

THIS ADMISSION DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, or the action you should take, you should immediately consult your accountant, stockbroker, bank manager, legal or other independent professional adviser, financial adviser or person authorised for the purposes of the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities if you are in the United Kingdom, or from another appropriate authorised independent financial adviser if you are in a territory outside the United Kingdom.

This document, which comprises an admission document prepared in accordance with the AIM Rules, has been issued in connection with the application for admission to trading of the entire issued ordinary share capital of the Company to trading on AIM. This document contains no offer of transferable securities to the public within the meaning of section 102B of FSMA, the Act or otherwise. It does not constitute a prospectus for the purposes of the Prospectus Rules and the Financial Services and Markets Act 2000 and has not been, and will not be, approved by or filed with the FCA or any other competent authority.

Application has been made for the whole of the issued and to be issued ordinary share capital of the Company to be admitted to trading on AIM. It is expected that Admission will become effective and dealings will commence in the Ordinary Shares on 20 June 2018. The Ordinary Shares are not listed or traded on any other recognised investment exchange and no other such applications have been made.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the official list of the United Kingdom Listing Authority. 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.

Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange plc on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers.

The London Stock Exchange plc has not itself examined or approved the contents of this document.

Prospective investors should read the whole text of this document and should be aware that an investment in the Company involves a high degree of risk. The attention of prospective investors is drawn in particular to Part II of this document which sets out certain risk factors relating to any investment in the Ordinary Shares. All statements regarding the Group's business, financial position and prospects should be viewed in light of the risk factors set out in Part II of this document.

The Directors, whose names appear on page 7 of this document, and the Company accept responsibility, collectively and individually, in accordance with the AIM Rules, for the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (each of whom has 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.

i-nexus Global plc

(incorporated under the Companies Act 2006 and registered in England and Wales with registered number 11321642)

**Placing of 12,658,227 Placing Shares at 79p per share
and
Admission to trading on AIM
Nominated adviser and broker**

N+1 SINGER

Expected share capital of the Company immediately following Admission

	<i>Issued and fully paid</i>	
	<i>Amount</i>	<i>Number</i>
Ordinary shares of 10 pence each	£2,957,160.50	29,571,605

The New Ordinary Shares will, on Admission, rank *pari passu* in all respects with the Existing Ordinary Shares then in issue (including the Sale Shares) and will rank in full for all dividends and other distributions declared, paid or made in respect of the Ordinary Shares after Admission.

Nplus1 Singer Advisory LLP, which is authorised and regulated in the United Kingdom by the FCA, has been appointed as nominated adviser and broker to the Company in connection with the Placing and Admission 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 its clients or for advising any other person on the contents of this document or otherwise in respect of the proposed Placing and Admission or any transaction, matter or arrangement referred to in this document. The responsibilities of Nplus1 Singer Advisory LLP, as nominated adviser under the AIM Rules for Nominated Advisers, are owed solely to the London Stock Exchange plc and are not owed to the Company or to any Director or any other person in respect of his decision to acquire shares in the Company in reliance on any part of this documents.

Apart from the responsibilities and liabilities, if any, which may be imposed on Nplus1 Singer Advisory LLP by FSMA or the regulatory regime established thereunder, Nplus1 Singer Advisory LLP does not accept any responsibility whatsoever for the contents of this documents, 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 Placing and Admission. Nplus1 Singer Advisory LLP 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.

A copy of this document is available, subject to certain restrictions relating to persons resident in any Restricted Jurisdiction, at the Company's website www.i-nexus.com. Neither the content of the Company's website nor any website accessible by hyperlinks from the Company's website is incorporated in, or forms part of, this document.

This document does not constitute an offer to sell, or the solicitation of an offer to buy or subscribe for, Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful and, in particular, this document is not for distribution in or into the United States of America, Australia, Canada, Japan, New Zealand or the Republic of South Africa. The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions. The Ordinary Shares have not been and will not be registered under the applicable securities laws of the United States of America, Australia, Canada, Japan, New Zealand or the Republic of South Africa, and, subject to certain exceptions, may not be offered, sold, re-sold, renounced, taken up or delivered, directly or indirectly, in, into or from the United States of America, Australia, Canada, Japan, New Zealand or the Republic of South Africa or to any national of the United States of America, Australia, Canada, Japan, New Zealand or the Republic of South Africa or to any national of those countries. This document should not be distributed, published, reproduced or otherwise made available in whole or in part, or disclosed by recipients to any other person, in, and in particular, should not be distributed to persons with addresses in, the United States of America, Australia, Canada, Japan, New Zealand or the Republic of South Africa. No action has been taken by the Company or Nplus1 Singer Advisory LLP that would permit an offer of Ordinary Shares or possession or distributions of this document where action for that purpose is required. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities law or other laws of any such jurisdictions.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that such securities are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Nplus1 Singer Advisory LLP will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

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

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IMPORTANT NOTICE

Cautionary Note Regarding Forward-Looking Statements

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

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 Company’s operations, results of operations, growth strategy and liquidity. While the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Prospective investors should therefore specifically consider the risk factors contained in Part II of this document that could cause actual results to differ before making an investment decision. Save as required by law, the EU Market Abuse Regulation (No. 596/2014), or the AIM Rules, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors’ expectations or to reflect events or circumstances after the date of this document.

Notice to Prospective Investors in the United Kingdom

This document is being distributed to, and is directed only at, persons in the United Kingdom who are “qualified investors” within the meaning of section 86 of the FSMA: (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”); (ii) who are high net worth entities falling within Article 49(2)(a) to (d) of the Order; and (iii) other persons to whom it may otherwise be lawfully distributed (each a “**relevant person**”). Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with such persons. Persons who are not relevant persons should not rely on or act upon this document.

Notice to prospective investors in the European Economic Area (“EEA”)

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

- (1) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (2) to fewer than 150 or, if the relevant Member State has not implemented the relevant provision of the Prospectus Directive, 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such relevant Member State; or
- (3) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Directive or any measure implementing the Prospectus Directive in a Member State and each person who initially acquires any Ordinary Shares or to whom any offer is made under the Placing will be deemed to have represented, acknowledged and agreed that it is a “qualified investor” within the meaning of the law of the Member State implementing Article 2(1)(e) of the Prospectus Directive.

For the purposes of this provision, the expression “an offer to the public” in relation to any offer of Ordinary Shares in any Member State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that relevant Member State and the expression the “**Prospectus Directive**” means Directive 2003/71/EC (as amended), and includes any relevant implementing measure in each relevant Member State.

Notice to Overseas Persons

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

The Ordinary Shares 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 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 Placing Shares are being offered in reliance on Regulation S under the US Securities Act. Subject to certain exemptions, the Ordinary Shares may not be offered, sold, taken up, delivered or transferred in, into or from the United States or any other 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 Ordinary Shares 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 Placing Shares nor have they approved this document or confirmed the accuracy or adequacy of the information contained in this document.

Basis on which Financial Information is presented

Unless otherwise indicated, financial information in this document, including the historical financial information on the Group for the years ended 30 September 2015, 30 September 2016 and 30 September 2017 and the unaudited interim financial information on the Group for the six months ended 31 March 2018 has been prepared in accordance with IFRS.

Various figures and percentages in tables in this document, including financial information, have been rounded and accordingly may not total. As a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data.

In the document, references to “pounds sterling”, “£”, “pence” and “p” are to the lawful currency of the United Kingdom.

Market, Economic and Industry Data

This document contains information regarding the Company's business and the industry in which it operates and competes, which the Company has obtained from various third party sources, including industry studies, reports, surveys and other publications. 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.

References to Defined Terms

Certain terms used in this document are defined and certain technical and other terms used in this document are explained in the sections of this document under the headings "Definitions" and "Glossary of Technical Terms".

All times referred to in this document are UK times unless otherwise specified.

DIRECTORS, SECRETARY AND ADVISERS

Directors	Richard Hugh Cunningham (<i>Non-Executive Chairman</i>) Simon Peter Crowther (<i>Chief Executive Officer</i>) Alyson Margaret Levett (<i>Chief Financial Officer</i>) Paul Thomas Docherty (<i>Founder and Chief Innovation Officer</i>) James Davies (<i>Non-Executive Director</i>) Nigel Leslie Halkes (<i>Non-Executive Director</i>) all of: i-nexus i-nexus Suite George House Herald Avenue Coventry Business Park Coventry CV5 6UB
Company secretary	Alyson Margaret Levett of: i-nexus i-nexus Suite George House Herald Avenue Coventry Business Park Coventry CV5 6UB
Registered office and principal place of business	i-nexus i-nexus Suite George House Herald Avenue Coventry Business Park Coventry CV5 6UB
Nominated adviser and broker	Nplus1 Singer Advisory LLP 1 Bartholomew Lane London EC2N 2AX
Legal advisers to the Company	DLA Piper UK LLP 3 Noble Street London EC2V 7EE
Legal advisers to the nominated adviser and broker	Freeths LLP 1 Vine Street Mayfair London W1J 0AH

Reporting accountants and auditor to the Company

Saffery Champness LLP
71 Queen Victoria Street
London
EC4V 4BE

Registrar

Share Registrars Limited
The Courtyard
17 West Street
Farnham
Surrey
GU9 7DR

PR advisers

Alma PR Limited
Aldwych House
71-91 Aldwych
London
WC2B 4HN

ADMISSION AND PLACING STATISTICS

Number of Existing Ordinary Shares	16,547,710
Number of Boost Shares	691,940
Number of Option Exercise Shares	680,990
Number of Placing Shares	12,658,227
New Ordinary Shares	11,650,965
Sale Shares	1,007,262
Enlarged Share Capital on Admission	29,571,605
New Ordinary Shares as a Percentage of the Enlarged Share Capital	39.40%
Placing Price	79 pence
Market capitalisation of the Company at the Placing Price at Admission	£23,361,568
Gross proceeds of the Placing receivable by the Company ⁽¹⁾	£10.0m
Estimated net proceeds of the Placing receivable by the Company	£8.9m
ISIN number	GB00BDFDLT01
SEDOL number	BDFDLT0
LEI code	213800QGMSEXNLYTU292

⁽¹⁾ Including the amounts receivable in respect of the sale of the Boost Sale Shares and the Option Exercise Sale Shares in satisfaction of the discharge of the undertakings to pay the exercise price payable in respect of the exercise of the warrants granted pursuant to the New Warrant Instruments and the exercise of the options granted pursuant to the Exchange Options respectively and to settle any taxes and national insurance contributions that might be payable.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	<i>Date⁽¹⁾</i>
Publication of this document	20 June 2018
Issue of the New Ordinary Shares pursuant to the Placing	21 June 2018
Admission of Enlarged Share Capital and dealings commence on AIM	8.00 a.m. on 21 June 2018
Expected date for CREST accounts to be credited, where applicable	21 June 2018
Despatch of definitive certificates (where applicable) by 10 business days post Admission	4 July 2018

Notes

(1) All of the above timings refer to London time unless otherwise stated. All future times and/or dates referred to in this document are subject to change at the discretion of the Company and N+1 Singer. All times are UK times unless otherwise specified.

DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this document (save for the report contained in Part III):

“Act”	the Companies Act 2006 of the United Kingdom, as amended;
“acting in concert”	shall bear the meaning ascribed thereto in the Takeover Code;
“Admission”	the admission of the Enlarged Share Capital to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules;
“AIM”	the market of that name operated by the London Stock Exchange;
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange, as amended from time to time;
“AIM Rules for Nominated Advisers”	the AIM Rules for Nominated Advisers published by the London Stock Exchange, as amended from time to time;
“Articles”	the articles of association of the Company a summary of which is set out in paragraph 5 of Part IV of this document;
“Boost”	Boost & Co Limited a company incorporated in England and Wales with company number 07728296 whose registered address is at 1 Vicarage Lane, London, E15 4HF;
“Boost Loan Agreement”	the loan agreement (together with the supporting documentation) entered into between I-Solutions Global and Boost dated 24 September 2015 as amended by the first amendment letter entered into between I-Solutions Global and Boost on 16 March 2018;
“Boost Sale Shares”	such number of Boost Shares to be sold in order to discharge the undertaking to pay the exercise price relating to the exercise of warrants issued to Boost pursuant to the New Warrant Instruments, further details of which are set out in paragraph 15.5.2 of Part IV of this document;
“Boost Shares”	the 691,940 Ordinary Shares issued to Boost pursuant to the exercise of the New Warrant Instruments, further details of which are set out in paragraph 15.5.2 of Part IV of this document;
“Certificated” or “in Certificated form”	a share or other security not recorded on the relevant register of the relevant company as being in Uncertificated Form in CREST;

“Company” or “i-nexus Global”	i-nexus Global plc, a newly incorporated holding company incorporated in England and Wales with registered number 11321642 whose registered office is at i-nexus, i-nexus Suite, George House, Herald Avenue, Coventry Business Park, Coventry, CV5 6UB, and such terms shall be deemed to include the Company’s subsidiaries as the context may require;
“CREST”	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear which facilitates the transfer of title to shares;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time, and any applicable rules made under those regulations;
“Directors” or “Board”	the directors of the Company as at the date of this document whose names are set out on page 7 of this document and “Director” means any one of them;
“Disclosure Guidance and Transparency Rules”	the Disclosure Guidance and Transparency Rules sourcebook made by the FCA pursuant to Part VI of the Listing Rules made by the FCA under FSMA;
“DTR 5”	Chapter 5 of the Disclosure Guidance and Transparency Rules;
“EIS”	Enterprise Investment Scheme under provisions of Part 5 of the Income Tax Act 2007;
“Eligible Shares”	6,329,113 of the New Ordinary Shares to be issued pursuant to the Placing that will be eligible for EIS purposes and be capable of being a “qualifying holding” for investment by VCTs;
“Employee Share Option Scheme”	the i-nexus Global plc Employee Share Option Scheme adopted by the Company conditionally upon Admission;
“Enlarged Share Capital”	the issued share capital of the Company as upon Admission comprising the Existing Ordinary Shares, the Boost Shares, the Option Exercise Shares and the New Ordinary Shares;
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST;
“Exchange Options”	has the meaning given in paragraph 15.8.2 of Part IV of this document;
“Existing Ordinary Shares”	the 16,547,710 Ordinary Shares in issue as at the date of this document;
“FCA”	the United Kingdom Financial Conduct Authority, the statutory regulator under FSMA responsible for the regulation of the United Kingdom financial services industry;

"FSMA"	the UK Financial Services and Markets Act 2000, as amended, including any regulations made pursuant thereto;
"GBP" or "£" or "pence" or "p"	pounds sterling and pence, the lawful currency from time to time of the United Kingdom;
"GDPR"	the General Data Protection Regulation (EU) 2016/679;
"Group" or "i-nexus Group"	the Company including its subsidiaries;
"Historic Share Schemes"	the I-Solutions Global share option scheme, operated prior to Admission by I-Solutions Global together with all other share options granted prior to Admission by I-Solutions Global;
"HMRC"	Her Majesty's Revenue and Customs;
"IFRS"	International Financial Reporting Standards;
"i-nexus software", "i-nexus solution", "i-nexus solutions" or "Group's software"	the i-nexus software produced by the Group;
"i-nexus America" or "I-Nexus (America) Inc."	i-nexus (America) Inc., a wholly owned subsidiary of I-Solutions Global;
"I-Solutions Global Limited" or "I-Solutions Global"	I-Solutions Global Limited, a company incorporated in England and Wales with company number 04294356 whose registered office is at i-nexus, i-nexus Suite, George House, Herald Avenue, Coventry Business Park, Coventry, CV5 6UB;
"ISIN"	International Security Identification Number;
"LEI code"	legal entity identifier code;
"Lock-in Agreements"	the agreements between (1) the Company, (2) N+1 Singer and (3) each of the Directors, and (4) the Locked-in Parties, further details of which are contained in paragraph 15.3 of Part IV of this document;
"Locked-in Parties"	means together, Antrak Limited, Bury Fitzwilliam-Lay and Partners LLP, Richard Cunningham, John Cunningham, Alice Cunningham, Antonia Bury, Frank Bury, Florence Bury, Isadora Bury, Luke Bury, Willa Bury, Paul Docherty, Simon Crowther, Alyson Levett, Lempriere Pringle 2015 CIO, Rex Harrison and Herald GP II Limited and The Capital for Enterprise Fund and a Locked-in Party means any one of them;
"London Stock Exchange"	the London Stock Exchange plc;
"LTIP"	the i-nexus Global plc Long Term Incentive Plan adopted by the Company conditionally upon Admission;
"Market Abuse Regulation"	the EU Market Abuse Regulation (No. 596/2014);

“New Ordinary Shares”	11,650,965 new Ordinary Shares being issued pursuant to the Placing;
“New Share Schemes”	the LTIP and the Employee Share Option Scheme, further details of which are contained in paragraph 6 of Part IV;
“Nominated Adviser and Broker Engagement Letter”	the engagement letter dated 23 April 2018 between (1) I-Solutions Global and (2) N+1 Singer, further details of which are set out in paragraph 15.2 of Part IV of this document;
“N+1 Singer”	Nplus1 Singer Advisory LLP, incorporated and registered in England and Wales with company number OC364131, the Company’s nominated adviser and broker;
“Official List”	the official list of the UKLA;
“Option Exercise Sale Shares”	such number of Ordinary Shares which are to be sold by (i) the holders of the Exchange Options in order to discharge the undertakings to pay the exercise price (together with any taxes and employee national insurance contributions) which is payable by such holders of the Exchange Options and (ii) Paul Docherty, Simon Crowther and Alyson Levett in order to discharge the undertakings to pay the exercise price (together with any taxes and employee national insurance contributions) in relation to the exercise of certain share options granted to them pursuant to the Historic Share Schemes;
“Option Exercise Shares”	the 680,990 Ordinary Shares issued pursuant to the exercise of the Exchange Options (further details of which are set out at paragraph 15.8.2 of Part IV of this document);
“Ordinary Shares”	ordinary shares of £0.10 each in the capital of the Company;
“Orderly Market Agreement”	the agreement between (1) the Orderly Market Party; (2) the Company and (3) N+1 Singer, further details of which are contained in paragraph 15.4 of Part IV of this document;
“Orderly Market Party”	means Kontor Investments Limited;
“Panel”	the UK Panel on Takeovers and Mergers;
“Placees”	proposed subscribers for Placing Shares at the Placing Price in the Placing;
“Placing”	the conditional placing of the Placing Shares by N+1 Singer pursuant to the Placing Agreement;
“Placing Agreement”	the conditional agreement dated 19 June 2018 between (1) the Company, (2) N+1 Singer and (3) the Directors relating to the Placing, further details of which are set out in paragraph 14 of Part IV of this document;
“Placing Price”	79 pence per Placing Share;

“Placing Shares”	together, the New Ordinary Shares to be issued and allotted by the Company at the Placing Price pursuant to the Placing and the Sale Shares;
“Prospectus Rules”	the Prospectus Rules of the UK Listing Authority made in accordance with Section 73A of FSMA as amended from time to time brought into effect on 1 July 2005 pursuant to Commission Regulation (EC) No. 809/2004 and the Prospectus Regulations 2005 (SI 2005/1433);
“QCA Code”	the Corporate Governance Code for Small and Mid-Size Quoted Companies, as published by the Quoted Companies Alliance;
“Restricted Jurisdictions”	the United States, Australia, Canada, Japan, New Zealand, the Republic of South Africa or any other country outside of the United Kingdom where the distribution of this document may lead to a breach of any applicable legal or regulatory requirements;
“RIS”	Regulatory Information Service;
“Saffery Champness”	Saffery Champness LLP, the Company’s reporting accountants;
“Sale Shares”	the Boost Sale Shares and the Option Exercise Sale Shares;
“SEDOL”	the Stock Exchange Daily Official List Identification Number;
“Selling Shareholders”	those holders of Exchange Options selling the Option Exercise Sale Shares pursuant to the Placing and Boost in respect of the Boost Sale Shares to be sold pursuant to the Placing;
“Share Capital Reorganisation”	the reorganisation of the share capital of the Company being effected prior to Admission, details of which are set out in paragraph 4.3 of Part IV of this document;
“Shareholders”	holders of Ordinary Shares in the Company from time to time (and each a “Shareholder”);
“Takeover Code”	the City Code on Takeovers and Mergers (as published by the Panel);
“Uncertificated” or “in Uncertificated Form”	a share or other security recorded on the relevant register of the relevant company concerned 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;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“UK Listing Authority” or “UKLA”	the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA;

“US” or “United States”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;
“VAT”	value added tax;
“VCT”	a company approved as a Venture Capital Trust under the provisions of Part 6 of the Income Tax Act 2007;
“Warrant Instruments”	the 2015 Warrant Instrument and the 2018 Warrant Instrument;
“2015 Warrants”	the 50,724 warrants granted to Industrial Lending 1 S.A. (as nominee for Boost) pursuant to the 2015 Warrant Instrument;
“2018 Warrants”	the 18,470 warrants granted to Industrial Lending 1 S.A. (as nominee for Boost) pursuant to the 2018 Warrant Instrument;
“2015 Warrant Instrument”	the 2015 warrant instrument issued by I-Solutions Global on 24 September 2015 entitling the holder to subscribe for up to 101,448 ordinary shares of £1.00 each in the capital of I-Solutions Global;
“2018 Warrant Instrument”	the warrant instrument issued by I-Solutions Global on 16 March 2018 entitling the holder to subscribe for up to 27,705 ordinary shares of £1.00 each in the capital of I-Solutions Global.

GLOSSARY OF TECHNICAL TERMS

"ARR"	Annual Recurring Revenue;
"B2B"	Business-To-Business;
"Bowling chart"	tracking sheets within the i-nexus solution used to monitor the progress of initiatives, KPIs or Hoshin objectives. The bowling chart compares the targets (plan) to actual performance on a monthly basis;
"CAC"	Customer Acquisition Cost, calculated by taking all S&M cost accrued in a set period and dividing it by the number of new customer accounts won in the same period;
"CI"	Continuous Improvement;
"enterprise-grade" or "enterprise-scale"	software that will work for an enterprise, in that it can be scaled to a large number of users, has the security demanded of such scale, and has the features necessary to support enterprise customers who have specific requirements because of their scale and risk profiles;
"ERP"	ERP, being enterprise resource planning, is business process management software that allows an organisation to use a system of integrated applications to manage the business and automate many back office functions related to technology, services and human resources;
"Hoshin", "Hoshin Kanri Planning", "Hoshin Planning", "Hoshin Strategy Execution" or "Hoshin Kanri"	the Hoshin Kanri methodology of strategy execution;
"KPIs"	Key Performance Indicators;
"Lean"	a management philosophy and set of tools dedicated to eliminating or reducing waste or any activity that consumes resources without adding value in any business activity;
"LTM"	Life Time Margin, being the average gross margin earned by the Company over the expected lifetime of a customer account;
"LTM/CAC"	Life Time Margin/Customer Acquisition Cost;
"MRR"	Monthly Recurring Revenue;
"OSS"	Open-Source Software;
"recurring revenue"	contracted revenue with duration of at least 12 months from the start of the relevant contract;
"SaaS"	Software as a Service;
"SAP"	a German software company whose products allow businesses to track customer and business interactions; particularly ERP and data management programs;

"S&M"

Sales and Marketing;

"Six Sigma"

a statistical-based, data-driven approach and CI methodology for reducing variation by eliminating defects in a product, process or service; and

"X-Matrix"

the Hoshin Kanri x-matrix is a single view within the i-nexus solution that includes goals, strategies, strategic projects (initiatives) and owners.

PART I

INFORMATION ON THE COMPANY

1. OVERVIEW

Founded in 2001 by Paul Docherty with an initial focus on consultancy and training, in 2002 the Group began developing software to support large companies in Lean and Six Sigma efforts. The Group has since developed its software solution to support organisations in top-down strategy execution, with a business model based on software sales supported by implementation services.

Through the i-nexus software, the Company provides a scalable, cloud-based Continuous Improvement and Strategy Execution software platform to its customers, including Global 5000 businesses. The Company's i-nexus software is in use at 36 established global blue chip businesses, predominantly based across the US and Europe, implementing over 125,000 live projects. The Group aims to structure its commercial arrangements as three-year contracts billed annually in advance.

The Group's software supports Hoshin Kanri, a strategy development methodology first introduced in the 1960s in Japan. This methodology is growing in awareness and is widely recognised across Global 5000 businesses and the Group has developed its i-nexus software so as to follow the Hoshin Kanri principles.

Following a restructure of the business and management team in 2016, the Group has experienced a period of revenue growth, with annualised recurring revenue, on which the Group benefits from high gross margins, growing 33 per cent. in 2017 and reaching £4.0 million at March 2018. The Group has a typical CAC payback of between 11 and 16 months and a LTM/CAC of between five and nine times.

The Company has conditionally raised £10 million (before expenses) in the Placing, of which the net proceeds (totalling approximately £8.9 million) will be used to support the Group's strategy so as to assist with scaling the Group's existing sales and marketing teams, to further simplify and standardise its software solutions, develop its consulting partner route to market, and repay certain of the existing debt.

2. KEY STRENGTHS

The Board considers the key strengths of the Group to be:

i-nexus software enables ongoing performance management and managing forward-looking strategic objectives

The Directors consider two of the main challenges facing enterprise-scale organisations to be: (1) the ongoing performance management of the business; and (2) managing change through the transformation, development and deployment of forward-looking strategic objectives. The Company's internal research suggests that senior executives consider the successful implementation and execution of clear strategic objectives to be essential in order to remain competitive and to improve valuations, yet they encounter difficulties in implementing strategy effectively across large, multi-faceted and often international organisations. According to a report published by Fortune Magazine dated 21 June 1999 and titled "Why CEOs Fail", "*in the majority of cases – we estimate 70 per cent. – the problem isn't bad strategy but...bad execution*". The Group has developed a private platform to provide enterprise-grade, cloud-based Strategy Execution software to its customers which aims to assist them to implement ongoing performance management of their businesses and to manage change via the transformation, development and deployment of strategic objectives.

i-nexus software is designed as an enterprise-grade Strategy Execution platform

The i-nexus software contains the functionality to scale with increasing volumes of data, users and integrations, can be deployed internationally via the cloud, and has received ISO 27001 accreditation for its security features. The Board believes that the i-nexus software is able to deal with the complexity of a large-scale organisation and has the capabilities to meet the requirements of enterprise-grade, Global 5000 businesses.

i-nexus software incorporates Hoshin Kanri tools

Hoshin Kanri is a Strategy Execution methodology which, based on the Group's internal research into the market, is growing in awareness globally. The i-nexus software contains tools which are designed with Hoshin Kanri in mind, such as the 'X-Matrix', which provides a single page summary that sets out long-term goals, annual objectives, top-level priorities and metrics to improve. The Board believes that the depth of Hoshin support in the i-nexus solution serves as a key differentiator for the Group's software compared with its competitors.

Strong competitive position

The Strategy Execution software market is still emerging. Despite a number of new entrants to the market in recent years, the Directors believe that the Group has few direct competitors. The Directors believe that, in most cases, competitors do not currently offer the same capabilities as the i-nexus software, or do not offer an enterprise-grade solution.

Large addressable market

The Group has, to date, focused only on a selection of companies that, in the Directors' opinion, are ready to utilise and benefit most from the i-nexus solution given their size, geographical location and execution maturity level. The Group's target market includes any large global organisation with sufficient complexity to require and justify the deployment of a Strategy Execution software solution, which the Directors consider would typically be those found in the Global 5000.

Pipeline of new business

The Group is frequently reviewing new opportunities, together with upsell and cross-sell opportunities with existing clients. The Board considers the Group's pipeline to be significant and to have more than doubled through its Hoshin Planning capabilities in the period between the second half of its 2015 financial year to the first half of its 2018 financial years. The challenge going forwards will be to convert these opportunities into contracted sales. The Group intends to use part of the Placing proceeds to strengthen its sales and marketing function for this purpose. In addition to the more conventional marketing approaches, the pipeline is being populated through a chain of consortium events and an online community of approximately 7,300 strategy experts, consultants and practitioners named the "StratEx Hub", which was established to centralise best practice content from consortium events and contains exclusive content.

Growing interest from channel partners represents a significant growth opportunity

The Group's channel strategy is in its early stages of development with a small number of established resellers and referral consulting partners; however, interest from potential partners is growing. The Board intends to focus on a number of strategies aimed at increasing its ability to capitalise on this opportunity as a key driver for the next stage in the Group's development. One such strategy is to introduce a standardised "out-of-the-box" best-practice approach to Hoshin Kanri. This product is intended to make it easier to scale the Group's services organisation as well as fostering the partner strategy by providing integrated consulting partners with a ready-made solution for embedding in their consulting engagements, with the intention being that this will raise awareness of the i-nexus solution going forwards. For customers, the Board believes the standardised solution which the Group intends to offer will deliver quick value by enabling a fast initial deployment.

Strong Financial KPIs

Over 80 per cent. of the Group's revenue is recurring SaaS licence revenue, with annualised recurring revenue growing 33 per cent. in the financial year ended 30 September 2017 and reaching annualised MRR of £4.0 million at 31 March 2018. The Group is now seeking to increase investment to take advantage of what the Directors believe to be a significant market opportunity in Strategy Execution software, and particularly Hoshin Planning.

Experienced Board

The Company's Board has considerable experience and an in depth knowledge of the Company. For example: CEO Simon Crowther has led, managed or delivered within key departments of the business over an 11 year career with the Group and was previously a senior software architect at Instascope; CFO Alyson Levett is a chartered accountant who joined the business in 2012, having previously been CFO of Octium Group, where she helped achieve a successful exit in 2012; founder Paul Docherty is experienced in the field of strategy execution, having been CEO of the business between 2001 and 2012 and having taken on the role of Chief Innovation Officer in 2012; and Chairman Richard Cunningham has supported the Group in multiple fundraising rounds and will own approximately 3.5 per cent. at Admission.

3. HISTORY AND DEVELOPMENT

The Group was founded in 2001 initially as a CI consulting and training provider by Paul Docherty, who left Marconi Communications in 2001 to start the business and remains with the Group, as its Chief Innovation Officer.

Through the delivery of these services, the Group identified a market opportunity for software to help automate CI at scale (as organisations often rely on spreadsheets for this task, which the Board believes tend to become impractical when used at scale). Since 2005, the Group has raised capital to fund the internal development of a software solution and since then its business model has been based on software sales supported by implementation services. To date, the Group has raised over £14 million of equity and debt, with the bulk of these funds being raised prior to 2012. Key investors include the Advantage Growth Fund; Capital for Enterprise; Herald Ventures; Antrak Limited (formerly Meridian Capital); Bury-Fitzwilliam Lay & Partners (BFLAP); and Richard Cunningham.

Initially, the i-nexus solution's primary market was CI. However, the Group believed that the i-nexus solution was also applicable to two other applications: business transformation and strategy execution, which has subsequently become its core focus.

The Group has therefore invested in its software and private cloud infrastructure with a view to enabling these to meet or exceed the requirements of large global organisations, and the Board believes this enterprise-readiness helps set the Group apart from its competitors.

Hoshin Kanri (directly translated as "direction execution") is a systematic planning, implementation and review methodology which, when implemented, aims to ensure that the strategic goals of a company are properly communicated to all employees and that they drive progress and action at every level of the business. Originating in Japan after World War Two to improve post-war production efficiency, the term "Hoshin Kanri" was first used by Bridgestone Tyres in the 1960s. Early adopters of the process included Hewlett-Packard, Texas Instruments, Toyota and Xerox, with companies such as Danaher, Roper Technologies and United Technologies successfully deploying the strategy more recently.

In 2013, the Group developed Hoshin support within the i-nexus solution and the Directors believe that this investment gave the Group an early market advantage. Simon Crowther, previously COO of the Group, was appointed as CEO in April 2016 and has overseen the Group's strategy and subsequent growth.

4. THE COMPANY'S BUSINESS

Market Background:

The Board believes that large, global enterprises face the following fundamental challenges:

- *Running the business* – i.e., ongoing performance management, delivering cost savings, becoming more efficient and staying competitive; and
- *Changing the business* – i.e., forward-looking strategic objectives, innovating and delivering on long-term goals.

The former is generally addressed with CI, a long-established business practice which is focused on ongoing performance monitoring and improvement.

The latter, summarised as 'Strategy Execution', is also widely regarded as being important for the success of an organisation. However, the Board believes it is difficult at an enterprise level to implement without a supporting software solution, as it goes beyond a simple strategic outlook statement delivered by a CEO and may include a significant amount of potentially uncoordinated activities. Communication and monitoring of initiatives across an organisation can be disparate and different departments and divisions may communicate strategy and record governance metrics in different ways.

The Traditional Response:

Historically, many organisations have adopted a transformational approach ("**Transformation**") to the problem of effective strategy execution including establishing an internal department or Enterprise Program Management Office, or appointing external consultants to manage strategic objectives. Whether managed internally or externally, there is sometimes a tendency for top level management to establish and adopt initiatives, with a 'top-down' approach to communication and execution. This Transformation approach may be successful for a period of time; but the Directors believe it often struggles to be embedded as an ongoing means for executing strategy effectively, for example because departments are disbanded and/or consultants leave, and so they believe that an alternative, more embedded solution is needed.

A number of Global 5000 businesses are turning to a methodology with foundations that are rooted in CI, Hoshin Kanri Planning. First introduced in Japan in the 1960s, Hoshin Kanri Planning is a methodology that incorporates an approach of systematic planning, implementation and review.

The Directors believe that effective execution of strategy at enterprise-scale relies on the ability to cascade initiatives from senior management downwards throughout the different tiers of the business, but that without an appropriate tool to manage the process, the complexity of doing so can often result in a dilution or distortion of message. The Directors consider that, once initiatives have been adopted, execution also relies on being able to measure and record progress appropriately and uniformly across an organisation. Spreadsheets are often used to manage this, but the number and complexity of spreadsheets required to manage the process across the multitude of divisions and departments worldwide that Global 5000 businesses typically can have, may make this difficult to manage and be impractical. The Board believes that the benefits of a Hoshin approach can get lost when this happens as alignment may be lost and visibility may be poor, so adjustments and course corrections may not happen quickly enough and focus may be reduced. The Board believes that this is what can make strategy execution so difficult and that neither Transformation nor Hoshin Strategy Execution using spreadsheets as the vehicle is the ideal solution. The Board believes that using Hoshin Planning as a framework can work better if suitable software is used and, therefore, the Group has incorporated Hoshin tools into its existing CI-supporting solution to broaden it into the Strategy Execution software that the i-nexus solution is today.

The i-nexus Solution:

The i-nexus software has one codebase, and provides one platform with the system capability required for both CI and the Hoshin Planning process. The i-nexus solution combines goal, program and performance management in a single solution, providing business leaders with control of the execution of their strategy, in both running (CI) and changing (Hoshin Planning) their business, following the same 'Plan, Do, Check, Act' process. Alongside this process capability, the solution also offers automated, staggered reporting. The Directors believe this helps facilitate a pro-active management culture, allowing issues to be addressed as they arise, and that it also enables better goal selection and formation and selection of projects to support an organisation's strategic direction.

The i-nexus solution is also ISO 27001 accredited, which is the internationally respected standard for information security. In addition, the i-nexus solution is highly flexible, able to cater to different customer configurations, is an open enterprise architecture and has the ability to scale with increasing complexity and volumes of data, users and integrations, as well as having the ability to be deployed internationally. It is also ready made for integrations with ERP systems such as SAP and BI tools, such as Tableau.

5. SOFTWARE OVERVIEW

The Group's software solution is delivered on a SaaS basis hosted on the Group's secure private cloud. It collates strategic initiatives set at corporate level and establishes objectives, projects, KPIs and governance measures to enable the entire organisation to drive towards meeting these initiatives. As identified above, it comprises four core capabilities: 'Goal Management', 'Initiative Management', 'Performance Management', and the 'Automated Staggered Reporting Cycle'. These are described more fully below.

The i-nexus software also incorporates within these core capabilities several Hoshin tools, such as the X-Matrix and Bowling Chart. If customers want to integrate the i-nexus solution with their own systems to either upload or download data, this is achieved via a third party, white labelled integration tool.

Goal Management

The first capability, 'Goal Management', enables users to define, cascade and communicate strategic goals. Through the strategy development process, organisations capture strategic vision and goals, and identify relevant connections and dependencies. Users create alignment and focus by cascading goals through the organisation, setting responsibilities and accountabilities as well as defining projects and actions to deliver goals. This enables the organisation to capture KPIs in order to measure performance and results.

The 'Goal Cascade' tool enables analysis of the strategic goal cascade from multiple angles, including organisations, themes, functions, teams or individuals. Users can navigate a goal hierarchy from long-term, high-level goals to shorter-term objectives and their supporting initiatives.

The Goal Cascade approach promotes strategic discussion and encourages two-way open dialogue and negotiation around goals at all levels of the organisation. Forming part of the Goal Management capability, it also helps in collecting feedback for management to inform and refine the route to achieving strategic objectives. This process is known as "catchball" in the Hoshin process and is a vital non-prescriptive exchange of thoughts to get to the right outcome: a well-constructed strategy map.

Initiative Management

The second capability, 'Initiative Management', promotes the proactive management of a portfolio of initiatives. There are three aspects to this process: (1) idea management, (2) program/project management, and (3) portfolio management.

Through Initiative Management, organisations can identify successful ideas from users through active engagement with, and encouraging input from, users. The i-nexus solution's idea management capabilities enable users to capture, evaluate, rank and prioritise ideas based on strategic alignment, value, return on investment and other criteria.

Within Initiative Management, the program and project management capabilities enable an organisation to monitor the progress and success of its ongoing projects. This capability supports projects of different levels of complexity, ranging from simple to 'stage-gate' projects. The project functionality has a minimum requirement for governance metrics and information gathering, and simple projects can be converted into other types of projects by incorporating additional metrics on schedule, stage gates, risks, financials or resource plans. Organisations have the ability to quickly mobilise projects within the software by using 'best practice' templates, which are able to be adapted during the course of the project.

For 'stage gate' projects, the platform enables the standardisation of project methodologies and includes tools to simplify project planning by using best-practice templates. The i-nexus solution also includes 'action management' functionality, allowing users to plan and drive their actions through to completion, and project management and collaboration capabilities, allowing teams to plan, follow-up and review projects, including capturing and managing project documentation.

Portfolio management enables organisations to maintain an optimal program and project portfolio, aligning investment with strategic goals and maximising strategic and economic value. Users can ensure delivery success through effective resource planning, prioritising initiatives based on strategic return and financial impact. The i-nexus software's real time portfolio reporting and analysis, covering all levels from overall portfolio to single projects, facilitates identification of underperforming projects that require immediate course correction.

Performance Management

The third capability, performance management, shifts the focus of the strategic discussion to results, and how the organisation as a whole is progressing towards achieving its objectives and initiatives. Through the various tools of the i-nexus solution, executives can be given visibility on a month-by-month basis of their actual performance and how this measures against targets. The i-nexus software's projection functionality has in some instances led to benefits for the Group's customers, including a reduction in project cycle time, a reduction in the number of unsuccessful projects and the removal of the majority of non-value add activity along with the "soft" benefits of alignment of the organisation and increased transparency.

Through 'Metric Management' organisations create KPIs linked directly to strategy to track actual performance against targets and measure success against strategic goals, in order to keep execution on target and enable early intervention as challenges arise. The i-nexus software can automatically generate performance reports for review at each level of management.

The 'Root Cause Analysis' capability enables users to analyse underperformance of key metrics in order to quickly evaluate causal factors, determine root cause and implement rapid corrective action to bring performance back on track.

The 'Benefit Realisation' tool helps to collect and consolidate the benefits to organisations realised from strategic initiatives, both financial and non-financial, driving accountability for results. Analysing the benefits realised from a particular initiative can validate progress toward strategic intent or inform a change in direction.

Automated Staggered Reporting Cycle

The fourth capability represents the 'Automated Staggered Reporting Cycle', enabling users to automatically send pdf or spreadsheet dynamic page views from most screens within the software. The Directors believe that setting pre-determined staged notifications along the lifecycle of a project

drives visible, timely and complete information, helping to ensure accountability and a proactive management culture, which in turn can reduce the project life cycle and increase its chances of success.

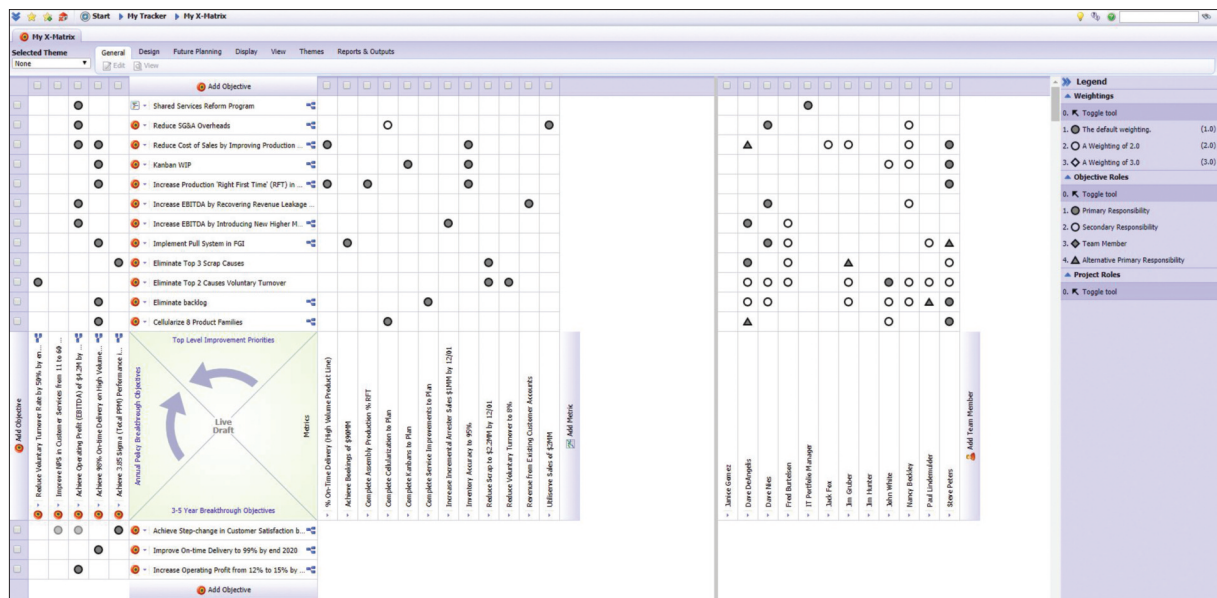
The i-nexus solution offers a range of standardised core reports and dashboards, covering project progress reports, exception reports and dashboard reports. They can be generated from a report library within the system or pushed to users on a notification cycle, prompting users to review and update plans and projects as appropriate.

The X-Matrix

The Hoshin Kanri 'X-Matrix' is a single page document that includes goals, strategies, strategic projects (initiatives) and owners. The goal of applying the X-Matrix is to align the long-term needs with strategic initiatives, identify the most important activities along the way and list the metrics that need to be improved. The name comes from the X that divides the matrix into four key quadrants:

- Long-term goals (south);
- Annual objectives (west);
- Top-level priorities (north); and
- Metrics to improve (east).

This X-Matrix works alongside associated KPIs and helps align actions. Within the i-nexus solution, these KPIs are then displayed in scoreboards or Bowling Charts and assigned to each executive, providing a personalised view for each of their goals, KPIs and actions, and providing insight as to how each individual project contributes towards the organisation's overall strategic objectives. The Bowling Chart below, which adopts a 'traffic light' system of monitoring progress, enables users to gauge their performance against their objectives via key metrics and how they are contributing towards the achievement of KPIs.



Example of X-Matrix

My Bowling Chart							Jun-2016	Jul-2016	Aug-2016	Sep-2016	Oct-2016	Nov-2016	Dec-2016	YTD 2017
Name	Unit of Measure	Traffic Light Status	Trend	Owner	Performance Index									
99% On-time Delivery High Volume product line	PI	Red	Down	Janice Gomez	85.96	Target 100	100	100	100	100	100	100	100	100
Achieve 3.85 Sigmas (Total PPHM)	PI	Green	Up	Janice Gomez	97.38	Actual 71.95	87.49	89.07	86.82	90.2	N/C	N/C	N/C	N/C
Production rate	%	Green	Up	Steve Peters	96.67	Target 80.00	85.00	85.00	85.00	90.00	90.00	95.00	95.00	
Sigma Value to increase to 3.85	Qty	Green	Up	Robert Smith	100.00	Target 2.20	2.80	2.80	3.00	3.20	3.50	3.85	3.85	
Eliminate Top 3 Scrap Causes	PI	Green	Up	Dave DeAngelis	95.49	Actual 95.45	89.48	93.21	86.61	95.49	N/C	N/C	N/C	N/C
Reduce Scrap to \$2.2MM by 12/01	\$MM	Green	Up	John White	94.44	Target 3.30	3.00	2.80	2.80	2.70	2.70	2.65	2.50	
Reduce Voluntary Turnover to 8%	%	Green	Up	John White	95.83	Target 18,000	16,000	15,000	12,000	12,000	9,000	8,000	25,000	
Actual 18,000						Actual 17,000	16,000	14,000	12,500					
Improve Customer Success	PI	Green	Up	Janice Gomez	88.00	Target 100	100	100	100	100	100	100	100	100
Actual 91.33						Actual 91.33	91.33	90.33	88	N/C	N/C	N/C	N/C	
Reduce Customer Churn by 20%	%	Green	Up	Janice Gomez	70.00	Target 30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00
Actual 23.50						Actual 23.50	23.50	23.50	24.00					
Complete Utiliserver Project	PI	Green	Up	Dave Nies	100.00	Target 100	100	100	100	100	100	100	100	100
Actual 100						Actual 100	100	98.55	100	N/C	N/C	N/C	N/C	
Complete Cellularization to Plan	%	Green	Up	Steve Peters	100.00	Target 50.00	60.00	70.00	80.00	80.00	85.00	95.00	100.00	
Actual 50.00						Actual 60.00	70.00	80.00	80.00					
Utiliserve Sales of \$2MM	\$MM	Green	Up	Dave Nies	100.00	Target 2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Actual 2,000						Actual 2,000	2,000	1,900	2,000					
Inventory Reduction 2	% Complete	Green	Up	Matthieu Peleyras	N/A	Target N/A								
Actual N/A						Actual 100	100	100	100	100	100	100	100	
Operating Income of \$4.2MM	PI	Red	Down	Janice Gomez	93.27	Target 100	100	100	100	100	100	100	100	100
Actual 84.18						Actual 86.29	88.45	91.38	94.73	N/C	N/C	N/C	N/C	
Reduce Voluntary Turnover Rate by 50%	PI	Green	Up	Janice Gomez	81.03	Target 100	100	100	100	100	100	100	100	100
Actual 75.18						Actual 84.04	85.62	84.98	81.03	N/C	N/C	N/C	N/C	
Reduce Customer Churn by 20%	%	Green	Up	Janice Gomez	70.00	Target 30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00
Actual 23.50						Actual 23.50	23.50	23.50	24.00					
Voluntary Turnover Rate	%	Green	Up	Steve Peters	100.00	Target 1.00	0.89	0.88	0.50	0.11	0.00	0.00	0.00	0.00
Actual 1.00						Actual 0.89	0.88	0.50	0.11					
Eliminate Top 2 Causes Voluntary Turnover	PI	Green	Up	John White	95.14	Target 100	100	100	100	100	100	100	100	100
Actual 96.91						Actual 85.21	93.1	89.88	95.14	N/C	N/C	N/C	N/C	
Reduce Scrap to \$2.2MM by 12/01	\$MM	Green	Up	John White	94.44	Target 3.30	3.00	2.80	2.80	2.70	2.70	2.65	2.50	
Actual 3.90						Actual 3.70	3.00	2.90	2.85					
Reduce Late Deliveries from Supplier C	% Complete	Red	Down	Jack Fox	17.12	Target 100					8.33	20	100	100
Actual 16.67						Actual 16.67					8	16.67	25.05	
Number of Questions per demo	No.	Green	Up	Steve Peters	100.00	Target 10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Actual 11.00						Actual 11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	
On-Time Deliveries Delay to Target Date	Days Late	Red	Down	Gary Goodman	0.00	Target 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Actual 7.87						Actual 6.45	7.58	6.27	7.18	3.48	3.25			
On-Time delivery of High Volume Product Line	% On Time	Red	Down	Process Owner	47.96	Target 98.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00
Actual 61.00						Actual 68.00	67.50	68.00	68.50	47.00				
Example Agile Action	% Complete	Green	Up	Janice Gomez	100.00	Target 100.00								
Actual 100.00						Actual 100.00								
Reduce Voluntary Turnover to 8%	%	Green	Up	John White	95.83	Target 18,000	16,000	15,000	12,000	12,000	9,000	8,000	25,000	
Actual 18,000						Actual 17,000	16,000	14,000	12,500					

Example of Bowling Chart

6. THE COMPETITIVE LANDSCAPE

The strategy execution software market is still emerging. The Group has also undertaken its own internal research in respect of the market, which noted the following trends:

- between November 2013 and November 2017 there was an overall increase in Google searches for certain key Hoshin phrases from approximately 12,000 in November 2013 to approximately 18,000 in November 2017;
- from March 2013 to March 2018 the number of organisations whose employees were identifying themselves as either Hoshin practitioners or interested in Hoshin in their online profiles, went from approximately 100 in 2015 to approximately 540 in 2018 representing an increase of five times in 3 years; and
- in the period from the Company's half year in 2015 to its half year in 2018, the Company's Hoshin pipeline of opportunities has quadrupled.

In addition, the Gartner Market Guide on Strategy Execution Management, issued in November 2017, noted the expansion of strategy offices since 2015. It also recognised that Hoshin Kanri was one of the methodologies for delivering strategy execution management capabilities.

The Directors have looked at a number of addressable market scenarios for planning purposes and the one that they believe is most appropriate for the business is based on the following scenario: of the Global 5000, 500 have, or are currently adopting the Hoshin methodology, of which they believe up to 70 per cent. (350), are believed to be likely to purchase software from an external vendor within 3 years of adopting the Hoshin methodology, resulting in a potential total addressable market by 2021 of approximately £168m. The Directors also consider that in the 3 year period between 2021 and 2024 up to 1,250 of the Global 5000 are likely to have adopted the Hoshin methodology, of which 70 per cent. (875) are believed to be likely to purchase software from an external vendor within 3 years of adopting the Hoshin methodology, resulting in a potential total addressable market by the end of this period of £420m.

Despite a number of new entrants to the market over the last couple of years, the Directors believe that the Group has few direct competitors and that, in many cases, competitors do not currently offer the same capabilities as the i-nexus software solution.

The Directors believe that the first core category of competitors to the Group are established providers of portfolio and project management tools, which are directed at the IT function of an organisation and support a 'bottom-up' approach to strategy execution. The Directors consider that these are management tools well-suited to automating project management, but some lack robust capabilities both for Goal Management and performance management.

The second category of competitors to the Group, in the Directors' view, take a more 'top-down' approach to strategy execution, which is more aligned to that of the Group. The Directors believe that such competitors sometimes lack the capabilities of the i-nexus solution to support full, enterprise-scale deployment. The Directors believe such competitors are typically useful at a departmental level or in relation to a simpler, smaller-scale goal management within a part of an organisation.

Finally, the Directors consider that the Group's third category of competitors include bespoke in-house systems developed by either internal IT departments or third-party consulting firms/system integrators which can be an expensive and lengthy development process. The Directors believe that, in many cases, the companies considering using the i-nexus solution are at a pivot point as to whether they build their own solution, or whether they buy an existing solution from a third party.

7. ROUTES TO MARKET

The i-nexus solution is sold on a SaaS basis, with customers typically paying an annual advanced recurring fee related to the number of licence users. Customer contract durations vary between one to five years, with part of the fee covering hosting and supporting the solution. Typically, contracts are for a minimum term of three years.

The Group makes use of three distinct sales channels, being direct sales, account proliferation, and consulting/channel partners.

Direct sales are based on B2B pipeline creation and development. This is well-established and utilises standard marketing led initiatives to produce leads that the sales team, supported by pre-sales engineers, can manage through the opportunity evaluation pipeline to the entering into of a contract with a target. This is a consistent sales/marketing engine that sometimes achieves a conversion rate of approximately 10 per cent.

The Group promotes the i-nexus solution through its own online presence (including its website) and search engine optimisation efforts. The Directors consider that both approaches tend to provide high quality leads. The Group also organises a series of up to four customer focussed consortium events ("**Consortium Events**") per year in the US and Europe and operates an online community named "StratEx Hub", both of which the Directors believe raise the profile of the i-nexus software with prospective customers and generate leads for potential opportunities.

Account proliferation forms part of the Group's strategic growth. The Group considers organisations adopting formalised strategy execution practices to fall into one of three maturity levels; being 'Crawl', 'Walk', and 'Run' (each described in more detail in the 'Strategy' section below). As organisations progress from level to level, their policies and practices mature. Their use of strategy execution software typically matures in parallel, from small localised initial deployments to large-scale adoption. Furthermore, the Group's market offerings mirror these maturity levels with solution packages available for Hoshin Strategy Execution. In addition to upsell opportunities within an account, the Directors believe there is substantial cross-sell opportunity as the Group's CI customers recognise the value of Hoshin Strategy Execution as a complementary tool for business success and vice versa.

Consulting partners are the third distinct sales channel used by the Group. While the Group's channel strategy is in its early stages of development, with a small number of established resellers and referral consulting partners, it is an area of focus for the Group due to the increasing number of inbound approaches from potential partners and the typically improved margins and conversion rates from partner-developed new business opportunities.

The Directors believe that organisations deploying strategy execution methodologies such as Hoshin Planning often use consulting firms to develop internal capabilities in this area. By working with consultants, the Directors believe the Group may be able to establish itself as the software solution of choice for these consulting partners to recommend to their clients by way of a simple referral arrangement.

There is also the opportunity to provide the Company's partners with a ready-made solution for embedding the i-nexus software into their consulting engagements. For example, once the product is launched consulting partners will be able use the Group's pre-packaged solutions "out-of-the-box", providing both domain consulting and software deployment services. This relationship is synergistic, and will help consulting partners to widen and differentiate their service offerings while broadening the scope of their client engagements and driving higher margins.

Opportunities referred to the Group from referral partners have approximately 30 per cent. conversion rate and, in respect of integrated parties, the Directors estimate it has approximately a 50 per cent. conversion rate.

The Directors consider that using such partners at an earlier stage results in higher conversion rates, with less variation and better results.

Customers and Target Markets

The Group's target market is primarily the Global 5000, which typically includes large global organisations with sufficient complexity to require and justify the deployment of a Strategy Execution software solution. The solution is sector agnostic.

To date, the Company has focused on a specific geographical segment of this market, being the approximately 2,800 companies in the USA and Europe that are in the Global 5000 list.

At present, the Group operates primarily in Europe and North America where a large number of customers are based and where the Company intends to deploy a portion of the Placing proceeds to invest in its sales and marketing efforts. In addition, the Group has recently received indications of interest from businesses in Asia, India, Australia and South America. The Group has a strong blue-chip customer base, with a total of 36 organisations currently actively deploying its solution.

8. STRATEGY

The Group has its own Hoshin plan, which is to be synonymous with the term 'Hoshin planning'. The Group's strategy contains seven themes. There are:

Strong Thought Leadership:

The Group has established its market position by promoting the development of industry best practices, coupled with go-to-market strategies, such as the i-nexus StratEx Hub community.

Scalable Sales Cycle:

The Group currently has an extensive pipeline of new opportunities, together with significant upsell opportunities with existing clients. The Group categorises its pipeline as follows:

- *'contracts in nurture'*; whereby the Group has approximately 200 live touch-points with potential customers, translating into;
- *'qualified leads'*; whereby the Group has approximately 100 leads in qualification for which Group's sales team is in an active sales cycle, which currently results in between 40 and 60 new leads per month, generated from contacts in nurture;
- *'opportunity pipeline'*, whereby the Group has approximately 60 opportunities, representing those customers who have identified a specific budget available to deploy for a strategy

execution solution, which progress from qualified leads at an average rate of 8 to 12 per month over the last 12 months; and

- ‘new customers’, whereby the Group is securing one to two new customers from its opportunity pipeline per month.

Proliferation – Crawl, Walk, Run:

The i-nexus solution adopts a three-stage categorisation process when it comes to the assessment of further growth from an existing customer, as follows:

- The first stage, being ‘crawl’, signifies a smaller deployment of the Company’s technology, usually across one or two groups within an organisation, and a stage at which the i-nexus solution relieves an administrative burden which has not yet become unmanageable. These customers have between 30-75 users and can represent a contract size of £3,000 to £5,000 MRR.
- The second stage, being ‘walk’; represents a larger deployment, typically across multiple divisions and functions within an organisation and usually replacing a system and administrative process which is becoming unmanageable and inefficient. These slightly larger deployments have between 75-700 users and can represent a contract size of £5,000 to £20,000 MRR.
- The final stage, being ‘run’, is the enterprise level deployment in which the Company’s processes are integrated as part of a wider business system. In the Directors’ experience, organisations in the “run” stage find it particularly challenging to manage Strategy Execution without a supporting software solution. This is the Group’s largest type of deployment, who have between 700-3,000+ users and with contract values of approximately £20,000 to £40,000 MRR.

The Group typically engages with organisations at all stages. The Directors believe simplifying and standardising the solution will make all engagements easier, and will make their growth quicker.

By establishing a relationship with its customers at the ‘crawl’ or ‘walk’ stage, or even by introducing the customer to the concept of strategy execution and its best practices earlier than this using a consulting partner, the Group has seen increasing rates of return from a wider deployment of its software, as the software becomes embedded within an organisation’s infrastructure at an earlier stage.

The Board believes this guided process through the Group’s technology provides good opportunities for upsell. The Company also sees numerous cross-sell opportunities for those customers who have adopted the Hoshin Planning solution to the i-nexus CI solution, and vice versa.

Implementing Next Phase of Delivery Channel:

The Company intends to focus on a number of strategies aimed at increasing its ability to capitalise on potential opportunities to develop relationships with channel partners as a key driver for the next stage in its development. One such strategy is to introduce a standardised approach to Hoshin Kanri by developing and marketing an “out-of-the-box” best-practice solution. This solution will make it easier to scale the Group’s services organisation as well as fostering the partner strategy by providing partners with a ready-made solution for embedding in their consulting engagements.

Target the Mid-Market:

The Group is currently targeting customers in the Global 5000, which the Directors consider as being of sufficient maturity and complexity to make the most of the Group’s i-nexus software. However, through standardisation and future simplification of its product, the Group intends to target the mid-market. In the Directors’ view, companies in the mid-market are of sufficient complexity to be facing similar challenges to those in the Global 5000 (albeit on a smaller scale) and

may be considering or beginning to adopt strategy execution methodologies. The Directors believe this market will require a simpler, more “out of the box” solution than the Group currently offers, but plan to develop this as part of the Company’s go to market strategy.

Innovate the Product:

The Board believes there is an opportunity to build predictive analytics into the platform, utilising the vast quantities of data which the Group is compiling around both successful and unsuccessful strategic deployments. This is not yet available but would be sold on an additional subscription basis, giving customers the ability to predict the likely outcomes of their proposed strategy.

9. CURRENT TRADING AND PROSPECTS

Set out below is a summary of the audited financial results of the Group for the year ended 30 September 2017 and the unaudited interim results for the six months to 31 March 2018.

	<i>Year ended 30 September 2017 Audited £'000</i>	<i>Six month period ended 31 March 2018 Unaudited £'000</i>
Revenue	4,113	2,265
Gross profit	2,854	1,537
Operating loss	(376)	(317)
Loss before taxation	(462)	(361)
Adjusted EBITDA	(276)	(255)
Loss for the period	(171)	(269)
Net liabilities	(2,322)	(2,555)

The Group continues to acquire new customers at higher rates than in previous financial years. The Group has also completed a number of upsells within its existing customer accounts; in one case more than doubling its first years MRR on renewal. A number of customer losses and reductions were forecast; however one account, based in Australia (being outside the Group’s current geographical focus), was lost unexpectedly, for which the Group found it difficult to adequately support based on the customer being in a lone jurisdiction along with the historic funding constraints of the Group. The Directors do not consider this to be symptomatic of any underlying issue.

The Group has maintained its increased investment in sales & marketing and its customer success teams in support of its growth plans.

In April 2018, the Group drew down £500,000 of an additional loan facility from Boost pursuant to the Boost Loan Agreement (as more particularly described in paragraph 15.5.1 of Part IV of this document) for additional working capital purposes.

10. REASONS FOR PLACING AND ADMISSION AND USE OF PROCEEDS

The Directors believe that Admission will present a number of benefits for the Group, including: raising the profile of the Company, providing the Group with greater flexibility for further growth, and increasing access to capital should financing be required to support the Group’s growth plans. Furthermore, as a public company admitted to trading on AIM, the Directors believe the Company will have the ability to attract, recruit and retain key employees and that Admission will enhance the Group’s credibility amongst its Global 5000 customer base.

The Directors believe that Admission will also provide opportunities for the Group to attract, retain and incentivise employees through the Group’s option schemes.

It is intended that the net proceeds of the Placing, amounting to approximately £8.9 million, will be deployed in support of the Group's strategy, including enhancing the Group's go-to market capabilities, developing complementary standardised, self-serve "out of the box" aspects to the solution, ongoing thought leadership, scaling the Group's channel partner programme, and other longer term market and product initiatives.

Finally, it is intended that approximately £700,000 be used to repay certain existing Shareholder debt, leaving remaining debt of approximately £775,000, pursuant to the Boost Loan Agreement, the details of which are set out in paragraph 15.5 of Part IV of this document.

11. DIRECTORS AND EMPLOYEES

Directors:

The Board currently comprises three executive directors and three non-executive directors. A short biography of each director is set out below.

Richard Cunningham, Non-Executive Chairman, aged 58

Richard Cunningham is a technology entrepreneur who has built and sold a number of businesses and who has extensive experience in equity research, financial analysis and corporate finance, focusing on technology companies. He built one of the UK's leading independent corporate telecommunications service providers, Project Telecom Plc, before listing it on the London Stock Exchange and eventually selling it to Vodafone. Richard also founded Octium Ltd to "buy and build" a digital connectivity and applications business, which was exited successfully through a sale to MDNX. Richard also sits on the investment committee of Herald Ventures, the venture capital business of Herald Investment Management.

Simon Crowther, Chief Executive Officer, aged 41

Simon Crowther joined the Group as Software Development Manager in 2006 and has worked within every key area of the business prior to becoming COO in 2013 and having led a process of change and refocus of the business since becoming CEO in 2016. Simon has a background in software development, having also spent almost three years at Intascope (a division of See Tickets) as a senior software architect. He has two masters degrees from Birmingham University: one in mathematics and the second in computer science.

Alyson Levett, Chief Financial Officer, aged 52

Alyson Levett joined the Group as Finance Director in 2012, assuming a strategic role and day-to-day responsibility for planning, implementing, managing and controlling all finance-related activity. Alyson has an extensive background in finance, including as finance director of Griffin Internet prior to its acquisition by MDNX in 2012. Alyson was also a director of AML Financial Consultancy Limited, through which she provided consultancy services to businesses on a range of finance related matters. She has a masters degree in economics from Cambridge University and is a qualified chartered accountant.

Paul Docherty, Founder and Chief Innovation Officer, aged 49

Paul Docherty founded the Group in 2001 and was CEO until 2012, before becoming Chief Innovation Officer. Prior to founding the Group, he spent eight years with Marconi in various senior management roles, including responsibility for leading Marconi's CI programme. Paul is a respected and influential thought leader in the field of Strategy Execution. Paul holds a master of computer systems and software engineering from York University.

James Davies, Independent Non-Executive Director, aged 49

James Davies has 20 years of experience working in Silicon Valley, USA. He has held senior leadership roles in three venture capital backed software start-ups (including CEO, CPO and Chairman) and has delivered management consulting services to some of the world's largest technology companies. In addition to his role at the Group, he currently holds the position of Chief Product Officer at answerspace, a company offering cloud-based automated analytics.

Nigel Halkes, Independent Non-Executive Director, aged 62

Nigel is an experienced non-executive director and a former Managing Partner of Ernst & Young, UK & Ireland ("**EY**"). He is a Non-Executive Director of Hargreaves Services plc, an AIM listed company, where he chairs the audit committee. Nigel was also a non-executive director of FreeAgent Holdings plc, a provider of cloud-based SaaS accounting software, which was admitted to AIM in November 2016 and was subsequently sold to Royal Bank of Scotland for £53 million on 1 June 2018.

Nigel was a partner at EY for 25 years, during which time he led their Technology, Media & Telecommunications business through a period of sustained growth. In his leadership role at EY, Nigel was responsible for the UK firm's growth strategy, key account programme and the business development function.

Senior Management:

Matthew Easterbrook, Senior Vice President Customer Success

Matthew Easterbrook joined the Group in 2017 with a background in IT and project management, including at DRS Data Services and Prosperity Financial Services. Prior to joining the firm he held several IT management positions, including Head of SAP & Finance Systems at the University of Warwick, IT Director at Prosperity Financial Services and Head of IT at DRS Data Services. Matthew holds a BSc in Management Science and Business Information from the University of Leicester.

12. LOCK IN AND ORDERLY MARKET ARRANGEMENTS

The Locked-In Parties have undertaken to N+1 Singer that they will not, and will procure that their associates (within the meaning of paragraph (c) of the definition of "related party" in the AIM Rules) will not, during a period of 12 months from the date of Admission, sell or otherwise dispose of, or agree to sell or dispose of, any interest in Ordinary Shares held by them (subject to certain exceptions and except in such circumstances as the Locked-in Party and N+1 Singer may agree). In addition, in order to maintain an orderly market in the Ordinary Shares, the Directors have undertaken for a further 12 months from the first anniversary of Admission not to dispose of any Ordinary Shares held by them, except following consultation with, and (subject to certain exceptions) through, N+1 Singer as the Company's broker.

On Admission, the Locked-In Parties and their connected persons (each within the meaning of the AIM Rules) will be interested in 10,411,580 Ordinary Shares, representing approximately 35.2 per cent. of the Enlarged Share Capital.

Details of the lock-in arrangements are set out in paragraph 15.3 of Part IV of this document.

The Orderly Market Party has undertaken to N+1 Singer that they will not, and will procure that their associates (within the meaning of paragraph (c) of the definition of "related party" in the AIM Rules) will not for a period of 12 months from the date of Admission dispose of any Ordinary Shares held by them, except following consultation with, and (subject to certain exceptions) through, N+1 Singer as the Company's broker (and in such a manner as to ensure an orderly market in the Ordinary Shares).

On Admission, the Orderly Market Party and their connected persons (each within the meaning of the AIM Rules) will be interested in 523,790 Ordinary Shares, representing approximately 1.77 per cent. of the Enlarged Share Capital.

Details of the orderly market arrangements are set out in paragraph 15.4 of Part IV of this document.

13. CORPORATE GOVERNANCE

The Corporate Governance Code applies only to companies on the Official List and not to companies admitted to AIM. However, the Board recognises the importance of sound corporate governance and intend that as the Company grows, it should develop policies and procedures which reflect the QCA Code, so far as it is practicable taking into account the size and nature of the Company in the future.

The Directors are, and following Admission the Board will be, responsible for formulating, reviewing and approving the Company's strategies, budgets and corporate actions. Following Admission, the Company intends to hold formal Board meetings at least eight times each financial year and at other times as and when required.

The Company has established an audit committee and a remuneration committee of the Board with formally delegated duties and responsibilities. In the event of any new director appointments being proposed, the Board will need to meet as a whole to discuss and as such no nomination committee is to be constituted.

The audit committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Company is properly measured and reported on. As well as ensuring compliance with the AIM Rules, it will receive and review reports from the Company's management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group. The audit committee will meet not less than two times in each financial year and will have unrestricted access to the Company's auditors. On Admission, the members of the audit committee will be Nigel Halkes, who will act as chairman of the committee, along with Richard Cunningham and James Davies.

The remuneration committee will review the performance of the executive directors and make recommendations to the Board on matters relating to their remuneration and terms of employment. The committee will also make recommendations to the Board on proposals for the granting of share options and other equity incentives pursuant to any share option scheme or equity incentive scheme in operation from time to time. In exercising this role, the members of the remuneration committee shall have regard to the recommendations put forward in the Corporate Governance Code and the QCA Code. The remuneration committee will meet not less than twice in each financial year. On Admission, the members of the remuneration committee will be Richard Cunningham, who will act as chairman of the committee, along with Nigel Halkes and James Davies.

14. DIVIDEND POLICY

The Board considers that it is in the best interests of Shareholders for the Company to focus on capital growth at the current time. The Board therefore intends, during the Company's current phase of development, to retain future distributable profits from the business to the extent that they are generated. The Board does not intend to declare or pay a dividend in the immediately foreseeable future but, subject to, *inter alia*, the availability of sufficient distributable profits, intend to commence the payment of dividends when it becomes commercially prudent to do so and intends to adopt a progressive dividend policy thereafter.

15. SHARE DEALING POLICY

The Company has adopted a share dealing policy for dealings in securities of the Company by the Board and certain employees which is appropriate for a company whose shares are traded on AIM.

This constitutes the Company's share dealing policy for the purpose of compliance with UK legislation including the Market Abuse Regulation and the relevant part of the AIM Rules.

It should be noted that the insider dealing legislation set out in the UK Criminal Justice Act 1993, as well as provisions relating to market abuse under the Market Abuse Regulation, will apply to the Company and dealings in Ordinary Shares.

16. APPLICABILITY OF THE TAKEOVER CODE

The Company is a public limited company incorporated in England and Wales, and application will be made to the London Stock Exchange for the Enlarged Share Capital to be admitted to trading on AIM. The Takeover Code applies, *inter alia*, to all companies who have their registered office in the UK, Channel Islands or Isle of Man and whose securities are traded on a regulated market in the UK or a multilateral trading facility (such as AIM) or a stock exchange in the Channel Islands or Isle of Man. Accordingly, the Takeover Code applies to the Company and, therefore, Shareholders are entitled to the protections afforded by the Takeover Code. The Takeover Panel has statutory powers to enforce the Takeover Code in respect of companies to which the Takeover Code applies.

Under Rule 9 of the Takeover Code, where any person acquires, whether by a series of transactions over a period of time or otherwise, an interest (as defined in the Takeover Code) in shares which, taken together with shares in which he is already interested or in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, that person is normally required to make a general offer to all the remaining shareholders to acquire their shares.

Similarly, Rule 9 of the Takeover Code also provides that when any person, together with persons acting in concert with him, is interested in shares which, in aggregate, carry more than 30 per cent. of the voting rights of such company, but does not hold shares carrying 50 per cent. or more of such voting rights, a general offer will normally be required if any further interest in shares is acquired by any such person.

Under the Takeover Code, a concert party arises when persons, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of a company or to frustrate the successful outcome of an offer for that company. Under the Takeover Code, "control" means an interest, or aggregate interest, in shares carrying 30 per cent. or more of the voting rights of a company, irrespective of whether the interest or interests give *de facto* control.

If a "takeover offer" (as defined in section 974 of the Act) is made and the offeror, by virtue of acceptances of such offer, acquires or contracts to acquire not less than nine tenths in value of the Ordinary Shares to which the takeover offer relates, then the offeror has the right to acquire compulsorily the remaining Ordinary Shares of the minority Shareholders for the offer price within a fixed period. In certain circumstances, the minority Shareholders also have the right to require the offeror to buy their Ordinary Shares at the offer price within a fixed period.

17. SHARE INCENTIVES AND SCHEMES

The Company has adopted the New Share Schemes with effect from Admission. Details of the New Share Schemes are set out in paragraph 6 of Part IV of this document.

With effect from Admission, there will be no options outstanding under the Historic Share Schemes and no further options will be granted under the Historic Share Schemes following Admission.

18. WARRANTS

I-Solutions Global entered into a series of warrants with Boost pursuant to the terms of the Warrant Instruments, more particular details of which are contained in paragraph 15.5.2 of Part IV of this document. On 18 June 2018, as part of the Share Capital Reorganisation the Warrant Instruments

were exchanged for equivalent new warrant instruments in the Company, issued on exactly the same terms, and pursuant to which Boost has served notice to exercise all of its warrants conditional on, but immediately prior to, Admission, with the Company conditionally issuing 691,940 Ordinary Shares to Boost, of which the Boost Sale Shares are to be sold to cover the exercise price of the warrants.

19. SETTLEMENT AND CREST

To be traded on AIM, securities must be able to be transferred and settled through the CREST system, which is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument in accordance with the CREST Regulations.

The Ordinary Shares will be eligible for CREST settlement. Accordingly, following Admission settlement of transactions in the Ordinary Shares may take place within the CREST system if a Shareholder so wishes. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates are able to do so.

For more information concerning CREST, Shareholders should contact their brokers or Euroclear at 33 Cannon Street, London EC4M 5SB or by telephone on +44 (0)207 849 0000.

20. EIS AND VCT STATUS

The Company has received advanced assurance from HMRC that the Eligible Shares to be issued pursuant to the Placing will rank as Eligible Shares for the purposes of EIS and will be capable of being a qualifying holding for the purposes of investment by VCTs however, neither the Company, the Board or any of the Company advisers give any warranty or undertaking that such relief will be, and will not continue to be, available and not withdrawn at a later date.

21. TAXATION

The attention of investors is drawn to the information regarding taxation which is set out in Part II and in paragraph 10 in Part IV of this document. That information is, however, intended only as a general guide to the current tax position under UK taxation law for certain types of investor. Investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their professional advisers.

22. SHAREHOLDER NOTIFICATION AND DISCLOSURE REQUIREMENTS

As a company incorporated in England and Wales and admitted to trading on AIM, the Company will be subject to certain provisions of the Disclosure Guidance and Transparency Rules and, consequently, Shareholders are required to disclose to the Company the level of their interests in Ordinary Shares in accordance with those rules.

23. ANTI-BRIBERY POLICY

The government of the United Kingdom has issued guidelines setting out appropriate procedures for all companies to follow to ensure that they are compliant with the Bribery Act 2010 ("**Bribery Act**") which has been in force since 1 July 2011. In the light of the Bribery Act the Company has in place an anti-bribery and corruption policy and has implemented procedures the Board consider appropriate. The Board will keep compliance under review.

24. ADDITIONAL INFORMATION

Your attention is drawn to the information included in Parts II to IV of this document. In particular you are advised to consider carefully the risk factors contained in Part II of this document.

PART II

RISK FACTORS

This document contains forward looking statements, which have been made after due and careful enquiry and are based on the Board's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. These forward-looking statements are subject to, *inter alia*, the risk factors described in this Part II. The Board believes that the expectations reflected in these statements are reasonable, but they may be affected by a number of variables which could cause actual results or trends to differ materially. Each forward-looking statement speaks only as of the date of the particular statement.

Factors that might cause a difference include, but are not limited to, those set out in this Part II. Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. The Company disclaims any obligation to update any such forward-looking statements in the document to reflect future events or developments.

Investing in the Company is speculative and involves a high degree of risk. You should carefully consider the risks and uncertainties associated with any investment in the Ordinary Shares, the Group's business and the industry in which it operates, together with the entire contents of this document, including, but not limited to, the risk factors described below, before you decide to invest in the Company. The Group's business, financial condition, results of operations and prospects could be materially and adversely affected by any or a combination of the risks described below. Furthermore, Ordinary Shares may not be a suitable investment for all recipients of this document. If you are in any doubt about the Ordinary Shares and their suitability for you as an investment, you should consult a person authorised under FSMA who specialises in advising on the acquisition of shares and other securities. As at the date of this document, the Board considers the following risks to be the material risks of which they are aware and the most significant risks for Shareholders and potential investors.

Such risks have not been set out in any order of priority. The order in which the following risk factors are presented does not necessarily reflect the likelihood of their occurrence or the relative magnitude of their potential material adverse effect on the Group's business, results of operations, financial condition and prospects, or the market price of the Ordinary Shares. In addition, you should note that the risks described below are not the only risks faced by the Company. In particular, there may be additional risks that the Board currently considers not to be material or of which they are not presently aware.

If any of the events described in the following risks actually occur, the Group's business, financial condition, results or future operations could be materially affected. In such circumstances, the price of the Ordinary Shares could decline and investors could lose all or part of their investment. The Group's performance may be affected by changes in legal, regulatory and tax requirements in any of the jurisdictions in which it operates as well as overall global financial conditions. The information set out below does not purport to be an exhaustive summary of the risks affecting the Group.

1. RISKS RELATING TO THE GROUP AND ITS BUSINESS

1.1 Implementation of strategy

The Board recognises that executing the Group's strategy set out in Part I may be difficult to implement/achieve and may not be as successful as planned. Pressure on management, limitations on operational and financial resources, the potential insufficiency of demand for the Group's products and a slower than anticipated market acceptance of the Group's products could lead to failure to successfully implement its strategies and so adversely affect the Group's reputation, prospects, results of operations, and its financial condition.

1.2 Reliance on Hoshin/strategy execution software to grow in favour

The Group's strategy is in part dependent on the demand for strategy execution software to increase, and for Hoshin Kanri Planning to likewise be adopted by an increasing number of businesses. The Group has incorporated tools into the i-nexus software designed to assist end-users with the implementation of a Hoshin Kanri methodology, such as the X-Matrix. However, it is possible that interest in Hoshin Kanri as a methodology may not develop at the rate anticipated by the Directors, or that the Hoshin Kanri methodology may decline in popularity, both of which could reduce demand for the i-nexus software due to there being a reduced demand for software containing tools designed to assist with the implementation of such a strategy. It could also mean that the Group has incurred the cost of investing in developing or incorporating such tools into its software without realising the returns which were anticipated to follow from such investment. There is also the risk that the demand for strategy execution software may not grow at the rate expected, or may decline, which could also detrimentally affect the Group's trading and financial position, results of operations, and prospects.

1.3 Reliance on small product range and market requirements may change

The Group provides the i-nexus solution as one platform, based on one codebase, to service both CI and the Hoshin Planning process, and is seeking to simplify, standardise and develop an "out of the box" version of its Hoshin solution to target the mid-market. It therefore has a single product at present and has not yet finished developing its product to target the mid-market. It is possible that the requirements of its current market could change and that demand for its existing i-nexus solution may decline. For example, if customers increasingly favour strategy execution software based on separate platforms for CI and Hoshin Planning as opposed to a single platform for both, such as the i-nexus software, it is possible that demand for the i-nexus software could decline. Likewise, demand within the mid-market for a more "out of the box" solution that is currently being developed by the Group may also change, which may mean that the Group does not realise a return on the development of its "out of the box" solution. Due to the Group's limited product range, the Group's trading and financial position may be materially adversely affected by changing market requirements.

1.4 Growth management

As discussed in paragraph 10 of Part I, the Group plans to use part of the proceeds of the Placing *inter alia* to scale its business according to its own plan. Scaling a business places increasing demands on management, support functions, sales and marketing functions and other resources. Investing in infrastructure, technology, operations and financial systems will be needed at a material cost to the Company. The Group's ability to successfully manage the expansion and associated investments will affect its future success and failure to do so could adversely affect its business, prospects and results of operations and financial position.

1.5 Account proliferation

An important aspect of the Group's growth strategy is to proliferate sales of its i-nexus software with existing customers as a result of the natural evolution of the software use over time. Although the Group has a number of examples where this has occurred in the past, this is no

guarantee that it will continue to happen at the increasing rate predicted in the model described in Part I above. Any failure of this anticipated account proliferation to happen will affect the Group's future success and adversely affect its business, prospects and results of operations and financial position.

1.6 Dependence on channel partners

Part of the Group's strategy is to increasingly sell its software through channel partners. There are no guarantees that sufficient channel partners will be found to sell the Group's software at the rates planned. The Directors are confident that engagements to date by existing and prospective channel partners provide strong evidence of the opportunity in this regard. However, there is a risk that the loss of any one or more existing channel partners and/or failure to secure enough productive channel partners in the future could affect the Group's future success and adversely affect its business, prospects and results of operations and financial position.

1.7 Dependence on key customers

A small group of key customers provides nearly half of the Group's MRR. One of the Group's key customers represents approximately 15 per cent. of current MRR and five other customers together represent approximately 30 per cent. of MRR. The Group's top ten customers generated 75 per cent. and 70 per cent. of annual revenue in the financial years ended 30 September 2016 and 30 September 2017, respectively. The Group's financial performance is therefore partly dependent on the continued business relationship with these key customers. Failure to manage the ongoing renewal of the contracts with these key customers on a commercially acceptable basis could materially affect the Group's operations and/or its financial condition.

1.8 Inability to contract with customers on the most favourable terms to the Group

The Group enters into contracts with a wide variety of companies, many of whom possess greater negotiating leverage than is currently available to the Group. The Group may be required to tolerate terms which are less favourable than might be anticipated, and which may also be governed by the laws of jurisdictions other than England and Wales, and this could intensify if the number of competitors increases, thereby potentially giving existing or prospective customers more options. Furthermore, if the Group enters into more onerous terms than it would ideally enter into, it may risk not being able to satisfy those terms. Breaching onerous terms, failing to secure the best commercial terms possible or having to conduct legal proceedings in an overseas jurisdiction could have a material impact on the Group's business revenue, financial condition and profitability.

1.9 Customer churn

The Group has experienced falling revenues in relation to certain customers over the period covered by the historical financial information for the past three years, partly as a result of the projects for some of these customers being transformational in nature and as such they came to an end. All except one of the Group's transformational clients has churned (or will churn in the financial year ending 30 September 2018). There is therefore a risk that this customer will cease to be a customer once the existing project has been completed. Whilst the Group is in discussions with the customer to actively convert this deployment into a strategy deployment client by embedding the i-nexus software into other parts of the customer's business, there is no guarantee that this will be successful and/or that the customer will be retained once the transformational project has been completed. Customer churn is therefore a risk for the Group and could affect the Group's trading and financial position and prospects.

1.10 Failure of contracts to be renewed

Some existing customers are engaged on contracts with renewal terms of one year which do not renew automatically and which may not be renewed by that customer. Although the Group has only experienced limited examples of this occurring, any such failure to renew these contracts at the expiry of the contract term could nonetheless affect the Group's profitability and financial position.

1.11 Change of control

Certain contracts with customers have been entered into which contain change of control provisions. There is a risk that the transactions contemplated by Admission may constitute a change of control for the purposes of these contracts, and such contracts may be terminated which could affect the Company's business, trading and financial position and prospects.

1.12 Contracts may not be back-to-back

The service offered by the Group is underpinned or supported by cloud products and contracted for on those vendors' respective standard terms. Those terms are vendor friendly, in particular with regards to service levels and rights to suspend access. There is a risk that if the Group enters into arrangements that are not "back to back", it may offer a service availability service level that it cannot secure from the relevant vendor. This could result in the Group being in breach of its obligations, which could risk a claim being brought against it and could also affect the Group's reputation and client relationship, as well as its financial position and prospects.

1.13 The Group may be unable to protect its intellectual property effectively from ownership challenge or misappropriation by others, including current or potential competitors

1.13.1 The Group's success and ability to compete depend, in part, upon its proprietary technology and other intellectual property, including the "i-nexus" brand and the preservation of the confidentiality of its own know-how. The business, its know-how, its logo, brand name, website domain names, content and proprietary technology underpinning the Group's website and i-nexus software rely, *inter alia*, on the protection of registered domain names, copyright and trade secret laws. However, not all of the Group's intellectual property has been or can be protected by registration and, in particular, the technology behind the i-nexus software is not protected by a patent, registered designs or trademarks. No assurance is given that the Group will be able to protect and preserve its intellectual property rights, or the confidentiality of its own know-how.

1.13.2 If third parties independently discover the Group's trade secrets or access proprietary information or systems, the Group may not be able to rely on any intellectual property rights to prevent the use of such trade secrets, information or systems by such parties and this could have a material adverse effect on the Group's business, results of operations and financial condition.

1.13.3 Substantial costs may be incurred if the Group is required to defend its intellectual property rights against third parties. Other parties may copy without authorisation the Group's intellectual property. Due to the Group size and resources, it may not be able effectively to detect and prevent any infringement of its intellectual property rights. In addition, effective trademark, copyright, patent and trade secret protection may not be available in every jurisdiction in which the Group operates. Policing unauthorised use of the Group's proprietary information is difficult and expensive. As the Group expands to new jurisdictions, some of which may have less robust protections for intellectual property, the cost of protecting, and the risk of third-party infringement of, its intellectual property will likely increase.

- 1.13.4 The Group regards its copyrights, proprietary technology (namely the i-nexus software), domain names, customer databases and similar intellectual property as important to its business. The Group relies on the laws of copyright protection as well as written assignment of any intellectual property rights in the i-nexus software, non-disclosure provisions contained in its employees' terms of employment and the implementation and maintenance of the internal and external controls and processes restricting access to the software's underlying source code in order to protect its rights.
- 1.13.5 If the Group fails to register, renew or enforce the Group's intellectual property rights, or there is any unauthorised use or significant impairment of the Group's intellectual property rights, the value of its products and services could be diminished, the Group's competitive position could be adversely affected and its business may suffer.
- 1.13.6 While the Directors believe that the Group's software and other intellectual property does not infringe upon the proprietary rights of third parties, there can be no assurance that the Group will not be the subject of claims of infringement of the rights of others or be a party to claims to determine the scope and validity of the intellectual property rights of others. In particular, the Group may be subject to copyright infringement claims in respect of the i-nexus software. Such claims, whether or not valid, are typically protracted, could require the Group to spend significant sums in litigation, pay damages, re-brand or re-engineer services, acquire licences to third party intellectual property and distract management attention from the business. In the event of a successful claim or infringement against the Group and any failure or inability of the Group to develop or licence non-infringing products or services, the Group's business, revenue, financial condition, profitability, prospects and results of operations could be materially adversely affected.

1.14 Undetected defects in the software provided by the Group

The Group's business involves providing customers with software, which ultimately needs to be reliable. If the software contains undetected defects when first introduced, or when upgraded or enhanced, the Group may fail to meet its customers' performance requirements or otherwise satisfy contract specifications. As a result, the Group may lose customers and/or become liable to its customers for damages and this may, amongst other things, damage the Group's reputation and financial condition. The Group endeavours to negotiate limitations on its liability in its customer contracts but does not always do so; however, defects in either the software developed on behalf of customers or developed and sold by the Group could result in the loss of a customer, a reduction in business from any particular customer, negative publicity, reduced prospects and/or a distraction to its management team. A successful claim by a customer to recover such losses could likewise have a material adverse effect on the Group's reputation, business, prospects, results of operation and financial condition.

1.15 The i-nexus software may not perform as expected or meet customers' changing expectations quickly enough

There is no guarantee that the i-nexus software will perform as intended. Costs spent on developing the i-nexus software may therefore not be recouped at the rate anticipated or at all, and this may result in reduced profitability for the Group. As the i-nexus software is complex, it may contain defects or vulnerabilities which may not be detected until after its deployment to end customers. These could result in the Group's customers being vulnerable to, among other things, security attacks or adverse performance. Moreover, the Group may not always be able to identify the cause of performance problems in its software. The Group's business would be harmed if any of the events described above were to cause its customers or potential customers to believe the i-nexus software is not reliable or secure, as this could result in harm to the Group's business relationships and reputation and its ability to secure and retain

customers, and could also potentially result in a customer bringing a claim against the Group if the customer suffers loss as a result.

1.16 Increasing research and development spend may impact profitability

To remain competitive, the Group must ensure its software is kept up-to-date, which is costly. Whilst the plans described in Part I above allow for this cost, such cost could be underestimated. This could mean that costs essential to the success of the Group are higher than anticipated (and may increase further), and thereby affecting the Group's profitability.

1.17 The Group's underlying software platform providers may implement new features or changes that may hurt the Group's business

The i-nexus software utilises software supplied by certain underlying software platform providers, which enables the integration of the i-nexus software with customer systems. Such companies may make changes to their products that could impose restrictions that affect the i-nexus software and its performance, either in terms of data arrangement, reporting, or integration with customers' existing systems. Such disruptions and/or changes would require mitigating and may necessitate alterations to the i-nexus solution, which could be costly, and so have an adverse effect on the Group's financial performance and growth prospects.

1.18 The Group relies on third parties to deliver services which are integral to the Group's business and its ability to generate revenue

The Group contracts with third parties to perform functions or operations that are integral to the Group's products and services, including third party suppliers for integration software, and cloud hosting. The Group is at risk as to the availability, price and quality offered by such third party suppliers. Any significant changes in these factors could adversely affect profit margins and have a material adverse effect on the Group's business, results of operations and financial condition. Further, the Group's third party suppliers may not be responsive to the Group's needs or may experience problems with their own operations beyond the Group's control. The Group's reliance on third party suppliers increases the risk of disruption to its operations. If the Group is unable to effectively utilise its third party suppliers, or if such third party service providers experience business difficulties or are unable to provide business services as anticipated, the Group may not be able to provide its services and may need to seek alternative service providers or resume providing these business processes internally, which could be costly and time-consuming and have a material adverse effect on the Group's business, results of operations and financial condition. The Group's online business depends on the capacity and reliability of its digital platform which is serviced, maintained and operated in conjunction with third party suppliers (notably the cloud hosting providers). If such suppliers were unable to fulfil the terms of their contracts for any reason or if they terminated their contracts or arrangements with the Group and the Group could not replace them with alternative suppliers in a timely fashion and on favourable commercial terms, it could impair the quality of, or make it difficult for the Group to deliver, the i-nexus solution. This could have a material adverse effect on the Group's business, operating results and financial condition.

1.19 Open source software

Some of the Group's proprietary software incorporates elements of OSS, the use of which by the Group is subject to terms of applicable licenses. Although the Group's technical team have spent years building knowledge of the OSS used, the Board acknowledges that there are risks associated with the use of OSS. The Board considers the following as being the most likely to be experienced by the Group: OSS may contain a virus or viruses, contain a bug or bugs that the developers cannot fix, development support may cease from time to time, OSS may come with very limited informal support arrangements, or it may be made available without a warranty or

assurance. The above may therefore impact the Group's ability to deliver its product to its customers effectively and potentially affect its reputation and ability to generate repeat business.

1.20 Security breaches of the Group's or customer's systems

The Group is often required and authorised by its customers to work with confidential information in the deployment of the Group's software and services. Although the Group employs security and testing measures for the software it deploys, these may not protect against all possible security breaches that could harm the Group's business or that of its customers. Actual or perceived vulnerabilities may lead to claims against the Group. Any compromise of the Group's security could harm its reputation or financial condition and, therefore, its business.

1.21 GDPR

The GDPR came into effect on 25 May 2018 and the Group is required to ensure that it takes steps to ensure the implementation and compliance with the GDPR and the new data protection regime which it introduced. The Group does not hold any personal data of its customers. However, it is under an obligation to protect the private and personal data that it does hold, which would include that of its employees. Any personal information that the Group does hold (such as in respect of its employees) would be subject to the GDPR. The Group has confirmed that it is taking steps to ensure it has adequate procedures in place to ensure compliance with the GDPR and that this is an ongoing process. However, there is a risk that, before new procedures are implemented, data may be processed in a way which is not compliant with the GDPR. There is also a risk that the Group will not be able to ensure compliance with the GDPR in all aspects of its business, and there is an inherent risk that personal data could be processed in a way which is in direct breach of the regime put in place by the GDPR. There is potentially a risk that the Directors may not interpret its provisions correctly, particularly because the GDPR has only recently come into effect, which could also lead to a breach of the GDPR. There are potentially significant fines under the GDPR for non-compliance, and there is also the risk of reputational damage to the Group. Ensuring compliance with the GDPR and the associated changes to the Group's procedures and policies may be costly. There could also be the possibility of litigation as a result of a perceived or actual breach of the GDPR. The above could have an impact on the Group's financial performance and prospects.

1.22 The Group may be subject to privacy or data protection failures

1.22.1 The Group's operations are subject to a number of laws relating to privacy and data protection, notably the GDPR, as well as relevant non-EEA data protection and privacy laws. Such laws govern the Group's ability to collect and use personal information relating to its audiences, including the use of that information for marketing purposes and for its advertisers to focus their advertising campaigns.

1.22.2 The Group relies on third party hosting of its databases and therefore the Group is exposed to the risk that the data held on such databases could be wrongfully appropriated, lost or disclosed, damaged or processed in breach of data protection regulations. If the Group or any of the third party service providers on which it relies fails to store or transmit information and/or payment details online in a secure manner, or if any unauthorised or unlawful loss, disclosure or destruction of personal data were otherwise to occur, the Group may be subject to sanctions by card merchants, claims from third parties relating to the infringement of privacy rights and/or investigative or enforcement action (including criminal proceedings and significant pecuniary penalties) by the Information Commissioner's Office in the UK or similar regulatory authorities in other jurisdictions in which the Group operates.

1.22.3 Whilst the Group strives to comply with all applicable laws, regulations, policies and legal obligations relating to privacy and data protection, it is possible that requirements may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or the Group's practices. There can be no assurance that the Group is currently in compliance with all applicable laws and regulations in the jurisdictions in which it operates. Any failure, or perceived failure, by the Group to comply with applicable laws or regulations in the jurisdictions in which the Group operates, could result in proceedings or actions against the Group by government entities or others. In addition, there can be no assurance that advances in computer capabilities, new discoveries in the field of cryptography or other events or developments will not result in a compromise or breach of the processes used by the Group to protect personal data. Failures or concerns relating to the Group's collection, use or sharing of personal information or privacy related matters, even if unfounded, could damage its reputation, lead to negative publicity, result in the loss of the goodwill of its customers and deter new customers, any of which would have a material adverse effect on the Group's business, results of operations and financial condition.

1.23 The Group's software may be at risk from cyber-attacks

The Group relies on information technology systems to conduct its operations. Because of this, the Group and its software are at risk from cyber-attacks. If the Group suffers from a cyber-attack, it may incur significant costs and suffer other negative consequences, such as remediation costs associated with repairing any damage caused, reputational damage and loss of investor confidence. Although the Group undertakes penetration testing on its systems, it cannot be guaranteed that the Group will not suffer such an attack in the future or that procedures which the Group has put in place to protect against such an attack will be sufficient. If the Group suffers a cyber-attack, this could expose the Group to potential financial and reputational harm.

1.24 Key systems failure, disruption or interruption

The Group's dependency upon technology, and its cloud servers, exposes the Group to significant risk in the event that such technology or the Group's systems experience any form of damage, interruption or failure. Any malfunctioning of the Group's technology and systems, or those of key third parties, even for a short period of time, could result in a lack of confidence in the Group's products, with a consequential material adverse effect on the Group's business, revenue, financial condition, profitability, prospects and results of operations.

The Group's systems are vulnerable to damage or interruption from events including, but not limited to:

- Natural disasters;
- Telecommunication failures;
- Software failures;
- Computer hacking activities; and
- Acts of war or terrorism.

1.25 Liability as a result of being a business critical application

The i-nexus software may be used by a customer as a business critical application. To the extent that any in-built or external issues with the software arise, this may therefore have a significant detrimental impact on the customer's business and, therefore, inherently affect the Group's

reputation and business relationship with that customer. It may also risk the customer bringing a claim against the Group to the extent that it has suffered loss as a result of using the i-nexus solution.

1.26 The Group may not be able to retain its ISO 27001 accreditation

The Group may not be able to retain its ISO 27001 accreditation. This accreditation is the internationally recognised standard for information security. Failure to retain this accreditation may erode customer confidence (particularly amongst the Group's Global 5000 customers) in the security of the i-nexus solution and, therefore, make such customers reluctant to purchase, use or recommend the i-nexus software. This could in turn have a detrimental impact on the Group's business and customer relations, and ultimately its trading and financial prospects.

1.27 Dependence on key officers, managers and technical personnel

Historically, the Group has not always been successful in the recruitment of executives and senior personnel. Since 2016, with the promotion of an experienced executive to the role of Chief Executive Officer, the Group has changed its strategy to focus to the Hoshin Kanri software. The Group's current executive officers and core members of its sales and marketing and technical teams are experienced in a range of fields and the departure of any of the Group's executive officers or core members of its sales and marketing teams or technical team may have a negative impact on its customer relations and growth. In the event that future departures of employees occur (and particularly departures of key officers, managers and/or technical personnel), the Group's ability to execute its changed business strategy successfully, continue to provide its software to its customers or win new customers and partners could be adversely affected.

1.28 The Group is dependent on attracting and retaining a highly skilled specialist workforce

The Group requires highly skilled employees to carry out its business and enable it to achieve its growth targets. The Directors believe that there is significant competition for skilled personnel, including software engineers, software sales specialists, consultants and project managers with the skills and technical knowledge that the Group requires for its operations. The Group's ability to achieve revenue growth will depend, in large part, on its success in recruiting, developing and retaining sufficient numbers of such people to support its growth. Any failure to attract, develop and retain suitable personnel may impact the Group's performance.

1.29 Regulation of the internet and e-commerce is rapidly evolving and changes could adversely affect the Group's business

Regulation of the internet and e-commerce is rapidly evolving and there are an increasing number of directly applicable laws and regulations. It is possible that additional laws and regulations may be enacted with respect to the internet, covering issues such as user privacy, law enforcement, pricing, taxation, content liability, copyright protection and quality of products and services. The adoption of new laws and regulations could have a material adverse effect on the Group's business, results of operations and financial condition. The regulations vary by jurisdiction of operation, and are subject to continuous change, and compliance with such regulations and other legal requirements may be burdensome and costly. Changes to existing regulations could lead to increased costs or otherwise affect the Group's ability to generate revenues in a jurisdiction, for example, if a distribution channel ceases operations due to a change in existing regulation. In addition, the Group may face increased compliance costs and regulatory scrutiny each time it expands its operations into a new jurisdiction. In addition, any enquiries made, or proceedings initiated, by individuals or any regulator may lead to negative publicity and potential liability for the Group, which could have a material adverse effect on the Group's business, results of operations and financial condition.

1.30 Share Capital Reorganisation

- 1.30.1 The Company was inserted as the holding company of the Group via the Share Capital Reorganisation which, in part, required the Company and the shareholders of I-Solutions Global to enter into various documents including share for share exchange agreements. If the correct approvals were not given or the documents not signed correctly, there is a risk that the Share Capital Reorganisation might not have been validly effected and the ownership of I-Solutions Global by the Company could be challenged.
- 1.30.2 Pursuant to the terms of the share for share exchange agreements, all of the shareholders of I-Solutions Global transferred the beneficial ownership of their shares in I-Solutions Global to the Company and appointed it as their attorney to exercise all of their voting rights in relation to I-Solutions. The Company is the beneficial owner of the shares in I-Solutions until its application for stamp duty relief in connection with the share for share exchange has been approved by HMRC and its name entered in the register of members of I-Solutions Global, at which time it will become the holder of the legal title to the entire issued share capital of I-Solutions. Until such time the shares are held on trust.
- 1.30.3 Pending adjudication by HMRC of the application for relief, the transfer of shares in I-Solutions cannot be registered in its register of members. Whilst the Directors consider that such stamp duty relief will be available, in the event that it is not for any reason, the Company will pay the relevant amount of the stamp duty so as to enable the legal title to the entire issued share capital of I-Solutions Global to be registered in the name of the Company. It is estimated that the cost of the stamp duty that would be payable in the event the stamp duty relief is not available would be in the region of £7,500.
- 1.30.4 Furthermore, following: (i) the exercise of certain of the options under the Historic Share Schemes; and (ii) the conversion of certain of the Shareholder loan agreements (as more particularly described in paragraph 15.6 of Part IV of this document), ordinary shares were issued by I-Solutions Global to these parties (the "Parties"). Subsequently, these ordinary shares were transferred to the Company in consideration for the issue of 2,375,540 Ordinary Shares to the Parties. The Parties entered into share purchase agreements agreeing to transfer the beneficial interest in the I-Solutions ordinary shares to the Company. The Parties agreed that the sale of the beneficial interest of their ordinary shares in I-Solutions Global would be completed by means of a declaration of trust in favour of the Company, with the Parties holding the shares on trust for the Company and appointing the Company as their attorney to execute stock transfer forms to transfer the legal title to the ordinary shares in I-Solutions Global. Subsequently, stock transfer forms effecting the transfer of the legal title to the ordinary shares were executed, enabling the Company to be registered in the statutory register as the legal holder of the ordinary shares. The declaration of trust agreements are required to be stamped by HMRC in respect of the amount of the stamp duty that is payable by the Company on the transfer of the ordinary shares in I-Solutions for an amount of approximately £1,500, with such stamping pending by HMRC. Whilst the efficacy of the above structure has not been challenged, there is always a risk that it may be and that such transfers are not legitimate.

1.31 History of losses and ability to become profitable in the future

Historically, the Group has incurred net losses to fund the Group's growth strategy. The Board expects these losses and the accumulated deficit are likely to increase as the Group spends certain of the funds raised as part of the Placing as set out in Part I of this document. The market for the Group's software is evolving and it is difficult to predict the Group's future results of

operations. The Group may not achieve sufficient revenue to attain and maintain profitability. The Board expects the Group's operating expenses to exceed profits in the short term. Any failure to sustain or increase profitability on a consistent basis could cause the Group to remain loss-making in the future and may require additional funding.

1.32 Insurance risk

The Group has insurance policies in place. However there can be no guarantee that the Group's insurance cover is adequate to protect against every eventuality. The occurrence of an event for which the Group does not have adequate insurance cover could materially adversely affect the Group's business, revenue, financial condition, prospects and results of operations.

1.33 Counterparty risk

There is a risk that parties with whom the Group trades or has other business relationships may become insolvent. This may be as a result of general economic conditions or of specific factors relevant to that particular party. In the event that a party with whom the Group trades becomes insolvent, this could have an adverse impact on the Group's business, revenue, financial condition, profitability, prospects and results of operations.

1.34 Legal and regulatory change

This document has been prepared on the basis of current legislation, rules and practice and the Board's interpretation of the same. However, legislation, rules and practice may be subject to change at any time and any such legal and/or regulatory change may affect the Group's business, revenue, financial condition, profitability, prospects and results of operations. There is also a risk that the Board's interpretation of legislation, rules and practice may not be correct, which could also affect the Group's ability to comply with its legislative and regulatory obligations and could have a negative effect on the Group's reputation and its business, revenue, financial condition, prospects and results of operations.

1.35 Brexit

The Group is based in, and operates from, the United Kingdom but it interacts with customers and suppliers both inside and outside of the United Kingdom. The United Kingdom is set to exit the European Union. There are uncertainties in relation to the terms and the timeframe of this exit and the resulting impact on the fiscal, monetary and regulatory landscape in the United Kingdom, including the United Kingdom's tax system, the conduct of cross border business, and export and import tariffs. Any of these risks taken singularly or together could have a material adverse impact on the Group's business, revenue, financial condition, prospects and/or results of operations.

1.36 Currency risk

A large proportion of the Group's revenue is denominated in foreign currency, principally the US Dollar and Euro. Since the Group will report its financial results in sterling, fluctuations in rates of exchange between sterling and the non-sterling currencies, particularly US dollars, may have a material adverse effect on the Group's results of operations. The Group does not currently engage in any currency hedging transactions intended to reduce the effect of fluctuations in foreign currency exchange rates on its results of operations. If the Group were to determine that it was in its best interests to enter into any currency hedging transactions in the future, there can be no assurance that it will be able to do so or that such transactions, if entered into, would materially reduce the effect of fluctuations in foreign currency exchange rates on its results of operations. In addition, if, for any reason, exchange or price controls or other restrictions on the conversion of one currency into another currency were imposed, the Group's business could be adversely affected. There can be no assurance such fluctuations in the future will not have a material adverse effect on revenues from international sales, the

Group's profitability or the price competitiveness of its software and, consequently the Group's business, operating results and financial condition. Compensating or hedging for these risks sufficiently cannot be guaranteed and therefore negative exchange rate effects could materially adversely affect the Group's business, revenue, financial condition, prospects and/or results of operations.

1.37 Anti-bribery and corruption

The Group has an anti-bribery and corruption policy in place. However, if the regulator were to have a suspicion an offence had taken place, and it was found that it had, the Group could be liable under section 7 of the Bribery Act 2010 for failing to have adequate procedures in place to prevent bribery. This may in turn have a negative impact on the Group's reputation, business, financial condition and prospects.

1.38 Litigation risks

All industries are subject to legal claims, with and without merit. The Group may become involved in legal disputes in the future. Defence and settlement costs can be substantial, even with respect of claims that have no merit, and litigation can result in the diversion of technical and management personnel to the detriment of the Group's business. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding will not have an adverse effect on the Group's business, revenue, financial condition, profitability, prospects and results of operations.

2. RISKS RELATING TO THE INDUSTRY IN WHICH THE GROUP OPERATES

2.1 Failure of strategy execution market to grow at the rate expected

The Directors believe that there is strong evidence supporting the growth in the adoption of Strategy Execution software as set out in Part I of this document. However there can be no assurance that this growth will happen at the rate envisaged by the Directors. If the market fails to adopt Strategy Execution software at the rate envisaged then this will affect the Group's future success and adversely affect its business, prospects and results of operations and financial position.

2.2 The Group may face competition in a rapidly evolving market

The Group may face an increasing amount of competition in the future as the market expands, making entry to it more attractive. Whilst the Group has achieved its market position through a deep understanding of the market, and the 10 years of development of its i-nexus software which places the Group in a strong position, there is no guarantee that the Group's competitors and potential competitors (who may have significantly greater financial, marketing, service, support, technical and other resources than the Group) may be able to develop competing products, respond more quickly to changes in customer requirements and devote greater resources to the enhancement, promotion and sale of their products, which could have a negative impact and disadvantage the Group's business. The entry into the market of strong, well-funded competitors, including, but not limited to, in-house systems developed by either internal IT departments or third party consulting firms/system integrators could have a negative impact on sales volumes or profit margins achieved by the Company in the future.

3. FINANCIAL RISKS

3.1 Risks relating to growth plans

The Company's strategy depends upon market acceptance of its solution (as detailed in section 1 of this Part II) to support its growth plans. There is a risk that if the i-nexus solution is not accepted by the market as effectively as the Board anticipate, the Company's investment in

sales, marketing and development of the i-nexus solution may exceed revenue growth, which could likewise impact upon the Group's financial position and prospects.

3.2 Potential insufficient size and depth of finance team, level of IFRS expertise in-house and impact of IFRS15

The existing finance team may encounter difficulties with the additional reporting responsibilities attached to public companies. Although the Group has made and will continue to make hires to mitigate this risk, there is no guarantee that this approach will be successful. The Group's finance team may not also have sufficient IFRS expertise in-house, which may pose a risk, and, in particular, in respect of IFRS 15 (revenue recognition from contracts with customers), which will impact the Company for the first time in respect of its financial year ending 30 September 2019 onwards. IFRS 15 represents wide ranging changes in accounting and disclosure requirements in respect of how a company recognises its revenue. It is possible that a number of the Group's existing contracts are such that it requires a change in how the revenue is recognised as a result of the implementation and compliance with IFRS 15 which may impact on the reporting of the Group's financial information to a detrimental effect.

3.3 Costs of compliance with AIM corporate governance and accounting requirements

The costs of compliance with AIM corporate governance and accounting requirements are significant. In becoming a public company, the Company will be subject to enhanced requirements in relation to disclosure controls and procedures and internal control over financial reporting. The Company may incur significant costs associated with its public company reporting requirements, including costs associated with applicable AIM corporate governance requirements. The Company expects to incur significant legal and financial compliance costs as a result of these rules and regulations and if the Group does not comply with all applicable legal and regulatory requirements, this may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

3.4 Budgeting

Historically, the Group has experienced some difficulties in its budgeting process. This, along with some unexpected events, has led to adverse variances to Group budgets. More recently the process has been improved, but it is still inherently a process which is subject to uncertainty, and so budgets may not be met, which could have an adverse impact on the financial position of the Group.

3.5 Financial controls and internal reporting procedures

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

3.6 Estimates in financial statements

Preparation of consolidated financial statements requires the Group to use estimates and assumptions. Accounting for estimates requires management to use its judgement to determine the amount to be recorded on its financial statements in accordance with these estimates. The Group's accounting policies require management to make certain estimates and assumptions as to future events and circumstances. In addition, the carrying amounts of certain assets and liabilities are then determined based on estimates and assumptions of future events. If the estimates and assumptions are inaccurate, the Group may have to write down the value of

certain assets. On an ongoing basis, the Group re-evaluates its estimates and assumptions. However, the actual amounts could differ from these estimates and assumptions.

4. RISKS RELATING TO TAXATION

4.1 Taxation of returns from assets located outside of the UK may reduce any net return to investors

To the extent that the assets, company or business which the Company has or may acquire is or are established outside the United Kingdom, it is possible that any return the Company received from it may be reduced by irrecoverable foreign withholding or other local taxes and this may reduce any net return derived by investors from a shareholding in the Company.

4.2 Future changes in tax legislation applicable to the Group's entities may reduce net returns to Shareholders

The tax treatment of the Group is subject to changes in tax legislation or practices in territories in which Group entities are resident for tax purposes, or have a taxable presence. Such changes may include (but are not limited to) the taxation of operating income, investment income, dividends received or (in the specific context of withholding tax) interest, royalties or dividends paid. Any changes to tax legislation or practices in which the Group entities are resident for tax purposes may have a material adverse effect on the financial position of the Company, reducing net returns to Shareholders.

4.3 There can be no assurance that the Company will be able to make returns to Shareholders in a tax-efficient manner

The Company may be subject to tax on its income, profits, gains or distributions in a particular jurisdiction or jurisdictions. This could affect the post-tax returns for Shareholders (or Shareholders in certain jurisdictions). The level of return for Shareholders may also be adversely affected. Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends (if any). In addition, the Company may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for Shareholders.

4.4 Any change in the Company's tax status or in taxation law could negatively affect the Company's ability to provide returns to Shareholders

Statements in this document concerning the taxation of the Group or of Shareholders are based on current tax law and practice which is subject to change. The taxation of an investment in the Company also depends on the individual circumstances of the relevant Shareholder. It is recommended that all Shareholders seek professional tax advice in respect of their own tax position, if required.

4.5 EIS and VCT status

4.5.1 The Company has obtained advance assurance from HMRC that the Eligible Shares to be issued pursuant to the Placing will constitute a qualifying holding for VCTs under Chapter 4 Part 6 of the Income Tax Act 2007 and will satisfy the requirements for tax relief under EIS under Part 5 (EIS) and Part 6 (VCT) of the Income Tax Act 2007, and that the Ordinary Shares will be eligible shares for the purposes of section 173 and section 285 (3A) of the Income Tax Act 2007. The assurance is given on the basis of the legislation as enacted at the date that the assurance was given. In the event of any change to the legislation, which alters the Company's position and which takes effect on or before the date of any share issue, the assurance given by HMRC may not continue to apply.

4.5.2 The advance assurance only relates to the qualifying status of the Company and its Ordinary Shares and will not guarantee that any particular investment will be a qualifying holding for a VCT investor or that any particular investor will qualify for EIS relief in respect of an acquisition of Ordinary Shares. The continuing availability of EIS relief and the continuing status of the relevant Eligible Shares as a qualifying holding for VCT purposes will be conditional, amongst other things, on the Company continuing to satisfy the requirements for a qualifying company throughout the period of three years from the date of the investor making its investment (under EIS) and throughout the period the Ordinary Shares are held as a “qualifying holding” for VCT purposes. Neither the Company nor its Board nor the Company’s advisers is giving any warranties or undertakings that any relief under the EIS or the VCT qualifying status will be available in respect of the Placing, or that in due course such relief or status will not be withdrawn.

4.5.3 It is recommended that all Shareholders seek professional tax advice in respect of their own tax position, if required.

4.6 R&D expenditure

Historically, the Group has made R&D tax repayment claims. There is no certainty that it will continue to be entitled to make future claims for R&D tax credits, or that HMRC will not successfully challenge the historical claims made by the Group, and in such circumstances this may have a negative effect on the financial condition of the Group.

4.7 Historical tax losses

Historically, the Group has made tax losses which have been carried forward. These losses are only available to be carried forward and set off against profits generated from the same trade. To the extent this is not the case going forwards, such tax losses will not be available for off-set against future profits of the Group.

4.8 Transfer Pricing

The Group is currently eligible for the transfer pricing exemption for small and medium sized enterprises. Such exemption will cease once the Group reaches a certain size, and so it should ensure that all transactions with its US subsidiary company are conducted on an arm’s length basis in order to ensure this does not have a negative impact on the Group.

4.9 Historical tax compliance

Historically, the Group has not always been fully compliant in respect of its tax obligations, both in the UK and the US, and whilst the Directors do not consider these to be material non-compliance matters, the Group has made certain hires to mitigate this risk, although there is no guarantee that this approach will be successful.

5. RISKS RELATING TO THE ORDINARY SHARES

5.1 Valuation of ordinary shares

The Placing Price per Ordinary Share has been determined by the Company, and may not relate or correlate to the Group’s net asset value. There can be no guarantee that the Ordinary Shares will be able to achieve higher valuations or, if they do, that such higher valuations can be maintained, nor is there any guarantee that they will maintain their current value.

5.2 Suitability

Investment in the Ordinary Shares may not be suitable for all readers of this document. Readers are accordingly advised to consult a person authorised under FSMA who specialises in investments of this nature before making any investment decisions.

5.3 Investment in AIM-traded securities

- 5.3.1 Investment in shares traded on AIM involves a higher degree of risk, and such shares may be less liquid, than shares in companies which are listed on the Official List. The AIM Rules are less demanding than those rules that govern companies admitted to the Official List. It is emphasised that no application is being made for the admission of the Company's securities to the Official List. An investment in the Ordinary Shares may be difficult to realise. Prospective investors should be aware that the value of an investment in the Company may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company. Investors may therefore realise less than, or lose all of, their investment.
- 5.3.2 To date, there has been no public market for the Company's shares. An active public market in the Ordinary Shares may not develop or be sustained after the Placing. As such, investors may not be able to resell their Ordinary Shares at or above the Placing Price or at all and no assurance can be given that the market price of the Ordinary Shares will not decline below the Placing Price.
- 5.3.3 The securities markets have from time to time experienced significant fluctuations in price and volume that are not related to the operating performance of particular companies, and such market fluctuations may materially adversely affect the market price of the Ordinary Shares.

5.4 Share price volatility and liquidity

- 5.4.1 Admission to AIM should not be taken as implying that a liquid market for the Ordinary Shares will either develop or be sustained following Admission. The share price of quoted companies can be highly volatile and shareholdings can be illiquid.
- 5.4.2 The price at which the Ordinary Shares are quoted and the price which investors may realise for their Ordinary Shares will be influenced by a large number of factors, some specific to the Company and its operations and others which may affect quoted companies generally. These factors could include (but are not limited to) the performance of the Company and/or the Group, large purchases or sales of the Ordinary Shares, currency fluctuations, legislative changes and general economic, political, regulatory or social conditions.

5.5 Dilution

On the completion of the Placing, the holders of the Existing Ordinary Shares will experience dilution in their proportionate ownership and voting interests in the Group. If available, future financings to provide required capital may dilute Shareholders' proportionate ownership in the Company. The Company may raise capital in the future through public or private equity financings or by raising debt securities convertible into Ordinary Shares, or rights to acquire these securities. Any such issues may exclude the pre-emption rights pertaining to the then outstanding shares. If the Company raises amounts of capital by these or other means, it could cause dilution for the Company's existing Shareholders. Moreover, the further issue of Ordinary Shares could have a negative impact on the trading price and increase the volatility of the market price of the Ordinary Shares. The Company may also issue further Ordinary Shares, or create further options over Ordinary Shares, as part of its employee remuneration policy, which could in aggregate create a substantial dilution in the value of the Ordinary Shares and the proportion of the Company's share capital in which investors are interested.

5.6 Dividends

- 5.6.1 The Company is a holding company with substantially all of its operations conducted through its subsidiaries (and in particular I-Solutions Global). As at the date of this

document, the Group has no distributable reserves. The ability of the Company to pay dividends in the future will depend on, among other things, the Group's future profit, financial position, regulatory capital requirements, distributable reserves, working capital requirements, general economic conditions and other factors that the Directors deem significant from time to time. The Company's ability to pay dividends is also subject to the requirements of the laws of England and Wales, which permits the distribution of dividends only out of distributable reserves. Furthermore, because the Company is a holding company, the Company's ability to pay dividends depends primarily upon receipt of sufficient funds from its subsidiaries. Additionally, the payment of dividends by the Company may, in certain instances, be subject to statutory restrictions, and regulatory restraints or other potential and economic factors. The inability on the part of any of its subsidiaries to pay dividends would negatively affect the amount of funds available to the Company to pay dividends. There can therefore be no assurance as to the level of future dividends (if any) that may be paid by the Company.

5.6.2 There can be no assurance as to the level of future dividends or whether a dividend will ever be paid. Subject to compliance with the Act and the Articles, the declaration, payment and amount of any future dividends are subject to the discretion of the Board, and will depend on, *inter alia*: (1) applicable law and regulations; (2) future projects and plans; (3) the results of the Group's operations and having sufficient distributable reserves; (4) the Company's earnings, financial position, cash requirements, availability of profits and ability to access, and repatriate within the Group, cash flow and profits generated outside of the UK; and (5) any other factors that the Board may deem relevant. Consequently, investors may not receive any return on their investment unless they can sell their Ordinary Shares for a price greater than that which they paid for them.

5.6.3 In forming their dividend policy the Directors have taken, and following Admission will continue to take, into account *inter alia* the trading outlook for the foreseeable future, recent operating results, budgets for the following financial year, financial gearing, banking covenants and current capital requirements of the Group. Any material change or combination of changes to these factors may require a revision of this policy.

GENERAL RISKS

5.7 An investment in the Company is only suitable for investors capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which may result. A prospective investor should consider with care whether an investment in the Company is suitable for him in the light of his personal circumstances and the financial resources available to him.

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

5.9 The prices of shares and the income derived from them can go down as well as up. Past performance is not necessarily a guide to the future. There is no certainty and no representation or warranty is given by any person that the Company will be able to achieve any level of performance which has either been expressly or impliedly referred to in this document. This may adversely affect the Company's financial condition, prospects or the market price of the Ordinary Shares.

5.10 Changes in economic conditions including, for example, interest rates, currency exchange rates, rates of inflation, industry conditions, competition, political and diplomatic events and trends, tax laws and other factors can substantially and adversely affect equity investments and the Company's prospects.

The risks noted above do not necessarily comprise all of the risks potentially faced by the Company and are not intended to be presented in any assumed order of priority. Although the Board will seek to minimise the impact of the Risk Factors, investment in the Company should only be made by investors able to sustain a total loss of their investment. Potential investors are strongly recommended to consult an investment adviser authorised under FSMA who specialises in investments of this nature before making any decision to invest.

PART III

HISTORICAL FINANCIAL INFORMATION

PART (A): ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF I-SOLUTIONS GLOBAL LIMITED

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20 June 2018

Dear Sirs

i-nexus Global plc

Introduction

We report on the historical financial information as set out in Part III (B) of this document in relation to I-Solutions Global Limited. This historical financial information has been prepared under the accounting policies set out in note 2 for inclusion in the admission document dated 20 June 2018 of i-nexus Global plc ("Admission Document") in connection with the placing and admission of its share capital to trading on AIM. This report is required by paragraph (a) of Schedule Two of the AIM Rules for Companies and is given for the purpose of complying with that Schedule and for no other purpose.

Responsibility

The Directors of i-nexus Global plc are responsible for preparing the historical financial information on the basis set out in note 2 to the historical financial information and in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").

It is our responsibility to form an opinion as to whether the historical financial information gives a true and fair view, for the purposes of the Admission Document, and to report our opinion to you.

Save for any responsibility arising under paragraph (a) of Schedule Two of the AIM Rules for Companies to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Schedule Two of the AIM Rules, for Companies consenting to its inclusion in the Admission Document.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board. Our work included an assessment of evidence relevant to the amounts and disclosures in the historical financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the historical financial information and whether the accounting policies are appropriate, consistently applied and adequately disclosed.

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

Opinion

In our opinion, the historical financial information set out in Part III (B) gives, for the purposes of the Admission Document, a true and fair view of the state of the affairs of I-Solutions Global Limited, as at 30 September 2015, 2016 and 2017 and of its results and cash flows for the years ending 30 September 2015, 2016 and 2017 then ended in accordance with the basis of preparation and the accounting policies set out in note 2 to the historical financial information.

Declaration

We are responsible for this report as part of the Admission Document and declare that, having taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules for Companies.

Yours faithfully

Saffery Champness LLP

Chartered Accountants

PART (B): HISTORICAL FINANCIAL INFORMATION OF I-SOLUTIONS GLOBAL LIMITED

Consolidated statements of comprehensive income

	Note	30 September 2015 £	30 September 2016 £	30 September 2017 £
Revenue	4	3,380,498	3,413,100	4,113,180
Cost of sales		(1,187,412)	(1,369,100)	(1,259,262)
Gross profit		2,193,086	2,044,000	2,853,918
Administrative expenses	6	(2,706,654)	(3,167,130)	(3,229,795)
Operating loss	6	(513,568)	(1,123,130)	(375,877)
Adjusted EBITDA		(485,361)	(969,196)	(275,688)
Depreciation		(28,207)	(41,491)	(38,173)
Share based payment expense		—	(11,789)	(11,789)
Non-underlying items		—	(100,654)	(50,227)
Finance income	8	64	229	145
Finance costs	8	(115,428)	(154,256)	(86,562)
Loss before taxation		(628,932)	(1,277,157)	(462,294)
Taxation	11	214,181	278,739	290,879
Loss for the year		(414,751)	(998,418)	(171,415)
Other comprehensive income				
Exchange differences arising on translation of foreign operations		534	4,048	(14,036)
Total comprehensive loss for the year		(414,217)	(994,370)	(185,451)
Loss per share attributable to the ordinary equity holders of the company				
Basic and diluted loss per share	10	(£0.34)	(£0.75)	(£0.12)

Consolidated statements of financial position

		30 September 2015	30 September 2016	30 September 2017
	Note	£	£	£
ASSETS				
Non-current assets				
Property, plant and equipment	12	110,612	99,789	96,252
Total non-current assets		<u>110,612</u>	<u>99,789</u>	<u>96,252</u>
Current assets				
Trade and other receivables	13	746,972	769,774	1,501,011
Current tax receivable	14	215,576	305,348	278,876
Cash and cash equivalents	15	691,104	101,333	245,674
Total current assets		<u>1,653,652</u>	<u>1,176,455</u>	<u>2,025,561</u>
Total assets		<u>1,764,264</u>	<u>1,276,244</u>	<u>2,121,813</u>
EQUITY AND LIABILITIES				
Equity				
Share capital	19	1,212,677	1,417,216	1,417,216
Share premium	20	3,399,833	4,086,013	4,086,013
Shares to be issued	20	426,761	—	—
Capital redemption reserve	20	6,468,287	6,468,287	6,468,287
Share based payment reserve	20	—	11,789	23,578
Foreign exchange reserve	20	534	4,582	(9,454)
Accumulated losses	20	(13,137,552)	(14,135,970)	(14,307,385)
Total equity		<u>(1,629,460)</u>	<u>(2,148,083)</u>	<u>(2,321,745)</u>
Current liabilities				
Trade and other payables	16	604,240	838,510	1,028,504
Deferred income	17	1,429,627	1,616,097	2,554,995
Borrowings	18	116,573	470,068	310,831
Total current liabilities		<u>2,150,440</u>	<u>2,924,675</u>	<u>3,894,330</u>
Non-current liabilities				
Deferred income	17	119,966	—	—
Borrowings	18	1,123,318	499,652	549,228
Total non-current liabilities		<u>1,243,284</u>	<u>499,652</u>	<u>549,228</u>
Total equity and liabilities		<u>1,764,264</u>	<u>1,276,244</u>	<u>2,121,813</u>

Consolidated statements of changes in equity

	Share capital £	Share premium £	Shares to be issued £	Capital redemption £	Share based payment reserve £	Foreign exchange reserve £	Retained losses £	Total £
Balance at 1 October 2014	1,212,677	3,399,833	—	6,468,287	—	—	(12,722,801)	(1,642,004)
Comprehensive Income	—	—	—	—	—	—	(414,751)	(414,751)
Loss for the year	—	—	—	—	—	—	—	534
Other comprehensive income	—	—	—	—	—	534	—	534
Shares to be issued	—	—	426,761	—	—	—	—	426,761
Balance at 30 September 2015	1,212,677	3,399,833	426,761	6,468,287	—	534	(13,137,552)	(1,629,460)
Balance at 1 October 2015	1,212,677	3,399,833	426,761	6,468,287	—	534	(13,137,552)	(1,629,460)
Comprehensive Income	—	—	—	—	—	—	(998,418)	(998,418)
Loss for the year	—	—	—	—	—	—	—	4,048
Other comprehensive income	—	—	—	—	—	4,048	—	4,048
Issue of ordinary shares	204,539	—	(83,680)	—	—	—	—	120,859
Premium on shares issued in the year	—	686,180	(343,081)	—	—	—	—	343,099
Share based payment expense	—	—	—	—	11,789	—	—	11,789
Balance at 30 September 2016	1,417,216	4,086,013	—	6,468,287	11,789	4,582	(14,135,970)	(2,148,083)
Balance at 1 October 2016	1,417,216	4,086,013	—	6,468,287	11,789	4,582	(14,135,970)	(2,148,083)
Comprehensive Income	—	—	—	—	—	—	(171,415)	(171,415)
Loss for the year	—	—	—	—	—	—	—	(14,036)
Other comprehensive income	—	—	—	—	—	(14,036)	—	(14,036)
Share based payment expense	—	—	—	—	11,789	—	—	11,789
Balance at 30 September 2017	1,417,216	4,086,013	—	6,468,287	23,578	(9,454)	(14,307,385)	(2,321,745)

Consolidated cash flow statements

		30 September 2015	30 September 2016	30 September 2017
	Note	£	£	£
Cash flows from operating activities				
Loss before taxation		(628,932)	(1,277,157)	(462,294)
Adjustments for non-cash/non-operating items:				
Depreciation	12	28,207	41,491	38,173
Share based payment charges		—	11,789	11,789
Finance income	8	(64)	(229)	(145)
Finance charges	8	115,428	154,256	86,562
		<u>(485,361)</u>	<u>(1,069,850)</u>	<u>(325,915)</u>
Changes in working capital:				
Decrease/(increase) in trade and other receivables		427,632	(22,802)	(731,237)
(Decrease)/increase in trade and other payables		(710,740)	300,774	1,128,892
Cash (used in)/from operations		<u>(768,469)</u>	<u>(791,878)</u>	<u>71,740</u>
Taxation		263,091	188,967	317,351
Net cash (used in)/from operating activities		<u>(505,378)</u>	<u>(602,911)</u>	<u>389,091</u>
Cash flows from investing activities				
Purchase of property, plant and equipment		(17,176)	(30,668)	(34,636)
Interest received		64	229	145
Net cash used in investing activities		<u>(17,112)</u>	<u>(30,439)</u>	<u>(34,491)</u>
Cash flows from financing activities				
Proceeds from shares to be issued		426,761	—	—
Issue of ordinary shares		—	61,200	—
Proceeds from borrowings		800,000	245,660	375,000
Repayment of borrowings		—	(135,831)	(484,661)
Interest paid		(115,428)	(131,498)	(86,562)
Net cash from/(used in) financing activities		<u>1,111,333</u>	<u>39,531</u>	<u>(196,223)</u>
Net increase/(decrease) in cash and cash equivalents		588,843	(593,819)	158,377
Cash and cash equivalents beginning of period		101,727	691,104	101,333
Effect of foreign exchange rate changes		534	4,048	(14,036)
Cash and cash equivalents at end of period	15	<u>691,104</u>	<u>101,333</u>	<u>245,674</u>

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. General Information

I-Solutions Global Limited is a private company incorporated in England and Wales. I-Solutions Global Limited is domiciled in England and its registered office is I-Nexus Suite, George House, Herald Avenue, Coventry Business Park, Coventry, CV5 6UB.

The historical financial information consolidates that of I-Solutions Global Limited and its wholly owned subsidiary (together, "I-Solutions Group").

The principal activity of I-Solutions Group is that of development and sale of Enterprise cloud-based software on a software-as-a-service (SaaS) basis and associated maintenance, support, software customisation and professional consultancy services.

I-Solutions Group's historical consolidated financial information is presented for the years ended 30 September 2015, 30 September 2016 and 30 September 2017.

The principle accounting policies adopted by I-Solutions Group are set out in note 2.

2. Accounting policies

(a) Basis of preparation

The historical financial information presents the financial track record of I-Solutions Group for the three years ended 30 September 2015, 30 September 2016 and 30 September 2017. This financial information has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"), and with those parts of the Companies Act 2006 as applicable to companies reporting under IFRS.

This historical financial information is prepared in accordance with IFRS under the historical cost convention, as modified by the use of fair value for financial instruments measured at fair value. The historical financial information is presented in pounds sterling ("£") except where otherwise indicated.

The principal accounting policies adopted in the preparation of the historical financial information are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

(b) Going concern

This historical financial information relating to I-Solutions Group has been prepared on the going concern basis.

After making appropriate enquires, the directors of I-Solutions Global Limited (the "**I-Solutions Directors**") have a reasonable expectation that I-Solutions Group has adequate resources to continue in operational existence for the foreseeable future and for at least one year from the date of this historical financial information. For these reasons, they continue to adopt the going concern basis in preparing I-Solutions Group's historical financial information.

(c) New standards, amendments and interpretations

Standards, amendments and interpretations effective and adopted by I-Solutions Group:

The IFRS's applied to the historical financial information are those expected to be applicable, in so far as this is currently known, to I-Solutions Group's first annual financial statements post admission to the AIM market of the London Stock Exchange plc which will be for the year ending 30 September 2018.

The following new standards which have not been applied in this historical financial information were in issue but not yet effective:

- IFRS 9 “Financial instruments”, effective 1 January 2018;
- IFRS 15 “Revenue from contracts with customers”, effective 1 January 2018;
- IFRS 16 “Leases”, effective 1 January 2019; and
- IFRIC 23 “Uncertainty over income tax treatments”, effective 1 January 2019.

IFRS 9

I-Solutions Group is currently assessing the impact of IFRS 9 Financial Instruments (“**IFRS 9**”) to ensure compliance with the new standard. IFRS 9 includes a logical model for classification and measurement, a single forward looking expected loss impairment model, and a substantially reformed approach to hedge accounting. There may be potential additional impairment provisions for long term receivables in the future from the transition to an “expected loss model” however, as I-Solutions Group currently has no history of material aged receivables or bad debts, there is no material impact of transitioning to IFRS 9 expected.

IFRS 15

IFRS 15 introduces a five-step approach to revenue recognition based on the delivery of performance obligations and an assessment of when control is transferred. This differs from existing IAS 11 and IAS 18 which focus on the transfer of “risk and reward” as the point of recognition. I-Solutions Group is currently in the process of assessing the impact of implementation of the standard and therefore the full effect of the standard has not yet been determined. In order to determine the impact, I-Solutions Group is currently in the process of reviewing all of its customer contracts to ascertain how the new requirement will impact the identification of distinct goods and services and the allocation of consideration to them.

IFRS 16

IFRS 16 Leases requires lessees to recognise a lease liability reflecting future lease payments and a “right of use asset” for virtually all lease contracts. I-Solutions Group is currently in the process of assessing the impact of implementation of the standard and therefore the full effect of the standard has not yet been determined.

IFRIC 23

This interpretation covers how I-Solutions Group accounts for taxation, where there is some uncertainty over whether treatments in the tax return will be accepted by HMRC or the relevant overseas jurisdictions. Each uncertain treatment (or combination of treatments) is considered for whether it will be accepted, and if probable taxable profits/losses, tax bases, unused tax losses, unused tax credits and tax rates are accounted for consistently with the tax return. Otherwise I-Solutions Group accounts for each treatment using whichever of the two allowed measurement methods is expected to best predict the final outcome – the single most likely outcome or a probability weighted-average value of a range of possible outcomes. The new standard allows for two different transition approaches, fully retrospective and modified retrospective. I-Solutions Group has not yet concluded on a transition method and as such it is not possible to fully quantify the impact of IFRIC 23 at this stage, though it is not expected to be material.

(d) Adjusted EBITDA

Adjusted EBITDA is not a measure recognised under IFRS. The Directors consider that this measure may be helpful to potential investors and so it is shown.

Adjusted EBITDA is earnings before interest, tax, depreciation, amortisation, share based payment expense and non-underlying items (note 7).

(e) Basis of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which I-Solutions Group has control. I-Solutions Group controls an entity when I-Solutions Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to I-Solutions Group. They are deconsolidated from the date that control ceases. I-Solutions applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by I-Solutions Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Transactions eliminated on consolidation

Intra-group balances, and any gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the historical financial information. Losses are eliminated in the same way as gains, but only to the extent that there is no evidence of impairment.

(f) Segmental reporting

I-Solutions Group has one single business segment and four geographical segments, as set out in note 4. This is consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance, has been identified as the management team comprising the executive directors who make strategic decisions.

(g) Revenue recognition

Revenue comprises of fair value of consideration received/receivable, net of sales taxes and discounts.

Revenues are recognised to the extent that it is probable that the economic benefits will flow to I-Solutions Group and the revenue can be reliably measured. The following criteria must also be met before revenue is recognised:

- the amount of revenue can be measured reliably;
- is it probable that I-Solutions Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

The nature of revenues is license fee income (on a SaaS basis) and professional services.

License fee income

Revenue for annual licenses, support and maintenance is recognised on a straight-line basis over the duration of the contract.

Professional services income

Configuration and software customisation revenue is recognised on a percentage completion basis over the period during which the configuration or software customisation is completed, in line with IAS 18.

Setup, deployment, migration and report development revenue are recognised at the point of setup, deployment, migration or report development is completed. In the circumstances where an event spans two or more accounting periods, the entire revenue is recognised in the period when the event is completed, and the software has been accepted by the customer.

Revenue for training events is recognised at the point the training event is completed.

(h) Net finance costs

Finance costs

Finance costs comprise interest payable on borrowings, direct issue costs, dividends on preference shares and foreign exchange losses, and are expensed in the period in which they are incurred.

Finance income

Finance income comprises interest receivable on funds invested, and foreign exchange gains. Interest income is recognised in profit or loss as it accrues using the effective interest method.

(i) Employee benefits: Pension obligations

I-Solutions Group operates a defined contribution plan. A defined contribution plan is a pension plan under which I-Solutions Group pays fixed contributions into a separate entity. I-Solutions Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

I-Solutions Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(j) Property, plant and equipment

Owned assets

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. When parts of an item of property, plant and equipment have different useful lives, those components are accounted for as separate items of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to I-Solutions Group and the cost of the item can be measured reliably.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

Depreciation

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

- Land and buildings leasehold – 20 per cent. straight line, or lease life if shorter

- Fixtures, fittings and equipment – 25 per cent. reducing balance
- Computer equipment – 33 per cent. straight line

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the consolidated statement of comprehensive income.

(k) Intangible assets

Research and development expenditure

Research expenditure is recognised as an expense when it is incurred.

Development expenditure is recognised as an expense except that costs incurred on development projects are capitalised as intangible assets to the extent that such expenditure is expected to generate future economic benefits. Development expenditure is capitalised if, and only if an entity within I-Solutions Group can demonstrate all of the following:

- i) its ability to measure reliably the expenditure attributable to the asset under development;
- ii) the product or process is technically and commercially feasible;
- iii) its future economic benefits are probable;
- iv) its ability to use or sell the developed asset;
- v) the availability of adequate technical, financial and other resources to complete the asset under development; and
- vi) its intention to use or sell the developed asset.

Historically, no development expenditure has been capitalised, as the amount of total research and development expenditure deemed to meet all the criteria above has been immaterial and has therefore been recognised as an expense when it is incurred.

(l) Financial assets

Classification

I-Solutions Group classifies all of its financial assets as loans and receivables. Management determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments. They are initially recognised at fair value and are subsequently stated at amortised cost using the effective interest method.

Impairment of financial assets

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that I-Solutions Group will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired asset.

(m) Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

(n) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are de-recognised from the balance sheet when the obligation specified in the contract is discharged, is cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other operating income or finance costs.

Borrowings are classified as current liabilities unless I-Solutions Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(o) Compound financial instruments

Compound financial instruments issued by I-Solutions Group comprise venture debt which entitles the lender to warrant shares in I-Solutions Global at the drawdown of the loan. The liability component of compound financial instruments is initially recognised at the fair value by discounting the cash flows to net present value. The equity component would be initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component, however the I-Solutions Directors have concluded that the equity component is immaterial and therefore not recorded separately. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured. Interest related to the financial liability is recognised in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

(p) Provisions

A provision is recognised in the balance sheet when I-Solutions Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. The increase in the provision due to the passage of time is recognised in finance costs.

(q) Share capital

Ordinary shares are classified as equity. There is one class of ordinary share in issue, as detailed in note 19. Incremental costs directly attributable to the issue of new shares are shown in share premium as a deduction from the proceeds.

(r) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of I-Solutions Group at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with I-Solutions Group's general policy on borrowing costs (see below). Contingent rentals are recognised as expenses in the periods in which they are incurred.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. The costs associated with operating leases are taken to the income statement on an accruals basis over the period of the lease.

(s) Transactions and balances in foreign currencies

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

Overseas operations which have a functional currency different to the group presentation currency have been translated using the monthly average exchange rate for consolidation in to the statement of comprehensive income. The amounts included in the group statement of financial position, have been translated at the exchange rate ruling at the statement date. All resulting exchange differences are reported in other comprehensive income.

(t) Income tax

Income tax for the years presented comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts.

The following temporary differences are not recognised if they arise from a) the initial recognition of goodwill, and b) for the initial recognition of other assets or liabilities in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred income tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(u) Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of

the fair value of equity-settled share-based transactions are set out in note 21 to the historical financial information.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on I-Solutions Group's estimate of the number of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, I-Solutions Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the income statement such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to other reserves.

3. Significant accounting estimates and judgements

The preparation of I-Solutions Group's historical financial information under IFRS as endorsed by the EU requires the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities at the statement of financial position date, amounts reported for revenues and expenses during the year, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the assets or liability affected in the future.

Estimates and judgements are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

I-Solutions Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are detailed below.

a) Share based payment charges

The charge related to equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date they are granted, using an appropriate valuation model selected according to the terms and conditions of the grant. Judgement is applied in determining the most appropriate valuation model and in determining the inputs to the model. Third-party experts are engaged to advise in this area where necessary. Judgements are also applied in relation to estimations of the number of options which are expected to vest, by reference to historic leaver rates and expected outcomes under relevant performance conditions.

b) Research and Development expenditure

Development expenditure is recognised as an expense except that costs incurred on development projects are capitalised as intangible assets to the extent that such expenditure is expected to generate future economic benefits. Significant judgement is applied in determining if development cost meet the criteria to be capitalised as intangible assets. Historically, no development expenditure has been capitalised, as the amount of total research and development expenditure deemed to meet all the criteria has been immaterial and has therefore been recognised as an expense when it is incurred.

4. Segmental reporting

Primary reporting format – business segments

During the three years ended 30 September 2017, I-Solutions Group operated one business segment, that of the development and sale of Enterprise cloud-based software on a software-as-a-service (SaaS) basis and associated maintenance, support, software customisation and professional consultancy services. All revenues are from continuing operations and are not seasonal in nature.

Secondary reporting format – geographical segments

I-Solutions Group operates in four main geographic areas, although all are managed in the UK. I-Solutions Group's revenue per geographical segment is as follows:

	30 September 2015 £'000	30 September 2016 £'000	30 September 2017 £'000
United Kingdom	517	659	591
Rest of Europe	1,635	1,454	1,860
United States	1,183	1,247	1,288
Rest of the World	45	53	374
	<u>3,380</u>	<u>3,413</u>	<u>4,113</u>

All non-current assets are in the United Kingdom segment, in each of the years presented.

I-Solutions Group has three customers that represented more than 10 per cent. of revenue in each of the years presented, as detailed below:

	30 September 2015 £'000	30 September 2016 £'000	30 September 2017 £'000
Customer 1	481	533	636
Customer 2	372	383	401
Customer 3	483	338	278
	<u>4,113</u>	<u>3,413</u>	<u>4,113</u>

I-Solutions Group has two main revenue streams in each of the years presented, as detailed below:

	30 September 2015 £'000	30 September 2016 £'000	30 September 2017 £'000
License	2,630	2,700	3,365
Services	750	713	748
	<u>3,380</u>	<u>3,413</u>	<u>4,113</u>

5. Employee and directors

(a) Staff costs for I-Solutions Group during the year:

	30 September 2015 £	30 September 2016 £	30 September 2017 £
Wages and salaries	2,235,017	2,607,587	2,869,161
Social security costs	261,187	301,559	307,087
Other pension costs	1,873	17,615	37,380
Share based payment expense	—	11,789	11,789
	<u>2,498,077</u>	<u>2,938,550</u>	<u>3,225,417</u>

Average monthly number of people (including executive directors) employed by activity:

	<i>30 September</i> 2015 £	<i>30 September</i> 2016 £	<i>30 September</i> 2017 £
Senior management	7	7	7
Development, global services and other	32	40	41
	<u>39</u>	<u>47</u>	<u>48</u>

(b) Directors' emoluments

	<i>30 September</i> 2015 £	<i>30 September</i> 2016 £	<i>30 September</i> 2017 £
Salaries and fees	393,664	466,992	434,600
Post-employment benefits	203	2,884	3,644
Share based payment expense	—	10,713	10,713
Compensation for loss of office	—	67,520	—
	<u>393,867</u>	<u>548,109</u>	<u>448,957</u>

Three of I-Solutions Global's directors were in I-Solutions Global's defined contribution pension scheme during the periods above.

Highest paid director

	<i>30 September</i> 2015 £	<i>30 September</i> 2016 £	<i>30 September</i> 2017 £
Salaries and fees	133,479	118,588	157,500
Post-employment benefits	—	—	833
Share based payment expense	—	3,571	3,571
	<u>133,479</u>	<u>122,159</u>	<u>161,904</u>

(c) Key management compensation

The following table details the aggregate compensation paid in respect of the members of the board of directors.

	<i>30 September</i> 2015 £	<i>30 September</i> 2016 £	<i>30 September</i> 2017 £
Salaries and fees	393,664	466,992	434,600
Post-employment benefits	203	2,884	3,644
Share based payment expense	—	10,713	10,713
Compensation for loss of office	—	67,520	—
	<u>393,867</u>	<u>548,109</u>	<u>448,957</u>

Key management personnel include all directors who together have authority and responsibility for planning, directing, and controlling the activities of I-Solutions Group. Three directors were in I-Solutions Group's defined contribution pension scheme during the periods above.

6. Operating loss

Operating loss is stated after charging:

	30 September 2015 £	30 September 2016 £	30 September 2017 £
Depreciation			
– Owned property, plant and equipment	27,642	32,453	28,803
– Leased property, plant and equipment	565	9,038	9,370
Loss on foreign exchange transactions	35,483	51,500	43,724
Non-underlying items (note 7)	—	100,654	50,227
Operating lease costs	85,090	93,847	93,070
R&D costs	567,704	623,303	688,353
Auditor remuneration (note 9)	22,725	25,545	27,183

7. Non-underlying items

	30 September 2015 £	30 September 2016 £	30 September 2017 £
Ex gratia payments	—	100,654	50,227
	—	100,654	50,227

8. Finance income and finance costs

	30 September 2015 £	30 September 2016 £	30 September 2017 £
Interest receivable	64	229	145
Total finance income	64	229	145
Interest payable	115,428	154,256	86,562
Total finance costs	115,428	154,256	86,562

9. Auditor's remuneration

I-Solutions Group (including its subsidiary) obtained the following services from I-Solutions Global's auditors at costs as detailed below:

	30 September 2015 £	30 September 2016 £	30 September 2017 £
Fee payable to company's auditor and its associates for the audit of consolidated financial statements	18,000	18,500	18,600
Fees payable to company's auditor and its associates for other services:	4,725	7,045	8,583
	22,725	25,545	27,183

10. Loss per share

The loss per share has been calculated using the loss for the year and the weighted average number of ordinary shares outstanding during the year, as follows:

	<i>30 September 2015 £</i>	<i>30 September 2016 £</i>	<i>30 September 2017 £</i>
Loss for the period attributable to equity holders of the company	(414,751)	(998,418)	(171,415)
Weighted average number of ordinary shares	1,212,677	1,322,618	1,417,216
Loss per share	<u>(0.34)</u>	<u>(0.75)</u>	<u>(0.12)</u>

I-Solutions Global issued employee options over ordinary shares which are potentially dilutive. There is however no dilutive effect of these issued options as there is a loss for each of the periods concerned.

11. Taxation

	<i>30 September 2015 £</i>	<i>30 September 2016 £</i>	<i>30 September 2017 £</i>
Analysis of credit in year			
UK tax for the current financial year	(215,576)	(305,348)	(278,876)
Adjustments in respect of previous years	1,395	—	(16,650)
Total UK tax (credit)	(214,181)	(305,348)	(295,526)
Foreign tax for the current year	—	26,609	4,647
Total I-Solutions Group tax (credit)	(214,181)	(278,739)	(290,879)
Deferred tax	—	—	—
Tax per statement of comprehensive income	<u>(214,181)</u>	<u>(278,739)</u>	<u>(290,879)</u>

The tax credit for the year differs from the standard rate of corporation tax in the UK of 20 per cent. for the years ended 30 September 2015 and 2016, and 19.5 per cent. for the year ended 30 September 2017. The differences are explained below:

	<i>30 September 2015 £</i>	<i>30 September 2016 £</i>	<i>30 September 2017 £</i>
Loss on ordinary activities before tax	(628,932)	(1,277,157)	(462,294)
Tax using the group's domestic tax rates	(125,786)	(255,431)	(90,147)
Effects of:			
Expenses not deductible	2,027	1,257	687
Adjustments to tax credit in respect of prior years	1,395	—	(16,650)
R&D enhancement	213,696	284,853	296,592
Surrender for R&D tax credit	(297,347)	(321,998)	(375,395)
Other items	(8,166)	12,580	(105,966)
Total taxation credit	<u>(214,181)</u>	<u>(278,739)</u>	<u>(290,879)</u>

12. Property plant and equipment

	<i>Land and buildings £</i>	<i>Plant, machinery & other £</i>	<i>Total £</i>
Cost			
At 1 October 2014	24,304	327,483	351,787
Additions	40,702	17,176	57,878
At 30 September 2015	<u>65,006</u>	<u>344,659</u>	<u>409,665</u>
Depreciation			
At 1 October 2014	17,521	253,325	270,846
Charge for the year	565	27,642	28,207
At 30 September 2015	<u>18,086</u>	<u>280,967</u>	<u>299,053</u>
Net book amount			
At 30 September 2015	<u>46,920</u>	<u>63,692</u>	<u>110,612</u>
Cost			
At 1 October 2015	65,006	344,659	409,665
Additions	3,322	27,346	30,668
At 30 September 2016	<u>68,328</u>	<u>372,005</u>	<u>440,333</u>
Depreciation			
At 1 October 2015	18,086	280,967	299,053
Charge for the period	9,038	32,453	41,491
At 30 September 2016	<u>27,124</u>	<u>313,420</u>	<u>340,544</u>
Net book amount			
At 30 September 2016	<u>41,204</u>	<u>58,585</u>	<u>99,789</u>
Cost			
At 1 October 2016	68,328	372,005	440,333
Additions	—	34,636	34,636
At 30 September 2017	<u>68,328</u>	<u>406,641</u>	<u>474,969</u>
Depreciation			
At 1 October 2016	27,124	313,420	340,544
Charge for the period	9,370	28,803	38,173
At 30 September 2017	<u>36,494</u>	<u>342,223</u>	<u>378,717</u>
Net book amount			
At 30 September 2017	<u>31,834</u>	<u>64,418</u>	<u>96,252</u>

13. Trade and other receivables

	<i>30 September 2015 £</i>	<i>30 September 2016 £</i>	<i>30 September 2017 £</i>
Amounts falling due within one year:			
Trade receivables	324,961	539,497	1,102,659
Other receivables	180,025	39,844	132,750
Prepayments	241,986	190,433	265,602
	<u>746,972</u>	<u>769,774</u>	<u>1,501,011</u>

Analysis of trade receivables

	<i>30 days or less</i>	<i>31-60 days</i>	<i>61-90 days</i>	<i>90 days or more</i>	Total Gross	<i>Bad debt provision</i>	Total carrying amount
2017	852,626	86,516	102,032	61,485	1,102,659	—	1,102,659
2016	172,564	17,288	320,281	29,824	539,957	(460)	539,497
2015	152,615	21,237	57,251	95,798	326,901	(1,940)	324,961

I-Solutions Group allows an average debtor payment period of 30 days after the invoice date. It is I-Solutions Group's policy to assess receivables for recoverability on an individual basis and to make provision where it is considered necessary. In assessing recoverability, I-Solutions Group takes into account any indicators of impairment up to the reporting date. Historically, the need for bad debt provisions has been minimal.

14. Corporation tax receivable

	<i>30 September 2015 £</i>	<i>30 September 2016 £</i>	<i>30 September 2017 £</i>
Corporation tax receivable	215,576	305,348	278,876
	<u>215,576</u>	<u>305,348</u>	<u>278,876</u>

15. Cash and cash equivalents

	<i>30 September 2015 £</i>	<i>30 September 2016 £</i>	<i>30 September 2017 £</i>
Cash at bank and in hand	691,104	101,333	245,674
	<u>691,104</u>	<u>101,333</u>	<u>245,674</u>

All bank balances are denominated in Sterling.

16. Trade and other payables

	<i>30 September 2015 £</i>	<i>30 September 2016 £</i>	<i>30 September 2017 £</i>
Amounts falling due within one year:			
Trade payables	247,589	239,808	386,794
Provision for liabilities	40,702	40,702	40,702
Other taxation and social security	99,124	199,731	259,074
Accruals and other creditors	216,825	358,269	341,934
	<u>604,240</u>	<u>838,510</u>	<u>1,028,504</u>

Trade and other payables comprise amounts outstanding for trade purchases and on-going costs. All trade and other payables are due in less than 1 year. All balances are denominated in Sterling.

Provision for liabilities comprises the dilapidation provision for the lease, which is included in land and buildings in property, plant and equipment.

17. Deferred income

	30 September 2015 £	30 September 2016 £	30 September 2017 £
Amounts falling due after one year:			
Deferred income	119,966	—	—
	<u>119,966</u>	<u>—</u>	<u>—</u>
Amounts falling due within one year:			
Deferred income	1,429,627	1,616,097	2,554,995
	<u>1,429,627</u>	<u>1,616,097</u>	<u>2,554,995</u>

18. Borrowings

	30 September 2015 £	30 September 2016 £	30 September 2017 £
Non-current			
Venture debt	743,318	499,652	275,831
Shareholder loans	380,000	—	273,397
	<u>1,123,318</u>	<u>499,652</u>	<u>549,228</u>
Current			
Venture debt	56,682	224,408	202,228
Shareholder loans	59,891	245,660	108,603
	<u>116,573</u>	<u>470,068</u>	<u>310,831</u>
Total borrowings	<u>1,239,891</u>	<u>969,720</u>	<u>860,059</u>

The I-Solutions Directors consider the carrying value of all financial liabilities to be equivalent to their fair value.

Venture debt

The venture debt has a fixed interest rate of 11.5 per cent. per annum.

50,724 warrants were issued in conjunction with the drawdown of £800,000 of venture debt during the year ended 30 September 2015, and therefore the I-Solutions Directors have considered the requirements of both IAS 32, regarding issuing a debt instrument with detachable share warrants and IAS 39, regarding the measurement of financial assets and financial liabilities. The I-Solutions Directors have performed fair value calculations on the venture debt by discounting the cash flows to net present value and have concluded that the equity component embedded in the compound financial instrument to be immaterial to record separately from the liability component.

The venture debt has an interest only period of nine months and is repayable over thirty-six months, following the interest only period.

Shareholder loans

The shareholder loans have fixed interest rates of between 12 per cent. and 14 per cent. per annum.

The shareholder loans have an interest only period of nine months and are repayable over thirty-six months, following the interest only period.

In addition to the shareholder loans, there is a shareholder bridging loan with 12 per cent. per annum interest, repayable in July 2019.

19. Share capital

	30 September 2015	30 September 2016	30 September 2017
Allotted, called up and fully paid			
Opening number of £1 ordinary shares	1,212,677	1,212,677	1,417,216
Shares issued during the year for cash	—	95,680	—
Shares issued during the year on conversion of loans	—	108,859	—
Closing number of £1 ordinary shares	<u>1,212,677</u>	<u>1,417,216</u>	<u>1,417,216</u>
	30 September 2015 £	30 September 2016 £	30 September 2017 £
Allotted, called up and fully paid			
Opening share capital	1,212,677	1,212,677	1,417,216
Shares issued during the year for cash	—	95,680	—
Shares issued during the year on conversion of loans	—	108,859	—
Closing share capital	<u>1,212,677</u>	<u>1,417,216</u>	<u>1,417,216</u>

I-Solutions Global has one class of ordinary share with a nominal value of £1 each. The shares have attached to them full voting and dividend rights.

During the year ended 30 September 2016, I-Solutions Global issued 95,680 ordinary shares for £5.10 per share. I-Solutions Global received total cash proceeds of £487,961, £426,761 of which was received during the year ended 30 September 2015 with the remaining £61,200 received during the year ended 30 September 2016.

During the year ended 30 September 2016, I-Solutions Global issued 108,859 ordinary shares for £3.70 per share, on conversion of £380,000 of shareholders loans and £22,758 of accrued interest on these loans to equity.

20. Reserves

Share premium

Includes all current and prior period premiums on shares allotted.

Shares to be issued

Post year end 30 September 2015, I-Solutions Group allotted 95,680 shares on 16 October 2015. Proceeds of £426,761 that had been received pre-year end 30 September 2015 for 83,680 of these shares have been included in shares to be issued at 30 September 2015, and then moved to share capital and share premium when the shares were allotted in the year ended 30 September 2016.

Capital redemption reserve

This reserve relates to historic repurchases of preference shares.

Share based payment reserve

This reserve relates to amounts recognised for the fair value of share options granted in accordance with IFRS 2.

Foreign exchange reserve

This reserve relates to exchange differences arising on the translation of foreign subsidiary operations.

Retained losses

Includes all retained profits and losses.

21. Share based payments

Share options

I-Solutions Global has granted share options at its discretion to Directors and employees. These are accounted for as equity settled options.

Details for the share options granted, exercised, lapsed and outstanding at the end of each year are as follows:

	<i>Number of share options 2015</i>	<i>Weighted average exercise price 2015</i>	<i>Number of share options 2016</i>	<i>Weighted average exercise price 2016</i>	<i>Number of share options 2017</i>	<i>Weighted average exercise price 2017</i>
Outstanding at beginning of year	72,891	3.32	72,891	3.32	264,284	1.47
Granted during the year	—	—	210,863	1.00	—	—
Forfeited/lapsed during the year	—	—	(19,470)	3.36	(2,100)	3.36
Exercised during the year	—	—	—	—	—	—
Outstanding at end of the year	<u>72,891</u>	<u>3.32</u>	<u>264,284</u>	<u>1.47</u>	<u>262,184</u>	<u>1.45</u>
Exercisable at end of the year	<u>1,255</u>	<u>1.00</u>	<u>36,281</u>	<u>3.28</u>	<u>99,408</u>	<u>2.20</u>

Options arrangements that exist over I-Solutions Global's shares at the end of each year are detailed below.

<i>Date of Grant</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>Exercise price</i>	<i>Vesting</i>
6 March 2012	1,255	1,255	1,255	£1.00	30/01/2015
30 November 2013	16,227	16,227	16,227	£3.36	01/11/2015
30 November 2013	37,620	18,799	18,799	£3.36	31/12/2013
30 November 2014	17,789	17,470	15,370	£3.36	01/02/2016
01 September 2016	—	191,355	191,355	£1.00	Note 1
01 September 2016	—	19,178	19,178	£1.00	Note 2
Total	<u>72,891</u>	<u>264,284</u>	<u>262,184</u>		

Note 1 – 25 per cent. vested on 1 September 2016, 25 per cent. vested on 1 September 2017, 25 per cent. will vest on 1 September 2018 and 25 per cent. will vest on 1 September 2019 unless the Directors agree to accelerate vesting in the event a disqualifying event takes place.

Note 2 – These options will vest on 1 October 2019 unless the Directors agree to accelerate vesting pursuant to the terms of the options.

The share-based payment charges are based on the fair value of share options, measured using the Black-Scholes model, with the following inputs:

<i>Date of Grant</i>	<i>06/03/2012</i>	<i>30/11/2013</i>	<i>30/11/2014</i>	<i>01/09/2016</i>
Fair value of the shares of the Company at grant date	£1.00	£1.00	£1.00	£1.00
Exercise price	£1.00	£3.36	£3.36	£1.00
Expected volatility	25%	25%	25%	25%
Expected option life	5 years	5 years	5 years	5 years
Risk free interest rate	1.160%	1.544%	1.265%	0.211%

As I-Solutions Global was private when the options were granted, there is no historical data available in order to determine an expected volatility. Therefore, the expected volatility is based on the typical historical volatility of companies that are similar in size and activity to I-Solutions Global.

Share warrants

50,724 share warrants were issued in conjunction with the drawdown of £800,000 of venture debt during the year ended 30 September 2015, detailed in note 17. The Directors have performed fair value calculations on the venture debt by discounting the cash flows to net present value and have concluded that the equity component embedded in the compound financial instrument to be immaterial to record separately from the liability component.

22. Investment in subsidiaries

Principal subsidiary undertakings of the company

I-Solutions Global substantially owns directly or indirectly the whole of the issued and fully paid ordinary share capital of its subsidiary undertakings.

The subsidiary undertaking of I-Solutions Global is presented below:

<i>Subsidiary</i>	<i>Country of incorporation</i>	<i>Proportion of ordinary shares held by parent</i>	<i>Proportion of ordinary shares held by I-Solutions Group</i>	<i>Registered Address</i>
i-Nexus (America) Inc	USA	100%	100%	581 Boylston Street, Boston, MA 02116, USA

The subsidiary undertaking prepares financial statements to 30 September.

There are no restrictions on I-Solutions Global's ability to access or use the assets and settle the liabilities of I-Solutions Global's subsidiary.

23. Commitments and contingencies

(a) Capital commitments

There were no capital commitments at 30 September 2015, 30 September 2016 and 30 September 2017.

(b) Operating lease commitments

I-Solutions Group has one leased property under a non-cancellable operating lease agreement.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	<i>30 September</i> 2015 £	<i>30 September</i> 2016 £	<i>30 September</i> 2017 £
Within 1 year	93,847	89,000	89,000
Later than 1 year and less than 5 years	—	311,500	222,500
After 5 years	—	—	—
	<u>93,847</u>	<u>400,500</u>	<u>311,500</u>

The operating lease commitment for the rental of the property is calculated on a straight-line basis over the length of the lease.

24. Financial instruments – classification and measurement

Financial assets

Financial assets measured at amortised cost comprise trade receivables, other receivables and cash, as follows:

	<i>30 September</i> 2015 £	<i>30 September</i> 2016 £	<i>30 September</i> 2017 £
Trade receivables	324,961	539,437	1,102,659
Other receivables	180,025	39,844	132,750
Cash at bank	691,104	101,333	245,674
	<u>1,196,090</u>	<u>680,614</u>	<u>1,481,083</u>

Financial liabilities

Financial liabilities measured at amortised cost comprise trade payables, accruals and other loans, as follows:

	<i>30 September</i> 2015 £	<i>30 September</i> 2016 £	<i>30 September</i> 2017 £
Trade payables	247,589	239,808	386,794
Accruals	216,825	358,269	341,934
Other loans	1,239,891	969,720	860,059
	<u>1,704,305</u>	<u>1,567,797</u>	<u>1,588,787</u>

25. Financial instruments – risk management

Financial risk management

I-Solutions Group's activities expose it to a variety of financial risks: market risk (including cash flow interest rate risk), liquidity risk, credit risk and foreign exchange risk. Risk management is carried out by the board of directors. I-Solutions Group uses financial instruments to provide flexibility regarding its working capital requirements and to enable it to manage specific financial risks to which it is exposed.

(a) Market risk

i. Interest rate risk

Interest rate risk is the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest bearing assets including cash and cash equivalents are considered to be short-term liquid assets. It is I-Solutions Group's policy to settle trade payables within the credit terms allowed and I-Solutions Group does therefore not incur

interest on overdue balances. As the interest rates on both venture debt and shareholders loans are fixed, interest rate risk is considered to be very low and no sensitivity analysis has been prepared as the impact on the historical financial information would not be significant.

The interest rate profile of I-Solutions Group's borrowings is shown below:

Interest rate profile of interest bearing borrowings

	30 September 2015		30 September 2016		30 September 2017	
	Debt £	Interest rate	Debt £	Interest rate	Debt £	Interest rate
Fixed rate borrowings						
Venture debt	800,000	11.5%	724,060	11.5%	478,059	11.5%
Shareholder loans	439,891	12-14%	245,660	0%	382,000	12%
Weighted average cost of fixed rate borrowings		<u>12%</u>		<u>11.5%</u>		<u>12%</u>

(b) Liquidity risk

I-Solutions Group seeks to maintain sufficient cash balances. Management reviews cash flow forecasts on a regular basis to determine whether I-Solutions Group has sufficient cash reserves to meet future working capital requirements and to take advantage of business opportunities.

A maturity analysis of I-Solutions Group's borrowings is shown below:

	30 September 2015 £'000	30 September 2016 £'000	30 September 2017 £'000
Less than one year	116,573	470,068	310,831
One to two years	470,068	310,831	188,821
Two to five years	653,250	188,821	360,407
	<u>1,239,891</u>	<u>969,720</u>	<u>860,059</u>

Capital risk management

I-Solutions Group is both equity and debt funded and these two elements combine to make up the capital structure of the business. Equity comprises share capital, share premium and retained losses and is equal to the amount shown as 'Equity' in the balance sheet. Debt comprises various items which are set out in further detail above and in note 18.

I-Solutions Group's current objectives when maintaining capital are to:

- Safeguard I-Solutions Group's ability as a going concern so that it can continue to pursue its growth plans.
- Provide a reasonable expectation of future returns to shareholders.
- Maintain adequate financial flexibility to preserve its ability to meet financial obligations, both current and long term.

I-Solutions Group sets the amount of capital it requires in proportion to risk. I-Solutions Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust the capital structure, I-Solutions Group may issue new shares or sell assets to reduce debt.

During the years ended 30 September 2015, 30 September 2016 and 30 September 2017 I-Solutions Group's strategy remained unchanged.

(c) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to I-Solutions Group. In order to minimise the risk, I-Solutions Global endeavours only to deal with companies which are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored. The maximum exposure to credit risk is the carrying value of its financial receivables, trade and other receivables and cash and cash equivalents as disclosed in the notes.

I-Solutions Global does not consider that there is any concentration of risk within either trade or other receivables and any debt bad provisions in the years presented are not for significant amounts. I-Solutions Group holds no collateral or other credit enhancements. The receivables' age analysis is also evaluated on a regular basis for potential doubtful debts. It is the I-Solutions Directors' opinion that no further provision for doubtful debts is required.

Credit risk on cash and cash equivalents is considered to be very low as the counterparties are all substantial banks with high credit ratings.

(d) Foreign currency risk

Foreign currency risk refers to the risk that the value of a financial commitment or recognised asset or liability will fluctuate due to changes in foreign exchange rates. I-Solutions Group is also exposed to foreign exchange risk as a result of transactions denominated in US Dollars and Euros. I-Solutions Group maintains bank accounts in US Dollars and Euros in order to mitigate this risk.

26. Related party transactions

At 30 September 2015, I-Solutions Group owed loans amounting to £439,891 to shareholders and directors. Of this amount, £45,000 was owed to Alyson Levett and £50,000 was owed to Richard Cunningham, both of whom are directors of the Company. In addition, £60,000 of this amount was owed to Antrak Limited, a company in which Kevin Douglas, a director of I-Solutions Global, is also a director. The loans are interest bearing at an average of 13 per cent. per year. The loans are subject to a subordination agreement by which they can be repaid by I-Solutions Global without permission. These loans were converted in to share capital and I-Solutions Global received new loans during the year ended 30 September 2016.

I-Solutions Group also owed the following in directors' remuneration at the 30 September 2015: £1,500 and £13,500 to limited liability partnerships of which Kevin Douglas and Frank Bury respectively, are members.

Alyson Levett, Richard Cunningham, Antrak Limited and Frank Bury provided loans of £50,000 each during the year, secured against sales invoices and were repaid in full during the year. A £5,000 financing fee for each lender was charged during the year.

At 30 September 2016, I-Solutions Group owed loans amounting to £245,660, to shareholders and directors. Of this amount, £7,868 was owed to Alyson Levett, £7,792 was owed to Simon Crowther and £40,000 was owed to Richard Cunningham, all of whom are directors of I-Solutions Global. The loans are interest bearing at an average of 0 per cent. over the year. A financing fee of 5 per cent. was charged during the year amounting to £12,283.

I-Solutions Group also owed the following in directors' remuneration at the 30 September 2016: £14,555 to Alyson Levett, £3,243 to Paul Docherty and £15,079 to Simon Crowther as well as £9,000 and £13,500 to limited liability partnerships of which Kevin Douglas and Frank Bury respectively, are members.

At 30 September 2017, I-Solutions Group owed loans amounting to £382,000 to shareholders and directors. Of this amount, £20,300 was owed to Alyson Levett, £76,500 was owed to Richard Cunningham and £45,300 was owed to Simon Crowther, all of whom are directors of I-Solutions Global. In addition, £76,500 of this amount was owed to Antonia Bury, wife of Frank Bury, a director of I-Solutions Global and £153,000 and £20,400 was owed to Herald Investment and R.A.D.D. Ventures Ltd respectively, shareholders of I-Solutions Global.

I-Solutions Group also owed the following in directors' remuneration at the 30 September 2017: £25,000 to Alyson Levett, £28,000 to Paul Doherty and £35,000 to Simon Crowther.

**PART (C): UNAUDITED INTERIM FINANCIAL INFORMATION OF
I-SOLUTIONS GLOBAL LIMITED**

Consolidated statement of comprehensive income for the six months ended 31 March 2018

	Note	Six months ended 31 March 2018 £	Six months ended 31 March 2017 £
Revenue	3	2,264,939	2,110,109
Cost of sales		(727,442)	(606,278)
Gross profit		1,537,497	1,503,831
Administrative expenses		(1,854,708)	(1,559,637)
Operating loss		(317,211)	(55,806)
Adjusted EBITDA		(255,375)	7,701
<i>Depreciation</i>		(22,160)	(17,873)
<i>Share based payment expense</i>		(39,676)	(5,895)
<i>Non-underlying items</i>		—	(39,739)
Finance charges		(43,660)	(42,230)
Loss before taxation		(360,871)	(98,036)
Taxation	4	91,662	70,582
Loss for the period		(269,209)	(27,454)
Other comprehensive (loss)/income		(4,223)	258
Total comprehensive loss for the period		(273,432)	(27,196)
Loss per share attributable to the ordinary equity holders of I-Solutions Global			
<i>Basic and diluted loss per share</i>	5	(0.19)	(0.02)

Consolidated statement of financial position as at 31 March 2018

	As at 31 March 2018 £	As at 30 September 2017 £
<i>Note</i>		
ASSETS		
Non-current assets		
Property, plant and equipment	111,462	96,252
Total non-current assets	<u>111,462</u>	<u>96,252</u>
Current assets		
Trade and other receivables	1,662,643	1,501,011
Current tax receivable	73,702	278,876
Cash and cash equivalents	222,688	245,674
Total current assets	<u>1,959,033</u>	<u>2,025,561</u>
Total assets	<u>2,070,495</u>	<u>2,121,813</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	6 1,417,216	1,417,216
Share premium	4,086,013	4,086,013
Capital redemption reserve	6,468,287	6,468,287
Share based payment reserve	63,254	23,578
Foreign exchange reserve	(13,677)	(9,454)
Accumulated losses	(14,576,594)	(14,307,385)
Total equity	<u>(2,555,501)</u>	<u>(2,321,745)</u>
Current liabilities		
Trade and other payables	955,458	1,028,504
Deferred income	2,625,383	2,554,995
Borrowings	7 967,505	310,831
Total current liabilities	<u>4,548,346</u>	<u>3,894,330</u>
Non-current liabilities		
Borrowings	7 77,650	549,228
Total non-current liabilities	<u>77,650</u>	<u>549,228</u>
Total equity and liabilities	<u>2,070,495</u>	<u>2,121,813</u>

Consolidated statement of changes in equity for the six months ended 31 March 2018

	<i>Share capital</i> £	<i>Share premium</i> £	<i>Capital redemption reserve</i> £	<i>Share based payment reserve</i> £	<i>Foreign exchange reserve</i> £	<i>Retained earnings</i> £	<i>Total</i> £
Balance at 1 October 2016	1,417,216	4,086,013	6,468,287	11,789	4,582	(14,135,970)	(2,148,083)
Comprehensive Income							
Loss for the period	—	—	—	—		(27,454)	(27,454)
Other comprehensive income	—	—	—	—	258		258
Transactions with owners							
Share based payment expense	—	—	—	5,895	—	—	5,895
Balance at 31 March 2017	1,417,216	4,086,013	6,468,287	17,684	4,840	(14,163,424)	(2,169,384)
Balance at 1 October 2017	1,417,216	4,086,013	6,468,287	23,578	(9,454)	(14,307,385)	(2,321,745)
Comprehensive Income							
Loss for the period	—	—	—	—	—	(269,209)	(269,209)
Other comprehensive loss	—	—	—	—	(4,223)		(4,223)
Transactions with owners							
Share based payment expense	—	—	—	39,676	—	—	39,676
Balance at 31 March 2018	1,417,216	4,086,013	6,468,287	63,254	(13,677)	(14,576,594)	(2,555,501)

Consolidated cash flow statements for the six months ended 31 March 2018

	<i>Six months ended 31 March 2018 £</i>	<i>Six months ended 31 March 2017 £</i>
Cash flows from operating activities		
Loss before taxation	(360,871)	(98,036)
Adjustments for non-cash/non-operating items:		
Depreciation	22,160	17,873
Share based payment expense	39,676	5,895
Finance charges	43,660	42,230
	<u>(255,375)</u>	<u>(32,038)</u>
Changes in working capital:		
Increase in trade and other receivables	(143,936)	(475,703)
(Decrease)/increase in trade and other payables	(2,658)	701,196
	<u>(401,969)</u>	<u>193,455</u>
Cash (used in)/from operations	(401,969)	193,455
Taxation received	279,140	215,576
	<u>(122,829)</u>	<u>409,031</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(37,370)	(19,219)
	<u>(37,370)</u>	<u>(19,219)</u>
Cash flows from financing activities		
Proceeds from borrowings	500,000	27,500
Repayments of borrowings	(314,904)	(392,642)
Interest paