide range of evolving device families:

Speedboat device technology – is, the Directors believe, a unique device technology with the only known bipolar surgical dissection blade in any form of surgery. Additionally, Speedboat integrates MW technology allowing for precise control of bleeding during surgery. These features can also be uniquely integrated with irrigation and injection capability. As with all the CREO device families, the Speedboat device technology has applications in many different areas of clinical therapy and surgery.

Speedboat Inject (targeting Gastrointestinal lesions (including Bowel and Upper GI cancer) & Swallowing Disorders)

The first device launched by the Group along with CROMA with EU and US clearance, has been used in numerous clinical cases worldwide, is supported by excellent clinical publications, and with strong health economic data already established. Speedboat Inject is a flexible device aimed at the endoscopist enabling them to lift tissue with viscous fluid injection via a retractable needle, cut tissue precisely using bipolar RF energy delivered along the edge of the instrument for localised energy transfer, reducing the risks associated with monopolar tissue resection, and deliver high frequency controlled and focused coagulation, all within a single instrument. Data from the UK's leading clinical user of Speedboat demonstrates that its use can save NHS hospitals nearly £10,400 per procedure versus a traditional surgical outcome for patients. The Speedboat Inject device was CE marked for lower GI use and gained FDA clearance for upper and lower GI use in 2017 and was commercially launched in October 2019. The Board is targeting National Institute for Health & Care Excellence accreditation submission for the Speedboat Inject in 2021.

Speedboat Slim (targeting Gastrointestinal lesions (including Bowel and Upper GI cancer) & Swallowing Disorders)

The second device in the Speedboat family of devices, with a "slim" profile, is Speedboat Slim which enables endoscopists to access more indications in patients where narrower and more flexible devices are required over Speedboat Inject. The Speedboat Slim device was CE marked in June 2020.

MicroBlate device technology – brings very high frequency 5.8GHz microwave energy into clinical practice for the first time. Operating at such a high frequency offers unrivalled levels of control and

feedback via CROMA allowing physicians to precisely ablate diseased tissue in multiple tissue types and many different clinical access methods.

MicroBlate Fine (targeting Lung, Pancreas, Kidney, Liver & GI lesions)

Brings fine needle microwave ablation into clinical practice for the first time and is believed to be the smallest diameter MW ablation needle antenna in the world. With a diameter of less than 1mm, the MicroBlate Fine device can be used in a variety of ablation procedures such as open, laparoscopic and flexible endoscopic procedures. Designed to be the same form and dimensions as a standard biopsy needle, MicroBlate Fine is designed for the ablation of a wide range of tissue types (such as pancreas, liver, kidney, lung and muscle). Due to the small diameter of the device, it can be used to ablate tumours in highly perfused organs without the risk of bleeding prior to energy delivery due to the sub-mm insertion tract. The MicroBlate Fine device received 510(k) clearance from the US Food & Drug Administration in November 2020 and was CE (for use in the UK and EU) marked in June 2020.

MicroBlate Flex (targeting lung lesions)

A new soft tissue ablation device, designed with the aim of being able to ablate nodules and tumours in several tissue types including lung (in particular in the airways), using the highest frequency MW energy used for tumour ablation. This device also has potential to be used to treat a number of other conditions, where a small diameter flexible device enables access into otherwise inaccessible regions of the body. The device could be particularly useful to treat a range of ENT indications, including nasopharyngeal cancer and nasal polyps. Due to its small size and flexibility, MicroBlate Flex has the potential to reach deep into the lung where, once in position, the device can be inserted through a catheter and into the tumour. The MicroBlate Flex device received 510(k) clearance from the US Food & Drug Administration in January 2021 and was CE marked in June 2020.

SpydrBlade device technology optimises the power of CROMA, where advanced bipolar RF energy is used to cut tissue and precisely controlled MW energy is used for the coagulation and sealing of tissue during surgery. The SpydrBlade jaw structure utilises the unique blade technology of the Group's Speedboat technology which allows the surgeon to cut tissue as the jaws close, with the jaws of the device open as well as while the jaws are closed as a blade. No other laparoscopic surgical device is known to have these fundamental resection features. The Directors believe that the patented combination with microwave energy for the sealing and coagulation of tissue adds up to a game-changing device technology platform.

SpydrBlade Flex (targeting Gastrointestinal lesions (including Bowel and Upper GI cancer) & Swallowing Disorders)

This is the first SpydrBlade device in the family and is described as “*the holy grail of interventional endoscopy*” by Rob Hawes MD, a world-renowned pioneer in the field of therapeutic endoscopy at the Florida Hospital in Orlando. Designed to operate in flexible endoscopes commonly used around the world, SpydrBlade Flex puts advanced laparoscopic capability into the hands of the endoscopist for the first time. Building on the Speedboat blade technology, SpydrBlade Flex enables the clinician to grasp, cut and coagulate highly perfused tissue (such as in the colon, stomach, liver or spleen). The ability to alternate between cutting and coagulating using RF and MW energy across the ‘jaws’ of SpydrBlade Flex gives the clinician significantly more control providing a gliding cut using a fixed bipolar RF field as well as a conventional bipolar RF cutting between two jaws at opposite polarities. It offers great utility to bloodlessly resect/dissect and coagulate in a wide range of organs within the human body by sequentially applying the microwave field followed by the RF field to coagulate and then cut. The SpydrBlade Flex device was CE marked in June 2020.

SlypSeal device technology is believed to be the only “non-stick” electrosurgical haemostasis device technology in the market. This key feature overcomes the perennial challenge in surgery and transforms the surgeons’ ability to precisely manage bleeding with the unique ability to reapply with the “non-stick” feature addressing the risk of “re-bleeds”. This combined with the precision and control of MW coagulation, opens up many different device structures in the future.

SlypSeal Flex (targeting Gastrointestinal Bleeding)

The first device in this family of devices targeting GI bleeds which is one of the most common clinical indications in the GI. SlypSeal Flex will target the treatment of upper and lower GI bleeds,

such as stomach ulcers or bleeding polyps. SlyphSeal™ Flex received FDA clearance in March 2020 and was CE marked in June 2020.

The Group's products are distributed via direct and indirect sales channels. The Group has a direct presence in 8 countries across Europe, the US and Hong Kong and access to a further 19 countries through 11 signed distribution agreements and 8 more agreements which are currently under negotiation and predominantly in the EMEA and APAC regions.

As of 31 May 2021, the Group has 112 patent families, which currently comprise in total 296 granted patents and 815 pending applications. The Group's patent estate is growing at a steady rate covering existing products, future enhancements to CROMA and future product ideas.

Strategy

The Directors believe that they have the opportunity to develop the business in multiple ways through a three-tiered build, buy and partner strategy.

Build

The "Build" aspect first tier of the Company's strategy is to organically build the team across global markets to commercialise and develop its existing and continually developing technology. This strategy includes bringing CROMA to market through the suite of electrosurgical devices, described above. Unlike traditional open surgery and more advanced keyhole/laparoscopic surgeries that require incisions to be made in the patient to gain access to diseased tissue, endoscopic devices gain access via natural orifices. As no incisions are made through the skin, the risks associated with infection are significantly reduced, as are the procedure and recovery times. Furthermore, patients can undergo certain procedures without general anaesthetic and under mild or no sedation and can, therefore, usually be treated as day patients in endoscopy suites or outpatient clinics. In turn, this reduces the length of stay in hospital, the risk of infection, and the cost of procedure by transferring therapy from the operating theatre to the endoscopy suite.

Market overview, activities and opportunity

Speedboat and Speedboat submucosal dissection procedure. There are c.28 million colonoscopy procedures performed annually in the US and Europe which result in c.5.5 million procedures to remove lesions. Up to 15 per cent. (approximately 800,000) of these procedures are complex lesions which would, the Directors believe, benefit from the use of the Company's Speedboat device and a Speedboat submucosal dissection procedure. Furthermore, the Directors believe that the numbers of addressable procedures will increase as the screening age of patients is lowered as well as a follow on from physicians utilising the devices discovering additional procedures that can leverage the benefits of the devices.

As announced in May 2021, the Group's Speedboat submucosal dissection procedure is estimated to lead to cost savings in NHS Hospitals of over £10,000 per procedure versus a traditional surgical outcome for patients and represents an approximate saving of 50 per cent. compared to a surgical intervention. As a result, the Board expects cumulative NHS savings achieved from the Speedboat devices to be in excess of £2.5 million by the end of 2021. Based on "The 2020 National Bowel Cancer Audit", the Board also believes that potential NHS savings could amount to c. £180 million per annum.

To date the Company has held 35 training programmes, 19 of which were conducted during the global pandemic with 93 clinicians, and has trained over 150 clinicians today. The Company has a further 16 courses scheduled during 2021 to train additional clinicians.

MicroBlate Fine. Pancreatic and liver cancers account for over 1.4 million cancers globally per annum. These types of cancers have a high mortality rate (liver at 80 per cent. and pancreas at 90 per cent. at five years) and most are inoperable due to the late diagnosis (less than 20 per cent. of pancreatic cancers are operable). The Group's MicroBlate Fine device, with endoscopic ultrasound, enables a less invasive, endoscopic alternative to treat hepatobiliary tumours and to treat patients where surgery is not an option and has an estimated cost per procedure of c.£3,000 to £4,000.

The Group has established a key opinion leader user community in the US, EMEA and APAC. The first in-man clinical use of the MicroBlate Fine device to successfully ablate pancreatic tumour

tissue under endoscopic ultrasound guidance was completed in December 2020 with further cases expected to follow during Q3 and Q4 2021 in EMEA, Asia and the US. Other activities ongoing are an international, multi-centre trial introducing the first minimally invasive treatment option for liver cancer, a single site study on the use of MicroBlate Fine to treat gastric varices and a single site study for nerve ablation for pain management.

The Board is targeting over 500,000 potential procedures where the MicroBlate Fine device could be used to target inoperable cancers and small tumours. Subject to further studies the Board also believes that as physicians utilise the MicroBlate Fine they will suggest additional procedures that could potentially leverage the benefits of the device.

MicroBlate Flex. Lung cancer is the leading cause of cancer deaths globally with over 2.2 million new cases each year. Only 34 per cent. of lung cancers are diagnosed at early stages due to poor screening techniques resulting in high mortality. Surgery or percutaneous approaches have been the primary therapeutic treatments for early-stage cancer although these are invasive with a high risk of complications. Whilst significant investments have been made recently in diagnostic imaging/pathology for lung cancer, chronic obstructive pulmonary disease, emphysema and others, there is no flexible endoscopic therapy currently available. MicroBlate Flex enables a less invasive, endoscopic alternative to treat pre-cancerous nodules as a first-line option, as well as treatment of patients not eligible for surgery.

The efficacy of the MicroBlate Flex has been validated for all areas of the lung in a cadaver lab. The first in man procedure utilising the device is schedule to be performed by Dr NG Sze Hang Calvin, a professor in thoracic surgery at the Prince of Wales Hospital, The Chinese University of Hong Kong in Q3 2021 with further cases in UK, EMEA and US planned for later in the year. Furthermore, a global multi-centre study is planned to demonstrate efficacy for ablation of liver tumours and pulmonary nodules that are not suitable for surgery, and the Group is investigating compatibility testing with a potential robotics partner.

The Board estimates that each year there are over 754,000 cases that would have the potential for non-surgical treatment of early stage (1 or 2) disease with earlier screening increasing detection rates and thereby increasing the number of potential procedures, and that via the MicroBlate Flex device it may be possible to manage advanced disease by addressing recurring or localised small lesions.

The Board believes that there is a significant and growing market opportunity for the Group's suite of products. To date the Group has trained 150 clinicians with more than 30 hospitals evaluating purchasing the product post training. There are more than 50 CROMA boxes currently in situ and the Board is targeting having over 2000 customers with 500 Power Users (a user who performs at least two procedures per week) within 3-5 years with the potential to create a £40-50 million business.

The Board also believes that there is the scope to create future instruments for use with the Group's CROMA platform which can be evolved to deliver existing and new energy frequencies and modalities including electroporation, for a range of laparoscopic, robotic, surgery and other open-source devices.

Buy

The "Buy" aspect to the Company's strategy is to acquire target companies with existing and mature sales, distribution and/or manufacturing operations to complement and add infrastructure and capability in our direct sales markets. The Directors believe that an opportunity available to the Group is the ability to enhance the Group's existing technology, accelerate its route to market and/or expand the Company's geographic reach, empower new surgical disciplines (e.g. urology or gynaecology) or access method (e.g. laparoscopy and robotic surgery) when it is commercially more efficient do to so.

The Group made two acquisitions in 2020; Albyn Medical and Boucart Medical. The Board believes that these acquisitions were transformational for the Group providing the Group with direct access to key European markets as well as bringing a wide range of complementary GI products and to broaden the Company's portfolio into urology. The sales teams at both companies have integrated well and the businesses are performing above management's original expectations. The Board is looking to replicate the success of these two acquisitions and, accordingly, continues to identify, and has been presented with, a number of potential acquisition opportunities which, the Board believes,

could give the Company the opportunity to further utilise the potential in CROMA and accelerate its ability to place products in the market. When assessing opportunities, the Board aims to accelerate access to market either with adjacent technologies or infrastructure whilst seeking synergistic benefits to the Group as a whole.

Partner

The third aspect of the Company's strategy is to partner. Partnering may include the license of the Group's advanced energy technology, Kamaptive, to third parties to embed in their own solutions, and apply to new markets.

The Directors believe that there is significant potential to work closely with third parties where certain mutual benefits can be identified. The Company has developed relationships with a number of significant industrial and commercial partners to commercialise the Group's technology.

The Board sees a sizeable opportunity for the Group in licensing its advanced energy, Kamaptive, to third parties for use in:

- Laparoscopic and endoscopic robotic applications – platform for delivery of advanced energy and device technology into a number of surgical applications;
- Handheld laparoscopic applications – a capsule advanced energy platform for delivery of advanced energy and device technology to support a number of surgical applications;
- Non-thermal plasma – platform for wound care and scope decontamination; and
- Electroporation – platform for non-thermal tissue effects including irreversible tissue “ablation” and cellular level sensitisation.

In addition to the Kamaptive licensing partners mentioned above, discussions with potential industrial partners have recently developed with specific discussion relating to a potential commercial partnership agreement alongside a potential equity investment in Creo.

Concluding any and all such agreements with potential partners is a key focus for management. Whilst the timing of any due diligence processes required to establish such relationships is outside the Company's control, the Board remains confident that pursuing such relationships not only creates long term shareholder value but also aligns with the Company's objectives to improve lives.

3. DIRECTORS' INTENTIONS TO PARTICIPATE IN THE OPEN OFFER

Charles Spicer has confirmed that he intends to take up his rights under the Open Offer in full.

4. CURRENT TRADING AND PROSPECTS

The Company gave a trading update on 19 May 2021 (RNS No: 0640Z) and subsequently announced its annual results for the 12 months ended 31 December 2020 on 4 June 2021 (RNS No: 8011A). Since 19 May 2021, the Company has performed above management's expectations and has generated revenue in excess of £12 million in the 6 months to 30 June 2021 with the Company's cash balance as at 30 June 2021 being in excess of £30 million. The Executive team continues to execute against the Company's original plan at IPO and deliver against the operational milestones set out at the time and, accordingly, the Board looks to the Company's future with increasing confidence.

5. DETAILS OF THE PLACING

The Company has conditionally raised £31.25 million (before expenses) by the conditional Placing of 17,123,288 new Ordinary Shares at the Issue Price by Cenkos, as agent for the Company, with the Placees.

The Placing is conditional, *inter alia*, upon:

- (a) the passing of the Resolutions at the General Meeting by Shareholders;
- (b) the Placing Agreement becoming or being declared unconditional in all respects and not having been terminated in accordance with its terms prior to Admission; and

- (c) Admission becoming effective by no later than 8.00 a.m. on 7 September 2021 or such later time and/or date (being no later than 8.00 a.m. on 14 September 2021) as Cenkos and the Company may agree.

If any of the conditions are not satisfied, the Placing Shares will not be issued and all monies received from the Placees will be returned to the Placees (at the Placees' risk and without interest) as soon as possible thereafter. Neither the Placing nor the Open Offer is being underwritten.

The Placing Shares will be issued free of all liens, charges and encumbrances and will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of their issue.

For the avoidance of doubt, subscribers for Placing Shares will not be entitled to participate in the Open Offer in respect of those shares.

6. THE PLACING AGREEMENT

Pursuant to the terms of the Placing Agreement, the Broker, as agent for the Company, has conditionally agreed to use its reasonable endeavours to procure subscribers for the Placing Shares. The Broker has conditionally placed the Placing Shares with certain institutional and other investors at the Issue Price. Neither the Placing nor the Open Offer has been underwritten by the Broker. The Placing Agreement is conditional upon, *inter alia*, the Resolutions being duly passed at the General Meeting and Admission becoming effective on or before 8.00 a.m. on 7 September 2021 (or such later time and/or date as Cenkos may agree, but in any event by no later than 8.00 a.m. on 14 September 2021).

The Placing Agreement contains customary warranties from the Company in favour of the Broker in relation to, *inter alia*, the accuracy of the information in this document and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify the Broker in relation to certain defined liabilities that it may incur in respect of the Fundraising.

The Broker has the right to terminate the Placing Agreement in certain circumstances prior to the Admission, in particular, in the event that any of the warranties in the Placing Agreement were untrue or inaccurate, or were misleading when given or in the event of a material adverse change affecting the business, financial trading position or prospects of the Company or the Group as a whole, whether or not arising in the ordinary course of business and whether or not foreseeable at the date of the Placing Agreement.

The Placing Agreement also provides for the Company to pay all costs, charges and expenses of, or incidental to, the Fundraising and the Admission including all legal and other professional fees and expenses.

The Placing Shares have not been made available to the public and have not been offered or sold in any jurisdiction where it would be unlawful to do so.

7. THE OPEN OFFER

The Company considers it important that Qualifying Shareholders have an opportunity (where it is practicable for them to do so) to participate in the Fundraising and accordingly the Company is making the Open Offer to Qualifying Shareholders. The Company is proposing to raise up to approximately £5.07 million (before expenses) (assuming full take up of the Open Offer) through the issue of up to 2,775,896 Open Offer Shares.

The Open Offer Shares are available to Qualifying Shareholders pursuant to the Open Offer at the Issue Price of 182.5 pence per Open Offer Share, payable in full on acceptance. Any Open Offer Shares not subscribed for by Qualifying Shareholders will be available to Qualifying Shareholders under the Excess Application Facility.

Qualifying Shareholders may apply for Open Offer Shares under the Open Offer at the Issue Price on the following basis:

**1 Open Offer Share for every 58 Existing Ordinary Shares
held by the Shareholder on the Record Date**

Entitlements of Qualifying Shareholders will be rounded down to the nearest whole number of Open Offer Shares. Fractional entitlements which would otherwise arise will not be issued to Qualifying Shareholders but will be made available under the Excess Application Facility. The Excess Application Facility enables Qualifying Shareholders to apply for Excess Shares in excess of their Open Offer Entitlement. Not all Shareholders will be Qualifying Shareholders. Shareholders who are located in, or are citizens of, or have a registered office in certain overseas jurisdictions will not qualify to participate in the Open Offer. The attention of Overseas Shareholders is drawn to paragraph 6 of Part IV of this document.

Valid applications by Qualifying Shareholders will be satisfied in full up to their Open Offer Entitlements as shown on the Application Form. Applicants can apply for less or more than their entitlements under the Open Offer but the Company cannot guarantee that any application for Excess Shares under the Excess Application Facility will be satisfied as this will depend in part on the extent to which other Qualifying Shareholders apply for less than or more than their own Open Offer Entitlements. The Company may satisfy valid applications for Excess Shares of applicants in whole or in part but reserves the right not to satisfy any excess above any Open Offer Entitlement. Applications made under the Excess Application Facility will be scaled back at the Company's discretion if applications are received from Qualifying Shareholders for more than the available number of Excess Shares.

Application has been made for the Open Offer Entitlements to be admitted to CREST. It is expected that such Open Offer Entitlements will be credited to CREST on 17 August 2021. The Open Offer Entitlements will be enabled for settlement in CREST until 11.00 a.m. on 3 September 2021. Applications through the CREST system may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of *bona fide* market claims. The Open Offer Shares must be paid in full on application. The latest time and date for receipt of completed Application Forms or CREST applications and payment in respect of the Open Offer is 11.00 a.m. on 3 September 2021. The Open Offer is not being made to certain Overseas Shareholders, as set out in paragraph 6 of Part IV of this document.

Qualifying Shareholders should note that the Open Offer is not a rights issue and therefore the Open Offer Shares which are not applied for by Qualifying Shareholders will not be sold in the market for the benefit of the Qualifying Shareholders who do not apply under the Open Offer. The Application Form is not a document of title and cannot be traded or otherwise transferred.

Further details of the Open Offer and the terms and conditions on which it is being made, including the procedure for application and payment, are contained in Part IV of this document and on the accompanying Application Form.

The Open Offer is conditional on the Placing Agreement becoming or being declared unconditional in all respects and not being terminated before Admission (as the case may be). Accordingly, if the conditions to the Placing Agreement are not satisfied or waived (where capable of waiver), the Open Offer will not proceed and the Open Offer Shares will not be issued and all monies received by the Receiving Agent will be returned to the applicants (at the applicant's risk and without interest) as soon as possible thereafter. Any Open Offer Entitlements admitted to CREST will thereafter be disabled.

The Open Offer Shares will be issued free of all liens, charges and encumbrances and will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of their issue.

Settlement and dealings

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective at 8.00 a.m. on 7 September 2021.

The New Ordinary Shares will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive dividends and other distributions declared following the Admission.

8. THE GENERAL MEETING

Set out at the end of this document is a notice convening the General Meeting to be held on 6 September 2021 at the offices of Osborne Clarke LLP, 2 Temple Back East, Temple Quay, Bristol BS1 6EG at 10.00 a.m., at which the Resolutions will be proposed for the purposes of implementing the Fundraising.

The Directors recognise the vast improvement to the UK's COVID situation, however in light of the Company's ongoing desire to protect the health and safety of its shareholders and employees, the Directors recommend shareholders to not attend the General Meeting in person but vote via proxy.

Shareholders are recommended to appoint the chair of the meeting as their proxy rather than a named person, as any such named person may not be permitted to attend the General Meeting in the event of unforeseen circumstances (e.g. if they are required to self-isolate).

If shareholders wish to attend the meeting in person you are asked to confirm your attendance by emailing creo@walbrookpr.com no later than 10.00 a.m. on 2 September 2021. All attendees will be required to follow all relevant COVID-19 safety procedures whilst on site.

Should the number of shareholders who notify us of their intention to attend the meeting in person result in our needing to make alternative arrangements to ensure that we can accommodate everyone safely, then this will be notified to shareholders via the regulatory news service.

The General Meeting will comprise only the formal votes on each resolution as set out in Notice, without any business update or Q&As.

Voting will be conducted on each resolution by way of a poll. All shareholders are invited to submit questions on the resolutions to be proposed at the General Meeting electronically before the General Meeting and such questions, limited to matters relating to the business of the General Meeting itself, should be sent to creo@walbrookpr.com by no later than 10.00 a.m. on 2 September 2021.

Resolution 1, which will be proposed as an ordinary resolution and which is conditional upon the passing of Resolution 2 occurring, is to authorise the Directors to allot the New Ordinary Shares in connection with the Fundraising and otherwise to allot relevant securities up to £53,667.34 in nominal value (representing one third of the issued share capital immediately following Admission) provided that such authority shall expire on the date falling 18 months after the date of the resolution or on the date of the next annual general meeting of the Company, whichever is the earlier.

Resolution 2, which will be proposed as a special resolution disapplies Shareholders' statutory pre-emption rights in relation to the issue of the New Ordinary Shares pursuant to the Fundraising and in connection with an offer of equity securities to Shareholders but subject to such exclusions or other arrangements, such as fractional entitlements and overseas shareholders as the Director's consider necessary. Resolution 2 grants further authority to allot equity securities for cash on a non-pre-emptive basis up to an aggregate nominal amount of £8,050.10 (representing 5.0 per cent. of the issued share capital immediately following Admission) provided that such authority shall expire on the date falling 18 months after the date of the resolution or on the date of the next annual general meeting of the Company, whichever is the earlier.

9. ACTION TO BE TAKEN

In respect of the General Meeting

A Form of Proxy for use at the General Meeting accompanies this document. The Form of Proxy should be completed and signed in accordance with the instructions thereon and returned to the Company's registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, as soon as possible, but in any event so as to be received by no later than 10.00 a.m. on 2 September 2021 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting).

If you hold your Existing Ordinary Shares in uncertificated form in CREST, you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual. Further details are also set out in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by the issuer's agent (ID: RA19) by no later than 10.00 a.m. on 12 August 2021 (or, if the General Meeting is adjourned,

48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting).

The completion and return of a Form of Proxy or the use of the CREST Proxy Voting Service will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

As stated above, shareholders are recommended to appoint the chair of the meeting as their proxy rather than a named person, as any such named person may not be permitted to attend the General Meeting in the event of unforeseen circumstances (e.g. if they are required to self-isolate).

In respect of the Open Offer

Qualifying Non-CREST Shareholders wishing to apply for Open Offer Shares or the Excess Shares must complete the enclosed Application Form in accordance with the instructions set out in paragraph 3 of Part IV of this document and on the accompanying Application Form and return it to Equiniti Limited by post to Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to arrive no later than 11.00 a.m. on 3 September 2021.

If you do not wish to apply for any Open Offer Shares under the Open Offer, you should not complete or return the Application Form. Shareholders are nevertheless requested to complete and return the Form of Proxy.

If you are a Qualifying CREST Shareholder, no Application Form will be sent to you. Qualifying CREST Shareholders will have Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to their stock accounts in CREST. You should refer to the procedure for application set out in paragraph 3 of Part IV of this document. The relevant CREST instructions must have settled in accordance with the instructions in paragraph 3.2 of Part IV of this document by no later than 11.00 a.m. on 3 September 2021.

Save in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder is expected to receive a credit to his CREST stock account of his Open Offer Entitlement equal to the maximum number of New Ordinary Shares for which he is entitled to apply to acquire under the Open Offer, together with a credit of Excess Entitlements equal to 10 times their balance of Existing Ordinary Shares held at the Record Time. Qualifying CREST Shareholders should note that there is no limit on the amount of Open Offer Shares that can be applied for under the Excess Application Facility, save that the maximum amount of Open Offer Shares to be allotted under the Excess Application Facility will be limited by the maximum size of the Open Offer less the aggregate of the Open Offer Shares issued under the Open Offer pursuant to the Qualifying Shareholders' Open Offer Entitlements. If they wish to apply for more additional Open Offer Shares than their Excess Open Offer Entitlements they have been credited, subject to the limitation above, they should contact Equiniti Limited on 0371 384 2050 (overseas callers should use +44 371 384 2050). Lines are open 8.30 a.m. to 5.30 p.m., Monday to Friday (excluding English and Welsh public holidays). Calls to the shareholder helpline from outside of the UK will be charged at the applicable international rate. Qualifying CREST Shareholders, when requesting, an increased credit, should ensure that they leave sufficient time for the additional Excess Open Offer Entitlement to be credited to their account and for an application to be made in respect of those entitlements before the application date.

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

10. OVERSEAS SHAREHOLDERS

Information for Overseas Shareholders who have registered addresses outside the UK or who are citizens or residents of countries other than the UK appears in paragraph 6 of Part IV of this document, which sets out the restrictions applicable to such persons. If you are an Overseas Shareholder, it is important that you pay particular attention to that paragraph of this document.

11. RISK FACTORS

Your attention is drawn to the risk factors in Part II of this document which are important and which should be read in full.

12. RECOMMENDATION

The Directors consider the Fundraising to be in the best interests of the Company and its Shareholders as a whole and accordingly recommend unanimously Shareholders to vote in favour of the Resolutions to be proposed at the General Meeting and the Directors confirm that they intend to vote in favour of the Resolutions in respect of their beneficial holdings amounting, in aggregate, to 5,156,303 Existing Ordinary Shares, representing approximately 3.2 per cent. of the existing issued Ordinary Share capital of the Company.

Yours faithfully

Charles Spicer
Chairman

PART II

RISK FACTORS

Any investment in the Company is subject to a number of risks. Accordingly, prospective investors should carefully consider the risk factors set out below as well as the other information contained in this document before making a decision whether to invest in the Company. The risks described below are not the only risks that the Group faces. Additional risks and uncertainties that the Directors are not aware of or that the Directors currently believe are immaterial may also impair the Group's operations. Any of these risks may have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects. In that case, the price of the Ordinary Shares could decline and investors may lose all or part of their investment. Prospective investors should consider carefully whether an investment in the Company is suitable for them in light of the information in this document and their personal circumstances.

Before making an investment, prospective investors are strongly advised to consult an investment adviser authorised under FSMA who specialises in investments of this kind. A prospective investor should consider carefully whether an investment in the Company is suitable in the light of his or her personal circumstances, the financial resources available to him or her and his or her ability to bear any loss which might result from such investment.

The following factors do not purport to be a complete list or explanation of all the risk factors involved in investing in the Company. In particular, the Company's performance may be affected by changes in the market and/or economic conditions and in legal, regulatory and tax requirements.

RISKS RELATING TO THE GROUP'S BUSINESS

The Group has historically been loss making and its future capital needs are uncertain and may necessitate the need to raise additional funds in the future

The Group has historically been, and continues to be, loss making. This is because the Group is still at a relatively early stage of developing and commercialising its technology and product range. There can be no certainty when, or if, profitability or positive operating cash flow will be achieved. Further, in the longer term, the Group cannot be certain of its future financing needs or that suitable financing will be available in the required amounts or on acceptable terms. The Group's future capital needs, and other business reasons at that time, may require the Company to issue additional equity or obtain a credit facility. If additional equity or equity-linked securities were to be issued this may result in the dilution of existing shareholders' holdings. The incurrence of indebtedness would result in increased debt service obligations and could result in operating and financing covenants that would restrict the Group's operations or the Group's ability to pay dividends to Shareholders or, in the worst scenario, it may not be able to continue operations.

Protection of Intellectual Property

The Group's success and ability to compete effectively is, in large part, dependent upon exploitation of proprietary technologies that the Group has developed internally, the Group's ability to protect and enforce its intellectual property rights so as to preserve its exclusive rights in respect of its technologies and its ability to preserve the confidentiality of its know-how. The Group relies primarily on patent laws to protect its intellectual property rights. Worldwide, as of 31st May 2021, the Group has 112 patent families, which currently comprise in total 296 granted patents and 815 pending applications. There can be no assurance that patents pending will be granted or future patent applications will be issued, nor that the lack of any such patents will not have a material adverse effect on the Group's ability to develop and market its proposed products, or that, if issued, the Group would have the resources to protect any such issued patent from infringement. Also, no assurance can be given that the Group will develop products which are patentable or that patents will be sufficiently broad in their scope to provide protection for the Group's intellectual property rights against third parties. Nor can there be any assurance as to the ownership, validity or scope of any patents which have been, or may in the future be, issued to the Group or that claims with respect thereto would not be asserted by other parties.

To date, the Group has also relied on copyright, trademark and trade secret laws, as well as confidentiality procedures and non-compete agreements with its employees, consultants, contractors, customers and vendors, to establish and protect its rights to its technology and, to the best extent possible, control the access to and distribution of its technology, documentation and other proprietary information. Despite these precautions, it may be possible for a third party to copy or otherwise obtain and use its technology without authorisation.

Once granted, a patent can be challenged both in the patent office and in the courts by third parties. Third parties can bring material and arguments which the patent office granting the patent may not have seen. Therefore, issued patents may be found by a court of law or by the patent office to be invalid or unenforceable or in need of further restriction.

It should be noted that it may be possible for competitors to develop products which have the same or similar functionality and characteristics, and which therefore compete with the Group's products, without infringing on the Group's intellectual property. This risk increases once the Group's products are on the market.

A third party may infringe the Group's intellectual property rights

Policing unauthorised use of the Group's intellectual property rights is difficult and expensive. There can be no assurance that the steps the Group takes will prevent misappropriation of, or prevent an unauthorised third party from obtaining or using, the technologies the Group relies on. In addition, effective protection may be unavailable or limited in some jurisdictions. Any misappropriation of the Group's proprietary technology and intellectual property could have a negative impact on the Group's business and its operating results. Litigation may be necessary in the future to enforce or protect the Group's rights or to determine the validity or scope of the proprietary rights of others. Litigation could cause the Group to incur substantial costs and divert resources and management attention away from its daily business and there can be no guarantees as to the outcome of any such litigation.

The Group may inadvertently infringe a third party's intellectual property rights

Although the Group believes that its technologies do not currently infringe upon patents held by others, no assurance can be given that such infringements do not exist or will not exist in the future. The Group may be unaware of filed patent applications and issued patents that could include claims covering the Group's products. There is a risk that the Group may inadvertently infringe a patent held by another party. Further, there can be no assurances that others have not developed or will not develop similar or competing products, duplicate any of the products of the Group or design around any pending patent application or patents (if any) subsequently granted in favour of the Group. Parties making claims of infringement may be able to obtain injunctive or other equitable relief that could effectively block Group's ability to sell or supply its products or license its technology and could cause the Group to pay substantial royalties, licensing fees or damages or incur substantial costs in redesigning those products that contain the allegedly infringing intellectual property or in obtaining alternative technology. There can be no assurance that the Group will be able to obtain alternative technology on a timely basis or, if any licences are required, that the Group will be able to obtain any such licence on commercially favourable terms, if at all. This may have a material adverse effect on the Group and its ability to compete.

The defence of any lawsuit could divert management's efforts and attention from ordinary business operations and result in time-consuming and expensive litigation, regardless of the merits of such claims, which could materially and adversely affect the Group's business, results of operations and financial condition. Any potential intellectual property litigation could also force the Group to lose the opportunity to license its technology to others or to collect royalty payments based upon successful protection and assertion of its intellectual property against others. In addition, the Group may be required to develop alternative non-infringing solutions that may require significant time and substantial unanticipated resources. There can be no assurance that such claims will not have a material adverse effect on the Group's business, financial condition or results.

IT security

The Group faces the risk of industrial hacking for sensitive information and/or with the intention of deliberate malice resulting in disruption to the Group's business. In the event of a data breach the Group is liable to be fined for a breach of GDPR legislation.

Dependence on key executives and personnel

The Group's development and prospects are dependent upon training and retaining qualified professional, scientific and technical operating staff. In particular, the Group's success depends to a significant degree upon the vision, technical and specialist skills, experience, performance, and continued service of its Directors, senior management and other key personnel. In particular, Professor Christopher Hancock has been, and remains, essential to the development of the Group. Whilst the Group has entered into contractual arrangements with these individuals with the aim of securing the services of each of them, retention of these services cannot be guaranteed and the loss of the services of any of the Directors, senior management or key personnel may have a material adverse effect on the Group and its commercial and financial performance, and damage the value of an investment in the Ordinary Shares.

Ability to recruit and retain skilled personnel

The ability to continue to attract and retain employees with the appropriate expertise and skills cannot be guaranteed. Finding and hiring any additional personnel and replacements could be costly and might require the Group to grant significant equity awards or other incentive compensation, which could adversely impact its financial results, and there can be no assurance that the Group will have sufficient financial resources. Effective product development and innovation, upon which the Group's success is dependent, is in turn dependent upon attracting and retaining talented technical and engineering personnel, who represent a significant asset and serve as the source of the Group's technological and product innovations. In addition, to expand the Group's customer base and increase sales, the Group will need to continue to hire qualified sales personnel. If the Group is unable to hire, train and retain such personnel in a timely manner, the development and introduction of the Group's products could be delayed and its ability to sell its products and otherwise to grow its business will be impaired and the delay and inability may have a detrimental effect upon the performance of the Group.

The Group is dependent on technology and product development

Although the Group has successfully completed the development of several products, continued research and development of additional products will be required. There can be no assurance that any of the Group's product candidates will be successfully developed. The Group may encounter delays and incur additional development and production costs and expenses, over and above those expected by the Directors. Furthermore, there can be no assurance that any of the Group's developed products will successfully complete any applicable regulatory certification or clinical testing process or that they will meet the regulatory requirements necessary for commercial distribution. If the Group's development programme is curtailed due to any of the above issues, this may have an adverse material effect on the Group's business and financial conditions.

The Group's success and ability to compete are dependent on underlying technologies which the Group has developed or may develop in the future. There is a risk that the technology that the Group has developed or may develop in the future may not work as well as planned or that the marketing of the technology may not be as successful as the Group hopes. Further, the markets in which the Group and its customers compete or plan to compete are characterised by constantly and rapidly changing technologies and technological obsolescence. The Group's ability to compete successfully depends on the technological and creative skill of the Group's personnel, consultants and contractors and their ability to design, develop, manufacture, assemble, test, market and support new products and enhancements on a timely and cost effective basis to satisfy the demands and expectations of customers. There is no assurance that the Group will be able to do this. Any failure to anticipate technological changes; to develop, use or procure new technologies; or to react to changes in existing technologies could materially delay its development of new products or enhancements, which could result in product obsolescence, loss of revenue opportunities, and customer migration, negatively affecting the Group's financial results.

Dependency on distribution partners for revenue generation

The Group uses, in certain jurisdictions, an indirect sales model whereby distributors, agents and other channel partners sell the Company's products. There are risks in this model because the Group does not control the pricing of its products and services and relies on the skills of partners' sales teams to generate revenue. The Group cannot ensure that it will be able to retain its

distributors, renew existing distribution agreements on commercially favourable terms, enter into new distribution agreements for target geographical markets or that distribution partners will dedicate the resources necessary for the commercial success of the Group's products.

Dependency on key suppliers

The manufacture of the Group's products involves a number of parts, some of which may only be available from a limited number of third parties. Failure by a third party to deliver components or a third party ceasing to manufacture components could result in delays in the manufacture of products or the need to redesign certain elements. Such an event could have an adverse impact on the revenues and profitability of the Group and its ability to manufacture certain products.

Counterparty risk

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

Impact of Brexit

The Group faces risks in relation to the political and economic instability associated with the UK leaving the European Union, as well as potential changes to the legal framework applicable to its business along with consequential risks arising from the removal of the free movement rights both in terms of people, services and goods. The UK may require new standards to the prevailing CE/UKCA standards requiring additional regulatory approval of the Group's products before they can be offered for sale in the UK.

Regulatory risk

The Group's products are subject to regulation in every jurisdiction in which they are sold. Further, the Group is in the process of obtaining approvals and/or accreditations that are required for the sale of a number of products in the Group's pipeline. Changes in either the content or timetable of regulatory requirements or the process for obtaining approvals and/or accreditations could affect the functional suitability of some of the Company's products or adversely affect the timing or level of related product sales. Should it be the case that the Group's products become subject to further regulatory or other restrictions, then the Group may incur further research and/or development costs, or could be required to apply for regulatory approvals, that could have a material adverse effect on its financial position or prospects.

The Group also needs to comply with ongoing regulatory requirements, such as to maintain a quality system, for which it is subject to periodic inspections (scheduled and unscheduled), restrictions in relation to promotional materials and post-market safety surveillance programmes.

Reimbursement of medical devices in Europe is determined on a country-by-country basis, at a national level or, in some cases, by regional authorities within countries. Securing reimbursement may require the Group to collect and disseminate further data to demonstrate the clinical value and cost-effectiveness of the Group's products, and there can be no assurance that the reimbursement process will be successful.

Management of the Group's growth strategy

There can be no certainty that the Group will be able to implement successfully its stated strategy. The ability of the Group to implement its strategy in rapidly evolving and competitive markets will require effective management planning and operational controls.

The Directors anticipate that significant expansion will be required to respond to market opportunities. The Group's growth plans may place a significant strain on the Group's management, operational, financial and personnel resources. The Group's future growth and prospects will depend on its ability to manage this growth and to continue to expand and improve operational and financial performance, whilst at the same time maintaining effective cost controls. The Group's future growth may depend, in part, on its ability to identify suitable acquisition targets. There can be no assurance

that any targets identified will be available at a value which makes them suitable for acquisition at the relevant time, or that third party finance required to fund the acquisition will be available on acceptable terms. Any failure to expand and improve operational, financial and quality control systems in line with the Group's growth could have a material adverse effect on the Group's business, financial condition and results of operation.

Market acceptance of the Group's products is uncertain

The Group's success will depend on the market acceptance and valuing of its products and there can be no guarantee that this acceptance will be forthcoming. In relation to products the Group is developing or intends to develop for the medical market, physicians will use the Group's products only if, based on experience, clinical data, side effect profiles and other factors, they determine that they are preferable to other products currently in use or beneficial in combination with other products. Similarly, changes in attitudes towards forms of surgery amongst doctors or patients may adversely affect the commercial prospects and success of the Group's products. Conversely, the Group needs to be able to scale up in the event of rapid adoption of the Group's products. Many other factors influence the adoption of new products, including the emergence of newer, more competitive technologies and products, the cost of the Group's products, regulatory requirements, customer perceptions of the efficacy and reliability of its products and customer reluctance to buy a new product. Any restriction on the Group's ability or the ability of its partners to advertise or otherwise promote claims of superiority, or requirements to conduct additional clinical trials to provide proof of such claims, could negatively affect the sales of its products and/or its costs. The failure of the Group's products to achieve market acceptance, or the failure of a market to develop for the Group's products, could prevent the Group from generating meaningful product revenues, and could negatively affect the Group's financial position.

Geopolitical risks

The Group operates internationally, meaning that it is exposed to certain risks relating to international trade, regulation, import/export regimes, sanctions and politics. For example, in relation to countries seeking to on-shore or pursuing a 'buying local' policy, that could fetter international sales of products manufactured outside of such countries.

COVID-19

There is significant uncertainty worldwide in relation to the social and economic impact from the spread of COVID-19 and the various national responses. National and international travel restrictions and social distancing measures will prevent the Group's personnel from visiting countries where restrictions are in place and will limit potential users of its products from attending training and/or trainers from providing training on the safe use of its products.

Medical resources at national and local levels will be focused on mitigating the impact of COVID-19 rather than undertaking non-urgent or elective procedures that would otherwise be able to utilise the Group's products.

There are restrictions on the ability of sales representatives to attend customer sites. Should Group personnel become infected or show symptoms, they will be required to self-isolate and/or take extended time off work.

National social distancing responses require alternative working methods (i.e. home-working) which may not be suitable for all Group employees.

Events beyond the control of the management of the Group may have adverse effects on the Group's business

There is a possible threat of natural disasters that will affect the Group's ability to trade and manufacture.

The Group is exposed to potential product liability

Criminal or civil proceedings might be filed against the Group by study subjects, patients, the regulatory authorities, other companies and any other third party using or marketing the Group's products.

If the Group cannot successfully defend itself against product liability claims, it may incur substantial liabilities or be required to limit commercialisation of its products if approved. Successful defence of any such claims could require significant financial and management resources.

The Group's disaster recovery plans may not be sufficient

The Group depends on the performance, reliability and availability of its laboratory/manufacturing equipment and information technology systems. Any damage to or failure of its equipment and/or systems could result in disruptions to the Group's research and operations. The Group's disaster recovery plans may not adequately address every potential event and its insurance policies may not cover any loss in full or in part (including losses resulting from business interruptions) or damage that it suffers fully or at all, which could have a material adverse effect on the Group's business, financial position or prospects.

Exchange rate fluctuations

As a consequence of the international nature of its business, the Group is exposed to the risks associated with changes in foreign currency exchange rates. Although the Group is domiciled in the UK and it prepares its financial statements in Sterling, some of the Group revenues are generated in currencies other than Sterling. As well as significant Sterling denominated costs in the UK, the Group may in the future incur costs in non-Sterling territories. To the extent that there are fluctuations in exchange rates, this may have an impact on the figures consolidated in the Group's accounts, which could have a material impact on the Group's financial position or result of operations, as shown in the Group's accounts going forward. The Directors cannot predict the effect of exchange rate fluctuations upon future operating results and there can be no assurance that exchange rate fluctuations will not have a material adverse effect on the business, operating results or financial condition of the Group.

Financial risk

There are a number of financial risks which are outside the control of the Group and which can affect revenues and/or costs. The Group does not fully hedge against such risks currently. These include varying international exchange rates, interest rates, world commodity prices, energy prices and supplies, raw materials prices and supplies, inflation and international trends in trade, tariffs and protectionism and changes in the legal and regulatory framework. The Group's operations, business and financial performance are affected by these factors, which are beyond the control of the Group.

Availability and terms of additional financing required

The Group's financing requirements depend on numerous factors, including the rate of market acceptance of its technologies and its ability to attract customers. The Group may be unable to obtain adequate financing on acceptable terms, if at all, which could cause it to delay, reduce or abandon research and development programmes or hinder commercialisation of some or all of its products.

Tax risk

Any change in the Company's tax status or in taxation legislation in any jurisdiction in which the Company operates could affect the Company's financial condition and results and its ability (if any) to provide returns to Shareholders. Statements in this document concerning the taxation of investors in Ordinary Shares are based on current UK tax law and practice which is subject to change. The taxation of an investment in the Company depends on the individual circumstances of investors.

GENERAL RISKS RELATING TO AN INVESTMENT IN THE ORDINARY SHARES

General

An investment in Ordinary Shares is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such an investment, or other investors who have been professionally advised with regard to the investment, and who have sufficient resources to be able to bear any losses that may arise therefrom (which may be equal to the whole amount invested). Such an investment should be seen as complementary to existing investments in a wide spread of other financial assets and should not form a major part of an investment portfolio. Prospective

investors should not consider investing in the Ordinary Shares unless they already have a diversified investment portfolio.

Prospective investors should be aware that the value of an investment in the Company may go down as well as up and investors may therefore not recover their original investment.

Share price volatility and liquidity

Following Admission, the market price of the Ordinary Shares may be subject to wide fluctuations in response to many factors which may or may not be outside of the control of the Company, including changes in the performance of the medical technology market as a whole, stock market fluctuations and general economic conditions or changes in political sentiment. This may substantially affect the market price of the Ordinary Shares irrespective of the progress the Company may make in terms of developing and expanding its products or its actual financial, trading or operational performance. These factors could include the performance of the Company, purchases or sales of the Ordinary Shares (or the perception that such may occur, as, for example in the period leading up to the expiration of the restrictions contained in certain lock-in and orderly marketing arrangements), legislative changes and market, economic, political or regulatory conditions or price distortions resulting from limited liquidity in the Company's shares. The share price for publicly traded companies, particularly those at an early stage of development, such as the Company, can be highly volatile.

Issue of additional Ordinary Shares

Although the Company's business plan does not involve the issue of Ordinary Shares other than in connection with the Fundraising and pursuant to the Company's share option schemes, it is possible that the Company may decide to issue, pursuant to a public offer, an acquisition or otherwise, additional Ordinary Shares in the future at a price or prices higher or lower than the Issue Price. An additional issue of Ordinary Shares by the Company, or the public perception that an issue may occur, could have an adverse effect on the market price of Ordinary Shares and could dilute the proportionate ownership interest, and hence the proportionate voting interest, of Shareholders. This will particularly be the case if and to the extent that such an issue of Ordinary Shares is not effected on a pre-emptive basis, or Shareholders do not take up their rights to subscribe for further Ordinary Shares structured as a pre-emptive offer.

Risks relating to Open Offer entitlements

Shareholders' proportionate ownership and voting interest in the Company will be reduced pursuant to the Placing, If a Shareholder does not take up his or her Open Offer entitlement, his or her interest in the Company will be further diluted.

Legislation and tax status

This document has been prepared on the basis of current legislation, regulation, rules and practices and the Directors' interpretation thereof. Such interpretation may not be correct and it is always possible that legislation, rules and practice may change. Any change in legislation and in particular in tax status or tax residence of the Company or in tax legislation or practise may have an adverse effect on the returns available on an investment in the Group.

General economic climate

Factors such as inflation, currency fluctuation, interest rates, supply and demand of capital and industrial disruption have an impact on business costs and commodity prices and stock market prices. The Group's operations, business and profitability can be affected by these factors, which are beyond the control of the Group.

There is no guarantee that the Company's Ordinary Shares will continue to be traded on AIM

The Company cannot assure investors that the Ordinary Shares will always continue to be traded on AIM or on any other exchange. If such trading were to cease, 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 Company decides to obtain a listing on another exchange in addition

or as an alternative to AIM, the level of liquidity of the Ordinary Shares traded on AIM could decline.

The risks above do not necessarily comprise all those faced by the Company and are not intended to be presented in any assumed order of priority. The investment offered in this document may not be suitable for all of its recipients. Investors are accordingly advised to consult an investment adviser, who is authorised under the FSMA, if they are resident in the UK or, if not, from another appropriate authorised independent financial adviser and who or which specialises in investments of this kind before making a decision to apply for New Ordinary Shares.

PART III

SOME QUESTIONS AND ANSWERS ABOUT THE OPEN OFFER

The questions and answers set out in this Part III: "Some Questions and Answers about the Open Offer" are intended to be in general terms only and, as such, you should read Part IV: "Terms and Conditions of the Open Offer" of this document for full details of what action to take. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other appropriate independent financial adviser duly authorised under the FSMA if you are in the UK, or if not, from another appropriately authorised independent financial adviser. **For certainty, the Open Offer is not being extended into the United States or in any other Restricted Jurisdiction where such offer is not permitted pursuant to applicable securities laws.**

This Part III deals with general questions relating to the Open Offer and more specific questions relating principally to persons resident in the UK who hold their Ordinary Shares in certificated form only. If you are an Overseas Shareholder, you should read paragraph 6 of Part IV: "Terms and Conditions of the Open Offer" of this document and you should take professional advice as to whether you are eligible and/or you need to observe any formalities to enable you to take up your Open Offer Entitlement. If you hold your entitlement to Existing Ordinary Shares in uncertificated form (that is, through CREST) you should read Part IV: "Terms and Conditions of the Open Offer" of this document for full details of what action you should take. If you are a CREST sponsored member, you should also consult your CREST sponsor. If you do not know whether your Existing Ordinary Shares are in certificated or uncertificated form, please contact Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, or you can contact them on 0371-384-2050 from within the UK or +44 371-384-2050 if calling from outside the UK. Lines are open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Fundraising nor give any financial, legal or tax advice.

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

1. WHAT IS AN OPEN OFFER?

An open offer is a way for companies to raise money. Companies usually do this by giving their existing shareholders a right to acquire further shares at a fixed price in proportion to their existing shareholdings.

In this instance Shareholders will also be offered the opportunity to apply for additional shares in excess of their entitlement to the extent that other Qualifying Shareholders do not take up their entitlement in full. The Issue Price represents a discount of approximately 3.8 per cent. to the trailing 30 day volume weighted average price of 189.7 pence.

This Open Offer is an invitation by the Company to Qualifying Shareholders to apply to acquire up to an aggregate of 2,775,896 new Ordinary Shares at a price of 182.5 pence per share. If you hold Ordinary Shares on the Open Offer Record Date or have a *bona fide* market claim, other than, subject to certain exceptions, where you are a Shareholder with a registered address or located in the United States or any other Restricted Jurisdiction, you will be entitled to buy Open Offer Shares under the Open Offer.

The Open Offer is being made on the basis of 1 Open Offer Share for every 58 Existing Ordinary Shares held by Qualifying Shareholders on the Open Offer Record Date.

The Excess Application Facility allows Qualifying Shareholders to apply for Open Offer Shares in excess of their Open Offer Entitlements. Applications made under the Excess Application Facility will be scaled back at the Company's discretion if applications are received from Qualifying Shareholders for more than the available number of Excess Shares. Unlike in a rights issue, Application Forms are not negotiable documents and neither they nor the Open Offer Entitlements can themselves be traded.

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

If you receive an Application Form and, subject to certain exceptions, are neither a holder with a registered address nor located in the United States or any other Restricted Jurisdiction, then you should be eligible to participate in the Open Offer as long as you have not sold all of your Existing Ordinary Shares before 16 August 2021 (the time when the Existing Ordinary Shares are expected to be marked “ex-entitlement” by the London Stock Exchange).

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

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

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

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

If you would like to apply for any of or all of the Open Offer Shares comprised in your Open Offer Entitlement or any Excess Open Offer Entitlement you should complete the Application Form in accordance with the instructions printed on it and the information provided in this document. Completed Application Forms should be posted, along with a cheque or banker’s draft drawn in the appropriate form, in the accompanying pre-paid envelope or returned to Equiniti Limited (who will act as receiving agent in relation to the Open Offer), by post to Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to be received by no later than 11.00 a.m. on 3 September 2021, after which time Application Forms will not be valid.

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

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

If you do not want to take up the Open Offer Shares to which you are entitled, you do not need to do anything. In these circumstances, you will not receive any Open Offer Shares. You will also not receive any money when the Open Offer Shares you could have taken up are sold, as would happen under a rights issue. You cannot sell your Application Form or your Open Offer Entitlement to anyone else.

If you do not return your Application Form subscribing for the Open Offer Shares to which you are entitled by 11.00 a.m. on 3 September 2021, the Company has made arrangements under which the Company has agreed to issue the Open Offer Shares to other Qualifying Shareholders under the Excess Application Facility.

If you do not take up your Open Offer Entitlement then following the issue of the Open Offer Shares pursuant to the Open Offer, your interest in the Company will be significantly diluted.

4.2 If you want to take up some but not all of your Open Offer Entitlement

If you want to take up some but not all of the Open Offer Shares to which you are entitled, you should write the number of Open Offer Shares you want to take up in Box 4 of your Application Form; for example, if you are entitled to take up 600 shares but you only want to take up 300 shares, then you should write ‘300’ in Box D. To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example, ‘300’) by £1.825, which is the price in pounds of each Open Offer Share (giving you an amount of £547.50 in this example). You should write this amount in

Box G, rounding down to the nearest whole pence and this should be the amount your cheque or banker's draft is made out for. You should then return the completed Application Form, together with a cheque or banker's draft for that amount, in the accompanying pre-paid envelope (for use only by Shareholders with registered addresses in the UK) or return by post to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to be received by no later than 11.00 a.m. on 3 September 2021, after which time Application Forms will not be valid. If you post your Application Form by first-class post, you should allow at least four Business Days for delivery.

All payments must be in pounds sterling and made by cheque or banker's draft made payable to Equiniti Ltd re: Creo Medical Group plc Open Offer Account and crossed "A/C Payee Only". Cheques or banker's drafts must be drawn on a bank or building society or branch of a bank or building society in the UK or Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies and must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder and the number of an account held in the Applicant's name at the building society or bank by stamping or endorsing the cheque or draft to such effect or provided a supporting letter confirming the source of funds. The account name should be the same as that shown on the application. Post-dated cheques will not be accepted.

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

A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 21 September 2021.

4.3 If you want to take up all of your Open Offer Entitlement

If you want to take up all of the Open Offer Shares to which you are entitled, all you need to do is send the Application Form (ensuring that all joint holders sign (if applicable)), together with your cheque or banker's draft for the amount (as indicated in Box 3 of your Application Form), payable to Equiniti Ltd re: Creo Medical Group plc Open Offer Account and crossed "A/C Payee Only", in the accompanying pre-paid envelope or return to Equiniti Limited by post to Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to be received by no later than 11.00 a.m. on 3 September 2021, after which time Application Forms will not be valid. If you post your Application Form by first-class post, you should allow at least four Business Days for delivery.

4.4 If you want to apply for more than your Open Offer Entitlement

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

For example, if you have an Open Offer Entitlement for 600 Open Offer Shares but you want to apply for 900 Open Offer Shares in total, then you should write '600' in Box 4, '300' in Box 5 and '900' in Box 6. To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example, '900') by £1.825, which is the price in pounds sterling of each Open Offer Share (giving you an amount

of £1,642.50 in this example). You should write this amount in Box 7, rounding down to the nearest whole penny and this should be the amount your cheque or banker's draft is made out for. You should then return the completed Application Form, together with a cheque or banker's draft for that amount, in the accompanying prepaid envelope (for use by Shareholders with registered addresses in the UK only) or return to Equiniti Limited by post to Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to be received by no later than 11.00 a.m. on 3 September 2021, after which time Application Forms will not be valid. If you post your Application Form by first-class post, you should allow at least four Business Days for delivery.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, such applications will be scaled back at the Company's absolute discretion if applications are received from Qualifying Shareholders for more than the available number of Excess Shares. It should be noted that applications under the Excess Application Facility may not be satisfied in full. A definitive share certificate will then be sent to you for the Open Offer Shares that you take up and otherwise successfully apply for using the Excess Application Facility. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 21 September 2021.

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

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

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

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

- (a) Qualifying Shareholders who held their Existing Ordinary Shares through CREST in uncertificated form on 12 August 2021 and who have converted them to certificated form;
- (b) Qualifying Shareholders who bought Existing Ordinary Shares before 16 August 2021 but were not registered as the holders of those shares at the close of business on 12 August 2021; and
- (c) certain Overseas Shareholders who are not resident in or subject to the laws of a Restricted Jurisdiction.

If you do not receive an Application Form but think that you should have received one or you have lost your Application Form, please contact the shareholder helpline of Equiniti Limited, on 0371-384-2050 (from inside the UK) or +44 371-384-2050 (from outside the UK), which is available between the hours of 8.30 a.m. to 5.30 p.m. on any Business Day.

For legal reasons, the shareholder helpline of Equiniti Limited, will only be able to provide information contained in this document and information relating to the Company's register of members and will be unable to give advice on the merits of the Open Offer or to provide financial, tax or investment advice.

7. I AM A QUALIFYING SHAREHOLDER, DO I HAVE TO APPLY FOR ALL THE OPEN OFFER SHARES I AM ENTITLED TO APPLY FOR?

You can take up any number of the Open Offer Shares allocated to you under the Open Offer Entitlement. Your Open Offer Entitlement is shown on your Application Form. Any applications by a Qualifying Shareholder for a number of Open Offer Shares which is equal to or less than that person's Open Offer Entitlement will be satisfied, subject to the Open Offer becoming unconditional.

8. CAN I TRADE MY OPEN OFFER ENTITLEMENT?

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

Open Offer Shares for which application has not been made under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Qualifying Shareholders who do not apply to take up their Open Offer Entitlement will have no rights under the Open Offer or receive any proceeds from it.

9. WHAT IF I CHANGE MY MIND?

If you are a Qualifying Shareholder, once you have sent your Application Form and payment to the Receiving Agent, you cannot withdraw your application or change the number of Open Offer Shares for which you have applied.

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

If you hold shares in the Company directly and you sell some or all of your Existing Ordinary Shares before 12 August 2021, you should contact the buyer or the person/company through whom you sell your shares. The buyer may be entitled to apply for Open Offer Shares under the Open Offer as set out in the Application Form.

If you sell any of your Existing Ordinary Shares on or after 12 August 2021, you may still take up and apply for the Open Offer Shares as set out on your Application Form.

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

Completed Application Forms should be returned with a cheque or banker's draft drawn in the appropriate form. All payments must be in Pounds Sterling written in black ink and made by cheque or banker's draft made payable to Equiniti Ltd re: Creo Medical Group plc Open Offer Account and crossed "A/C Payee Only". Cheques or banker's drafts must be drawn on a bank or building society or branch of a bank or building society in the UK or Channel Islands which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through the facilities provided by any of those companies and must bear the appropriate sort code in the top right-hand corner.

Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder and the number of an account held in the Applicant's name at the building society or bank by stamping or endorsing the cheque or draft to such effect or provided with a supporting letter confirming the source of funds. The account name should be the same as that shown on the application.

Post-dated cheques will not be accepted.

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

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

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

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

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

The Receiving Agent must receive the Application Form by no later than 11.00 a.m. on 3 September 2021, after which time Application Forms will not be valid. If an Application Form is being sent by first class post in the UK, Qualifying Shareholders are recommended to allow at least four Business Days for delivery.

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

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

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

It is expected that the Receiving Agent will post all new share certificates by 21 September 2021.

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

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

18. WILL I BE TAXED IF I TAKE UP MY ENTITLEMENTS?

Shareholders who are in any doubt as to their tax position in relation to taking up their entitlements under the Open Offer, or who are subject to tax in any jurisdiction other than the UK, should immediately consult a suitable professional adviser.

19. WHAT SHOULD I DO IF I LIVE OUTSIDE THE UK?

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

20. FURTHER ASSISTANCE

Should you require further assistance please contact the Receiving Agent, Equiniti Limited on 0371-384-2050 or if outside of the UK on +44 371-384-2050. Calls outside the UK will be charged at the applicable international rate. The helpline is open between 8:30 a.m. – 5:30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Equiniti Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

PART IV

TERMS AND CONDITIONS OF THE OPEN OFFER

INTRODUCTION

As explained in the letter from the Chairman set out in Part I of this document, the Company is proposing to raise up to £31.25 million (before expenses) through the issue of up to 17,123,288 Placing Shares to institutional and other investors pursuant to the Placing at a price of 182.5 pence per Placing Share, and is proposing to raise up to approximately £5.07 million (before expenses) (assuming full take up of the Open Offer Shares) in addition and separate to the funds raised pursuant to the Placing, through the issue of Open Offer Shares to Qualifying Shareholders at the Issue Price.

The Issue Price of 182.5 pence represents a discount of approximately 3.8 per cent. to the trailing 30 day volume weighted average price of 189.7 pence.

The purpose of this Part IV is to set out the terms and conditions of the Open Offer. Up to 2,775,896 Open Offer Shares will be issued through the Open Offer. Qualifying Shareholders are being offered the right to subscribe for Open Offer Shares in accordance with the terms of the Open Offer. The Open Offer has not been underwritten.

The Record Date for entitlements under the Open Offer for Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders is 12 August 2021. Qualifying Non-CREST Shareholders will have received Application Forms with this document and Open Offer Entitlements are expected to be credited to stock accounts of Qualifying CREST Shareholders in CREST by 17 August 2021.

Subject to availability, the Excess Application Facility will enable Qualifying Shareholders to apply for Excess Shares.

The latest time and date for receipt of a completed Application Form and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate) is 11.00 a.m. on 3 September 2021 with Admission and commencement of dealings in Open Offer Shares expected to take place at 8.00 a.m. on 7 September 2021.

This document and, for Qualifying Non-CREST Shareholders only, the Application Form contains the formal terms and conditions of the Open Offer. Your attention is drawn to paragraph 3 of this Part IV, which gives details of the procedure for application and payment for the Open Offer Shares and any Excess Shares applied for pursuant to the Excess Application Facility.

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

The Open Offer is an opportunity for Qualifying Shareholders to apply for up to 2,775,896 Open Offer Shares *pro rata* (excepting fractional entitlements) to their current holdings at the Issue Price in accordance with the terms of the Open Offer.

Qualifying Shareholders are also being offered the opportunity to apply for additional Open Offer Shares in excess of their Open Offer Entitlement to the extent that other Qualifying Shareholders do not take up their Open Offer Entitlement in full. The Excess Application Facility enables Qualifying Shareholders to apply for Excess Shares in excess of their Open Offer Entitlement as at the Record Date.

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

1. THE OPEN OFFER

Subject to the terms and conditions set out below (and, in the case of Qualifying Non-CREST Shareholders, in the Application Form), Qualifying Shareholders are hereby invited to apply for Open Offer Shares at the Issue Price, payable in full in cash on application, free of all expenses, on the basis of:

- (a) 1 Open Offer Share for every 58 Existing Ordinary Shares held by Qualifying Shareholders at the Record Date and so in proportion for any other number of Ordinary Shares then held; and
- (b) further Open Offer Shares in excess of the Open Offer Entitlement through the Excess Application Facility (although such Open Offer Shares will only be allotted to the extent that not all Qualifying Shareholders apply for their Open Offer Entitlement in full).

Entitlements under the Open Offer will be rounded down to the nearest whole number of Open Offer Shares, with fractional entitlements being aggregated and made available under the Excess Application Facility.

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

If you are a Qualifying Non-CREST Shareholder, the Application Form shows the number of Existing Ordinary Shares registered in your name on the Record Date (in Box 1) and your Open Offer Entitlements (in Box 2).

If you are a Qualifying CREST Shareholder, application will be made for your Open Offer Entitlement and Excess CREST Open Offer Entitlement to be credited to your CREST account. Open Offer Entitlements and Excess CREST Open Offer Entitlements are expected to be credited to CREST accounts on 17 August 2021. The Existing Ordinary Shares are already admitted to CREST. Accordingly, no further application for admission to CREST is required for the Open Offer Shares. All such shares, when issued and fully paid, may be held and transferred by means of CREST.

Save in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder is expected to receive a credit to his CREST stock account of his Open Offer Entitlement equal to the maximum number of New Ordinary Shares for which he is entitled to apply to acquire under the Open Offer, together with a credit of Excess Entitlements equal to 10 times their balance of Existing Ordinary Shares held at the Record Time. Qualifying CREST Shareholders should note that there is no limit on the amount of Open Offer Shares that can be applied for under the Excess Application Facility, save that the maximum amount of Open Offer Shares to be allotted under the Excess Application Facility will be limited by the maximum size of the Open Offer less the aggregate of the Open Offer Shares issued under the Open Offer pursuant to the Qualifying Shareholders' Open Offer Entitlements. If they wish to apply for more additional Open Offer Shares than their Excess Open Offer Entitlements they have been credited, subject to the limitation above, they should contact Equiniti Limited on 0371 384 2050 (overseas callers should use +44 371 384 2050). Lines are open 8.30 a.m. to 5.30 p.m., Monday to Friday (excluding English and Welsh public holidays). Calls to the shareholder helpline from outside of the UK will be charged at the applicable international rate. Qualifying CREST Shareholders, when requesting, an increased credit, should ensure that they leave sufficient time for the additional Excess Open Offer Entitlement to be credited to their account and for an application to be made in respect of those entitlements before the application date.

Subject to availability, the Excess Application Facility will enable Qualifying Shareholders, provided they have taken up their Open Offer Entitlement in full, to apply for further Open Offer Shares in excess of their Open Offer Entitlement. Qualifying CREST Shareholders will have their Open Offer Entitlement and Excess CREST Open Offer Entitlement credited to their stock accounts in CREST and should refer to paragraph 3.2 of this Part IV for information on the relevant CREST procedures and further details on the Excess Application Facility. Qualifying CREST Shareholders can also refer to the CREST Manual for further information on the relevant CREST procedures.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, such applications will be scaled back at the Company's absolute discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.

Please refer to paragraphs 3.1(f) and 3.2(k) of this Part IV for further details of the Excess Application Facility.

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

The attention of Overseas Shareholders is drawn to paragraph 6 of this Part IV.

The Open Offer Shares will, when issued and fully paid, rank in full for all dividends and other distributions declared, made or paid after the date of this document and otherwise *pari passu* in all respects with the Existing Ordinary Shares. The Open Offer Shares are not being made available in whole or in part to the public except under the terms of the Open Offer.

2. CONDITIONS AND FURTHER TERMS OF THE OPEN OFFER

The Open Offer is conditional on the Placing becoming or being declared unconditional in all respects and not being terminated before Admission. The principal conditions to the Placing are:

- (a) the passing of the Resolutions without amendment at the General Meeting;
- (b) the Placing Agreement having become unconditional (save for Admission) and not having been terminated in accordance with its terms prior to Admission; and
- (c) Admission becoming effective by no later than 8.00 a.m. on 7 September 2021 (or such later date as Cenkos and the Company may agree, being not later than 8.00 a.m. on 14 September 2021).

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

Any Open Offer Entitlements admitted to CREST will thereafter be disabled.

No temporary documents of title will be issued in respect of Open Offer Shares held in uncertificated form. Definitive certificates in respect of Open Offer Shares taken up are expected to be posted to those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in certificated form by 21 September 2021.

In respect of those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in uncertificated form, the Open Offer Shares are expected to be credited to their stock accounts maintained in CREST by 7 September 2021.

Applications will be made for the Open Offer Shares to be admitted to trading on AIM. Admission of the Open Offer Shares is expected to occur at 8.00 a.m. on 7 September 2021, when dealings in the Open Offer Shares are expected to begin.

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

3. PROCEDURE FOR APPLICATION AND PAYMENT

The action to be taken by you in respect of the Open Offer depends on whether, at the relevant time, you are sent an Application Form in respect of your Open Offer Entitlement under the Open Offer or your Open Offer Entitlement and Excess CREST Open Offer Entitlement is credited to your CREST stock account. Qualifying Shareholders who hold all or part of their Existing Ordinary Shares in certificated form should have received the Application Form, enclosed with this document. The Application Form shows the number of Existing Ordinary Shares held at the Record Date. It will also show Qualifying Shareholders their Open Offer Entitlement that can be allotted in certificated form. Qualifying Shareholders who hold all their Existing Ordinary Shares in CREST will be allotted Open Offer Shares in CREST. Qualifying Shareholders who hold part of their Existing Ordinary Shares in uncertificated form will be allotted Open Offer Shares in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. However, it will be possible for Qualifying Shareholders to deposit Open Offer Entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 3.2(f) of this Part IV.

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

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

3.1 If you have received an Application Form in respect of your Open Offer Entitlement under the Open Offer:

(a) **General**

Subject to paragraph 6 of this Part IV in relation to Overseas Shareholders, Qualifying Non-CREST Shareholders will receive an Application Form. The Application Form shows the number of Existing Ordinary Shares registered in their name on the Record Date in Box 1. It also shows the Open Offer Entitlement allocated to them set out in Box 2. Entitlements to Open Offer Shares are rounded down to the nearest whole number and any fractional entitlements to Open Offer Shares will be aggregated and made available under the Excess Application Facility. Box 3 shows how much they would need to pay if they wish to take up their Open Offer Entitlement in full. Qualifying Non-CREST Shareholders may apply for less than their entitlement should they wish to do so. Qualifying Non-CREST Shareholders may also hold such an Application Form by virtue of a *bona fide* market claim.

Under the Excess Application Facility, provided they have agreed to take up their Open Offer Entitlement in full, Qualifying Non-CREST Shareholders may apply for more than the amount of their Open Offer Entitlement should they wish to do so. The Excess Application Facility enables Qualifying Shareholders to apply for Excess Shares in excess of their Open Offer Entitlement at the Record Date. The Excess Shares will be scaled back at the Company's absolute discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.

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

(b) **Bona fide market claims**

Applications to acquire Open Offer Shares may only be made on the Application Form and may only be made by the Qualifying Non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked "ex" the entitlement to participate in the Open Offer. Application

Forms may not be sold, assigned, transferred or split, except to satisfy *bona fide* market claims up to 3.00 p.m. on 1 September 2021. The Application Form is not a negotiable document and cannot be separately traded. A Qualifying Non-CREST Shareholder who has sold or otherwise transferred all or part of his holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to participate in the Open Offer, should contact his broker or other professional adviser authorised under FSMA through whom the sale or purchase was effected as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed by the purchaser(s) or transferee(s).

Excess Open Offer Entitlements will not be subject to Euroclear’s market claims process. Qualifying CREST Shareholders claiming Excess Open Offer Entitlements by virtue of a *bona fide* market claim are advised to contact Equiniti Limited to request a credit of the appropriate number of entitlements to their CREST account.

Qualifying Non-CREST Shareholders who have sold all or part of their registered holding should, if the market claim is to be settled outside CREST, complete Box 8 on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Application Form should not, however, be forwarded to or transmitted in or into or from the United States or any Restricted Jurisdiction, nor in or into or from any other jurisdiction where the extension of the Open Offer would breach any applicable law or regulation. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedure set out in paragraph 3.2 of this Part IV below.

(c) **Application procedures**

Qualifying Non-CREST Shareholders wishing to apply to acquire Open Offer Shares (whether in respect of all or part of their Open Offer Entitlement or in addition to their Open Offer Entitlement under the Excess Application Facility) should complete the Application Form in accordance with the instructions printed on it. Qualifying Non-CREST Shareholders may only apply for Excess Shares if they have agreed to take up their Open Offer Entitlements in full.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, such applications will be scaled back at the Company’s absolute discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.

Completed Application Forms should be returned by post to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA by no later than 11.00 a.m. on 3 September 2021. The Company reserves the right to treat any application not strictly complying with the terms and conditions of application as nevertheless valid. The Company further reserves the right (but shall not be obliged) to accept either Application Forms or remittances received after 11.00 a.m. on 3 September 2021.

Qualifying Non-CREST Shareholders should note that applications, once made, will be irrevocable and receipt thereof will not be acknowledged. Multiple applications will not be accepted. If an Application Form is being sent by first-class post in the UK, Qualifying Shareholders are recommended to allow at least four Business Days for delivery. The Company may in its sole discretion, but shall not be obliged to, treat an Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer. The Company further reserves the right (but shall not be obliged) to accept either:

- (i) Application Forms received after 11.00 a.m. on 3 September 2021; or

- (ii) Applications in respect of which remittances are received before 11.00 a.m. on 3 September 2021 from authorised persons (as defined in FSMA) specifying the Open Offer Shares applied for and undertaking to lodge the Application Form in due course but, in any event, within two Business Days.

All documents and remittances sent by post by, to, from or on behalf of an applicant (or as the applicant may direct) will be sent entirely at the applicant's own risk.

(d) **Payments**

All payments must be in pounds sterling and made by cheque written in black ink made payable to Equiniti Ltd re: Creo Medical Group plc Open Offer Account and crossed "A/C Payee Only". Cheques must be drawn on a bank or building society or branch of a bank or building society in the UK which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques to be cleared through the facilities provided by any of those companies and must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted details of the name of the account holder and have either added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. The name of the account holder should be the same as the name of the shareholder shown on page 1 of the Open Offer Application Form. Post-dated cheques will not be accepted.

Cheques will be presented for payment upon receipt. The Company reserves the right to instruct Equiniti Limited to seek special clearance of cheques to allow the Company to obtain value for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant member account, as applicable) pending clearance thereof). No interest will be paid on payments made before they are due. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents and/or cheques sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted. If the Open Offer does not become unconditional, no Open Offer Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Open Offer by cheque or return funds direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn (at the applicant's sole risk), to applicants as soon as practicable following the lapse of the Open Offer. If Open Offer Shares have already been allotted to a Qualifying Non-Crest Shareholder and such Qualifying Non-Crest Shareholder's cheque is not honoured upon first presentation or such Qualifying Non-Crest Shareholder's application is subsequently otherwise deemed to be invalid, the Receiving Agent shall be authorised (in its absolute discretion as to manner, timing and terms) to make arrangements, on behalf of the Company, for the sale of such Qualifying Non-Crest Shareholder's Open Offer Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. None of the Receiving Agent, either Bank or the Company nor any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying Non-Crest Shareholders.

(e) **Incorrect Sums**

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

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

- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all of the Open Offer Shares referred to in the Application Form, refunding any unutilised sums to the Qualifying Non-CREST Shareholder in question (without interest), save that any sums of less than £1.00 will be retained for the benefit of the Company.
- (f) ***The Excess Application Facility***
- (i) Provided they choose to take up their Open Offer Entitlement in full, the Excess Application Facility enables a Qualifying Non-CREST Shareholder to apply for Excess Shares. Qualifying Non-CREST Shareholders wishing to apply for Excess Shares may do so by completing Box 5 of the Application Form.
 - (ii) If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, the Excess Shares will be scaled back at the Company's absolute discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.
 - (iii) Qualifying Non-CREST Shareholders who wish to apply for Excess Shares must complete the Application Form in accordance with the instructions set out on the Application Form.
 - (iv) Should the Open Offer become unconditional and applications for Open Offer Shares by Qualifying Shareholders under the Open Offer exceed 2,775,896 Open Offer Shares, resulting in a scale back of applications, each Qualifying Non-CREST Shareholder who has made a valid application for Excess Shares and from whom payment in full for the Excess Shares has been received will receive a pounds sterling amount equal to the number of Excess Shares applied and paid for but not allocated to the relevant Qualifying Non-CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable thereafter, without payment of interest and at the applicant's sole risk.
- (g) ***Effect of valid application***
- All documents and remittances sent by post by, to, from, or on behalf of or to an applicant (or as the applicant may direct) will be sent entirely at the applicant's own risk. By completing and delivering an Application Form, the applicant:
- (i) represents and warrants to the Company and the Broker that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
 - (ii) agrees with the Company and the Broker that all applications under the Open Offer and contracts resulting therefrom, and any non-contractual obligations related thereto, shall be governed by and construed in accordance with the laws of England;
 - (iii) confirms to the Company and the Broker that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all the information in relation to the Company contained in this document (including information incorporated by reference);
 - (iv) represents and warrants to the Company and the Broker that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlement;

- (v) represents and warrants to the Company and the Broker that if he has received some or all of his Open Offer Entitlement from a person other than the Company he is entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a *bona fide* market claim;
- (vi) requests that the Open Offer Shares to which he will become entitled be issued to them on the terms set out in this document and the Application Form and subject to the Articles;
- (vii) represents and warrants to the Company and the Broker that he is not, nor is he applying on behalf of any person who is, in the United States or is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application in the United States or to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- (viii) represents and warrants to the Company and the Broker that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and
- (ix) confirms that in making the application he is not relying and has not relied on the Company or the Broker or any person affiliated with the Company, or the Broker, in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

All enquiries in connection with the procedure for application and completion of the Application Form should be addressed to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, or you can contact them on 0371-384-2050 from within the UK or +44 371-384-2050 if calling from outside the UK. Lines are open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Fundraising nor give any financial, legal or tax advice.

(h) **Proxy**

Qualifying Non-CREST Shareholders who do not want to take up or apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form. However, you are encouraged to vote at the General Meeting by completing and returning the enclosed Form of Proxy.

A Qualifying Non-CREST Shareholder who is also a CREST member may elect to receive the Open Offer Shares to which he is entitled in uncertificated form in CREST. Please see paragraph 3.2(f) below for more information.

3.2 If you have an Open Offer Entitlement and an Excess CREST Open Offer Entitlement credited to your stock account in CREST in respect of your entitlement under the Open Offer

(a) **General**

Subject to paragraph 6 of this Part IV in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of his Open Offer Entitlement equal to the maximum number of Open Offer Shares for which he is entitled to apply under the Open Offer together with a credit Excess CREST Open

Offer Entitlements equal to 10 times their Record Date holding of Ordinary Shares. Qualifying CREST Shareholders should note that this is not a cap on the maximum number of Excess Shares they can apply for and if they wish to apply for more Excess Shares than the Excess CREST Open Offer Entitlements they have been credited then they should contact the Shareholder helpline on 0371-384-2050 from within the UK or +44 371-384-2050 if calling from outside of the UK to request an increased credit, ensuring to leave sufficient time for the additional Excess CREST Open Offer Entitlements to be credited to their account and for an application to be made in respect of those Excess CREST Open Offer Entitlements before the application deadline.

Entitlements to Open Offer Shares will be rounded down to the nearest whole number and any Open Offer Entitlements have therefore also been rounded down. Any fractional entitlements to Open Offer Shares arising will be aggregated and made available under the Excess Application Facility.

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

If for any reason Open Offer Entitlements and/or the Excess CREST Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by, 3.00 p.m. on 17 August 2021, or such later time and/or date as the Company may decide, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlement and Excess CREST Open Offer Entitlement which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying Non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive an Application Form.

CREST members who wish to apply to acquire some or all of their entitlements to Open Offer Shares and their Excess CREST Open Offer Entitlements should refer to the CREST Manual for further information on the CREST procedures referred to below. CREST sponsored members should consult their CREST sponsor if they wish to apply for Open Offer Shares as only their CREST sponsor will be able to take the necessary action to make this application in CREST.

(b) **Market claims**

Each of the Open Offer Entitlements and Excess CREST Open Offer Entitlements will constitute a separate security for the purposes of CREST. Although Open Offer Entitlements and Excess CREST Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements and Excess CREST Open Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as “cum” the Open Offer Entitlement will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) will thereafter be transferred accordingly. Claims will not be raised on the Excess CREST Open Offer Entitlements. Qualifying CREST Shareholders claiming Excess Open Offer Entitlements by virtue of a *bona fide* market claim are advised to contact the Receiving Agent to request a credit of the appropriate number of entitlements to their CREST account.

(c) **Unmatched Stock Event (USE Instructions)**

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

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

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

- (i) the number of Open Offer Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Open Offer Entitlement. This is GB00BND8BN15;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (v) the participant ID of Equiniti Limited in its capacity as a CREST receiving agent. This is 2RA51;
- (vi) the member account ID of Equiniti Limited in its capacity as a CREST receiving agent. This is RA367201;
- (vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 3 September 2021; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 3 September 2021.

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

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

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 3 September 2021 in order to be valid is 11.00 a.m. on that day.

In the event that the Placing and the Open Offer do not become unconditional by 8.00 a.m. on 7 September 2021 (or such later time and date as the Company, and Cenkos determine being no later than 8.00 a.m. on 14 September 2021), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

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

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

- (i) the number of Excess Shares for which application is being made (and hence being delivered to the Receiving Agent);
- (ii) the ISIN of the Excess CREST Open Offer Entitlement. This is GB00BND8BS69;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;
- (v) the participant ID of Equiniti Limited in its capacity as a CREST receiving agent. This is 2RA52;
- (vi) the member account ID of Equiniti Limited in its capacity as a CREST receiving agent. This is RA367202;
- (vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of Excess Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 3 September 2021; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application in respect of an Excess CREST Open Offer Entitlement under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 3 September 2021.

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

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

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 3 September 2021 in order to be valid is 11.00 a.m. on that day.

In the event that the Placing and the Open Offer do not become unconditional by 8.00 a.m. on 7 September 2021 (or such later time and date as the Company and Cenkos determine being no later than 8.00 a.m. on 14 September 2021), the Open Offer will lapse, the Open Offer Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

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

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

A holder of an Application Form who is proposing to deposit the entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 3 September 2021. After depositing their Open Offer Entitlement into their CREST account, Qualifying CREST Shareholders will shortly thereafter receive a credit for their Excess CREST Open Offer Entitlement, which will be managed by the Receiving Agent.

In particular, having regard to normal processing times in CREST and on the part of the Receiving Agent, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST, is 3.00 p.m. on 31 August 2021 and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements from CREST is 3.00 p.m. on 1 September 2021 in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility, as the case may be, prior to 11.00 a.m. on 3 September 2021.

Delivery of an Application Form with the CREST deposit form duly completed, whether in respect of a deposit into the account of the Qualifying Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and the Receiving Agent by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed "Instructions for depositing entitlements under the Open Offer into CREST" on page 3 of the Application Form, and a declaration to the Company and the Receiving Agent from the relevant CREST member(s) that it/they is/are not in the United States or citizen(s) or resident(s) of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

(g) **Validity of application**

A USE Instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 3 September 2021 will constitute a valid application under the Open Offer.

(h) **CREST procedures and timings**

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE Instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 3 September 2021. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(i) **Proxy**

If a Qualifying CREST Shareholder does not wish to apply for the Open Offer Shares under the Open Offer, they should take no action. They are however, encouraged to vote at the General Meeting by completing and returning the enclosed Form of Proxy.

(j) ***Incorrect or incomplete applications***

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

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

(k) ***The Excess Application Facility***

The Excess Application Facility enables Qualifying CREST Shareholders, who have taken up their Open Offer Entitlement in full, to apply for Excess Shares in excess of their Open Offer Entitlement as at the Record Date. If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, the Excess Shares will be scaled back at the Company's absolute discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all. Excess CREST Open Offer Entitlements may not be sold or otherwise transferred. Subject as provided in paragraph 6 of this Part IV in relation to Overseas Shareholders, the CREST accounts of Qualifying CREST Shareholders will be credited with Excess CREST Open Offer Entitlements to enable applications for Excess Shares to be settled through CREST. Qualifying CREST Shareholders should note that, although the Open Offer Entitlement and the Excess CREST Open Offer Entitlements will be admitted to CREST, they will have limited settlement capabilities. Neither the Open Offer Entitlement nor the Excess CREST Open Offer Entitlements will be tradable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

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

Should a transaction be identified by the CREST Claims Processing Unit as "cum" the Open Offer Entitlement and the relevant Open Offer Entitlement(s) be transferred, the Excess CREST Open Offer Entitlements will not transfer with the Open Offer Entitlement(s) claim. Please note that an additional USE Instruction must be sent in respect of any application under the Excess CREST Open Offer Entitlement.

Should the Open Offer become unconditional and applications for Open Offer Shares by Qualifying Shareholders under the Open Offer exceed 2,775,896 Open Offer Shares, resulting in a scale back of applications under the Excess Application Facility, each Qualifying CREST Shareholder who has made a valid application pursuant to his Excess CREST Open Offer Entitlement, and from whom payment in full for the excess Open Offer Shares has been received, will receive a pounds sterling amount equal to the number of Open Offer Shares validly applied and paid for but which are not allocated to the relevant Qualifying CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable following the completion of the scale back, without payment of interest and at the applicant's sole risk. Qualifying CREST Shareholders will receive the refund not later than 4 business days following the date that the results of the Open Offer are announced. Qualifying Non-CREST Shareholders will receive the refund either as a cheque by first class post to the address set out in the Application Form or payment will be returned by cheque or directly to the account on which the relevant cheque or banker's draft was drawn, not later than 10 business days following the date on which the results of the Open Offer are announced

All enquiries in connection with the procedure for applications under the Excess Application Facility and Excess CREST Open Offer Entitlements should be addressed to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. Equiniti Limited can be contacted on 0371-384-2050 from within the UK or +44 371-384-2050 if calling from outside the UK. Lines are open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Fundraising nor give any financial, legal or tax advice.

(l) **Effect of valid application**

A CREST member who makes or is treated as making a valid application for some or all of his *pro rata* entitlement to Open Offer Shares in accordance with the above procedures hereby:

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

Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer; represents and warrants to the Company and the Broker that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and confirms that in making the application he is not relying and has not relied on the Company or the Broker or any person affiliated with the Company, or the Broker, in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

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

The Company may in its sole discretion, but shall not be obliged to:

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

(n) ***Lapse of the Open Offer***

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 7 September 2021 or such later time and date as the Company and Cenkos determine (being no later than 8.00 a.m. on 14 September 2021), the Open Offer will lapse, the Open Offer Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

4. MONEY LAUNDERING REGULATIONS

4.1 *Holders of Application Forms*

To ensure compliance with the Money Laundering Regulations, Equiniti Limited may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf the Application Form is lodged with payment (which requirements are referred to below as the

“verification of identity requirements”). If the Application Form is submitted by a UK regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of the Receiving Agents. In such case, the lodging agent’s stamp should be inserted on the Application Form.

The person lodging the Application Form with payment and in accordance with the other terms as described above (the **“acceptor”**), including any person who appears to Equiniti Limited to be acting on behalf of some other person, accepts the Open Offer in respect of such number of Open Offer Shares as is referred to therein (for the purposes of this paragraph 4 the **“relevant Open Offer Shares”**) and shall thereby be deemed to agree to provide Equiniti Limited with such information and other evidence as they may require to satisfy the verification of identity requirements.

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

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

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

The verification of identity requirements will not usually apply:

- (a) if the applicant is an organisation required to comply with the Money Laundering Directive (the Council Directive on prevention of the use of the financial system for the purpose of money laundering or terrorist financing (no. 2015/849/EU));
- (b) if the acceptor is a regulated UK broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations;
- (c) if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the applicant’s name; or
- (d) if the aggregate subscription price for the Open Offer Shares is less than €15,000 (approximately £12,800).

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

- (e) if payment is made by cheque in sterling drawn on a branch in the UK of a bank or building society which bears a UK bank sort code number in the top right hand corner the following applies. Cheques should be made payable to Equiniti Ltd re: Creo Medical Group plc Open Offer Account in respect of an application by a Qualifying Shareholder and crossed **“A/C Payee Only”**. Third party cheques may not be accepted with the exception of building society cheques or banker’s drafts where the building society or bank has inserted details of the name of the account holder and have either added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. The name of the account holder should be the same as the name of the shareholder shown on page 1 of the Open Offer Application Form; or

- (f) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in paragraph 4.1(a) above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force, the agent should provide with the Application Form written confirmation that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Receiving Agent. If the agent is not such an organisation, it should contact Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA.

To confirm the acceptability of any written assurance referred to in (b) above, or in any other case, the acceptor should contact Equiniti Limited on 0371-384-2050 from within the UK or +44 371-384-2050 if calling from outside the UK. Lines are open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Fundraising nor give any financial, legal or tax advice.

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

If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 11.00 a.m. on 3 September 2021, Equiniti Limited has not received evidence satisfactory to it as aforesaid, Equiniti Limited may, at its discretion, as agent of the Company, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest to the account at the payee bank from which such monies were originally debited (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid).

4.2 *Open Offer Entitlements in CREST*

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

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

5. ADMISSION, SETTLEMENT AND DEALINGS

The result of the Open Offer is expected to be announced on 6 September 2021. Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. Subject to the Open Offer becoming unconditional in all respects (save only as to Admission), it is expected that Admission of the Open Offer Shares will become effective and that dealings in the Open Offer Shares, fully paid, will commence at 8.00 a.m. on 7 September 2021.

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

Open Offer Entitlements and Excess CREST Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 3 September 2021 (the latest date for applications under the Open Offer). If the condition(s) to the Open Offer described above are satisfied, Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company.

On 7 September 2021, the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Open Offer Shares with effect from Admission. The stock accounts to be credited will be accounts under the same CREST participant IDs and CREST member account IDs in respect of which the USE Instruction was given. Notwithstanding any other provision of this document, the Company reserves the right to send Qualifying CREST Shareholders an Application Form instead of crediting the relevant stock account with Open Offer Entitlements and Excess CREST Open Offer Entitlements, and to allot and/or issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agents in connection with CREST.

No temporary documents of title will be issued, and transfers will be certified against the share register of the Company. All documents or remittances sent by, to, from or on behalf of applicants, or as they may direct, will (in the latter case) be sent through the post and will (in both cases) be at the risk of the applicant.

For more information as to the procedure for application, Qualifying Non-CREST Shareholders are referred to paragraph 3.1 above and their respective Application Form.

6. OVERSEAS SHAREHOLDERS

The comments set out in this paragraph 6 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

6.1 *General*

The distribution of this document and the making or acceptance of the Open Offer to or by persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the UK or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the UK, may be affected by the laws or regulatory requirements of the relevant jurisdictions. It is the responsibility of those persons to consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Open Offer Shares under the Open Offer.

No action has been or will be taken by the Company, the Broker, or any other person, to permit a public offering or distribution of this document (or any other offering or publicity materials or application form(s) relating to the Open Offer Shares) in any jurisdiction where action for that purpose may be required, other than in the UK. Receipt of this document and/or an Application Form and/or a credit of an Open Offer Entitlement or an Excess CREST Open Offer Entitlement to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in whose jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

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

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

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

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

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST, in connection with the Open Offer or otherwise, should not distribute or send either of those documents nor transfer Open Offer Entitlements or Excess CREST Open Offer Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for Open Offer Shares in respect of the Open Offer unless the Company and the Broker determine that such action would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, agents, nominees and trustees) who does forward a copy of this document and/or an Application Form and/or transfers Open Offer Entitlements or Excess CREST Open Offer Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part IV and specifically the contents of this paragraph 6.

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

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

Overseas Shareholders who wish, and are permitted, to apply for Open Offer Shares should note that payment must be made in sterling denominated cheques or where such Overseas Shareholder is a Qualifying CREST Shareholder, through CREST. Due to restrictions under the securities laws of the United States and the Restricted Jurisdictions, and subject to certain exceptions, Qualifying Shareholders in the United States or who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Jurisdiction will not qualify to participate in the Open Offer and will not be sent an Application Form nor will their stock accounts in CREST be credited with Open Offer Entitlements. No public offer of Open Offer Shares is being made by virtue of this document or the Application Forms into the United States or any Restricted Jurisdiction.

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

6.2 **United States**

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

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

Subject to certain exceptions, any person who acquires Open Offer Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this document or the Application Form and delivery of the Open Offer Shares, that they are not, and that at the time of acquiring the Open Offer Shares they will not be, in the United States or acting on behalf of, or for the account or benefit of a person on a non-discretionary basis in the United States or any state of the United States.

The Company reserves the right to treat as invalid any Application Form that appears to the Company or its agents to have been executed in, or despatched from, the United States, or that provides an address in the United States for the receipt of Open Offer Shares, or which does not make the warranty set out in the Application Form to the effect that the person completing the Application Form does not have a registered address and is not otherwise located in the United States and is not acquiring the Open Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Shares in the United States or where the Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements.

The Company will not be bound to allot or issue any Open Offer Shares to any person with an address in, or who is otherwise located in, the United States in whose favour an Application Form or any Open Offer Shares may be transferred. In addition, the Company, and the Broker

reserves the right to reject any USE Instruction sent by or on behalf of any CREST member with a registered address in the United States in respect of the Open Offer Shares. In addition, until 45 days after the commencement of the Open Offer, an offer, sale or transfer of the Open Offer Shares within the United States by a dealer (whether or not participating in the Open Offer) may violate the registration requirements of the US Securities Act.

6.3 *Restricted Jurisdictions*

Due to restrictions under the securities laws of the other Restricted Jurisdictions and subject to certain exemptions, Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Jurisdiction will not qualify to participate in the Open Offer and will not be sent an Application Form nor will their stock accounts in CREST be credited with Open Offer Entitlements or Excess CREST Open Offer Entitlements. The Open Offer Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Restricted Jurisdiction except pursuant to an applicable exemption.

No offer or invitation to apply for Open Offer Shares is being made by virtue of this document or the Application Form into any Restricted Jurisdiction.

6.4 *Other overseas territories*

Application Forms will be sent to Qualifying Non-CREST Shareholders and Open Offer Entitlements and Excess CREST Open Offer Entitlements will be credited to the stock account in CREST of Qualifying CREST Shareholders. Qualifying Shareholders in jurisdictions other than the United States or the Restricted Jurisdictions may, subject to the laws of their relevant jurisdiction, take up Open Offer Shares under the Open Offer in accordance with the instructions set out in this document and the Application Form. Qualifying Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, countries other than the UK should, however, consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any further formalities to enable them to apply for any Open Offer Shares in respect of the Open Offer.

6.5 *Representations and warranties relating to Overseas Shareholders*

(a) *Qualifying Non-CREST Shareholders*

Any person completing and returning an Application Form or requesting registration of the Open Offer Shares comprised therein represents and warrants to the Company, the Broker and the Receiving Agents that, except where proof has been provided to the Company's satisfaction that such person's use of the Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is not requesting registration of the relevant Open Offer Shares from within the United States or any Restricted Jurisdiction; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares in respect of the Open Offer or to use the Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person located within any Restricted Jurisdiction (except as agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring Open Offer Shares with a view to offer, sale, resale, transfer, deliver or distribute, directly or indirectly, any such Open Offer Shares into any of the above territories. The Company and/or the Receiving Agents may treat as invalid any acceptance or purported acceptance of the allotment of Open Offer Shares comprised in an Application Form if it: (i) appears to the Company or its agents to have been executed, effected or dispatched from the United States or a Restricted Jurisdiction or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; or (ii) provides an address in the United States or a Restricted Jurisdiction for delivery of the share certificates of Open Offer Shares (or any other jurisdiction outside the UK in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the warranty required by this sub-paragraph 6.5(a).

(b) **Qualifying CREST Shareholders**

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

6.6 Waiver

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

7. TIMES AND DATES

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

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

8. TAXATION

Shareholders who are in any doubt as to their tax position in relation to taking up their entitlements under the Open Offer, or who are subject to tax in any jurisdiction other than the UK, should immediately consult a suitable professional adviser.

9. FURTHER INFORMATION

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

10. GOVERNING LAW AND JURISDICTION

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

The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this document or the Application Form. By taking up Open Offer Shares, by way of their Open Offer Entitlement and the Excess

Application Facility (as applicable), in accordance with the instructions set out in this document and, where applicable, the Application Form, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

NOTICE OF GENERAL MEETING

CREO MEDICAL GROUP PLC

(Incorporated under the Companies Act 2006 and registered in England and Wales with registered number 10371794)

NOTICE IS HEREBY GIVEN THAT a general meeting of Creo Medical Group plc (the “**Company**”) will be held at the offices of Osborne Clarke LLP at 2 Temple Back East, Temple Quay, Bristol BS1 6EG at 10.00 a.m. on 6 September 2021 (the “**General Meeting**”) to consider and, if thought fit, to pass the following resolutions.

Important notice regarding COVID-19

In the lead up to the general meeting, we will continue to closely monitor the impact of COVID-19. The health and wellbeing of our members of staff and shareholders is paramount and we shall take all appropriate actions necessary to mitigate any risks.

The Directors recognise the vast improvement to the UK’s COVID situation, however in light of the Company’s ongoing desire to protect the health and safety of its shareholders and employees, the Directors recommend shareholders to not attend the General Meeting in person but vote via proxy.

You are recommended to appoint the chair of the meeting as their proxy rather than a named person, as any such named person may not be permitted to attend the General Meeting in the event of unforeseen circumstances (e.g. if they are required to self-isolate).

If you wish to attend the meeting in person you are asked to confirm your attendance by emailing creo@walbrookpr.com no later than 10.00 a.m. on 2 September 2021. All attendees will be required to follow all relevant COVID-19 safety procedures whilst on site.

Should the number of shareholders who notify us of their intention to attend the meeting in person result in our needing to make alternative arrangements to ensure that we can accommodate everyone safely, then this will be notified to you via the regulatory news service.

The General Meeting will comprise only the formal votes on each resolution as set out in this notice, without any business update or Q&As.

In the event that further disruption to the General Meeting becomes unavoidable, we will announce any changes to the meeting (such as timing or venue) as soon as practicably possible via the Company’s website and the RNS.

Resolutions

Resolution 1 will be proposed as an ordinary resolution of the Company and resolution 2 will be proposed as a special resolution of the Company:

ORDINARY RESOLUTION

1. THAT, conditional upon the passing of resolution 2, and in substitution for any equivalent authorities and powers granted to the directors pursuant to section 551 of the Companies Act 2006 (the “**Act**”) prior to the date of the passing of this resolution, the directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Act to exercise all powers of the Company to allot shares in the Company, and grant rights to subscribe for or to convert any security into shares of the Company (such shares, and rights to subscribe for or to convert any security into shares of the Company being “**relevant securities**”) provided that this authority shall be limited to:
 - (a) the allotment of up to 17,123,288 new ordinary shares of £0.001 each in the capital of the Company (“**Ordinary Shares**”) in connection with the Placing (as defined in the circular to shareholders of the Company dated 16 August 2021 (the “**Circular**”));
 - (b) the allotment of up to 2,775,896 new Ordinary Shares in connection with the Open Offer (as such term is defined in the Circular); and

- (c) the allotment (otherwise pursuant to sub-paragraphs (a) and (b) above) of relevant securities up to an aggregate nominal amount of £53,667.34,

and unless previously renewed, revoked, varied or extended, this authority shall expire at the earlier of the date which is 18 months from the date of the passing of this resolution and the conclusion of the next annual general meeting of the Company except that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such an offer or agreement as if this authority had not expired.

SPECIAL RESOLUTION

2. THAT, in substitution for any equivalent authorities and powers given to the directors pursuant to section 570 of the Act prior to the passing of this resolution, the directors be and they are empowered, pursuant to section 570(1) and 571(1) of the Act, as applicable, to allot equity securities (as defined in section 560 of the Act) of the Company for cash pursuant to the authority of the directors under section 551 of the Act conferred by Resolution 1, and/or where such allotment constitutes an allotment of equity securities by virtue of section 560(2) of the Act, as if section 561(1) of the Act did not apply to such allotment provided that the power conferred by this resolution shall be limited to:

- (a) the allotment of up to 17,123,288 new Ordinary Shares in connection with the Placing (as such terms are defined in the Circular);
- (b) the allotment of up to 2,775,896 new Ordinary Shares in connection with the Open Offer (as such term is defined in the Circular); and
- (c) the allotment of equity securities in connection with an invitation or offer of equity securities to the holders of Ordinary Shares (excluding any shares held by the Company as treasury shares (as defined in section 724(5) of the Act)) on a fixed record date in proportion (as nearly as practicable) to their respective holdings of such shares or in accordance with the rights attached to such shares (but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or as a result of legal or practical problems under the laws of, or the requirements of any regulatory body or any stock exchange in any territory or otherwise howsoever); and
- (d) the allotment (otherwise than pursuant to sub-paragraphs (a), (b) and (c) above) of equity securities up to an aggregate nominal value equal to £8,050.10,

and unless previously renewed, revoked, varied or extended this power shall expire on the earlier of the conclusion of the next annual general meeting of the Company and the date falling 18 months after the date of the passing of this resolution except that the Company may before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted under this authority after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.

Dated: 16 August 2021

Registered Office:
Creo House
Unit 2, Beaufort Park
Beaufort Park Way
Chepstow
Wales
NP16 5UH

By order of the Board:
Richard Rees
Company Secretary

Registered in England and Wales No. 10371794

Explanatory Notes:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), only those members registered in the register of members of the Company at 6.30 p.m. on 2 September 2021 (or if the Meeting is adjourned, 48 hours before the time fixed for the adjourned Meeting) shall be entitled to attend and vote at the Meeting in respect of the number of shares registered in their name at that time. In each case, changes to the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the Meeting.
2. A member who is entitled to attend, speak and vote at the Meeting may appoint a proxy to attend, speak and vote instead of him. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a member must have more than one share to be able to appoint more than one proxy). A proxy need not be a member of the Company but must attend the Meeting in order to represent you. A proxy must vote in accordance with any instructions given by the member by whom the proxy is appointed. Appointing a proxy will not prevent a member from attending in person and voting at the Meeting (although voting in person at the Meeting will terminate the proxy appointment). A proxy form is enclosed. The notes to the proxy form include instructions on how to appoint the Chairman of the Meeting or another person as a proxy. You can only appoint a proxy using the procedures set out in these notes and in the notes to the proxy form.
3. To be valid, a proxy form, and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated, should reach the Company's registrar, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, by no later than 10.00 a.m. on 2 September 2021.
4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting (and any adjournment thereof) by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf.
5. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it relates to the appointment of a proxy, the revocation of a proxy appointment or to an amendment to the instruction given to a previously appointed proxy) must be transmitted so as to be received by the Company's agent, Equiniti Limited (CREST Participant ID: RA19), no later than 48 hours before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
6. CREST members and, where applicable, their CREST sponsor or voting service provider, should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider are referred in particular to those sections of the CREST Manual (available at www.euroclear.com/CREST) concerning practical limitations of the CREST system and timings.
7. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
8. In the case of joint holders of shares, the vote of the first named in the register of members who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.

9. A member that is a company or other organisation not having a physical presence cannot attend in person but can appoint someone to represent it. This can be done in one of two ways: either by the appointment of a proxy (described in notes 2 to 4 above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Company's articles of association and the relevant provision of the Companies Act 2006.

All Correspondence to:

Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA

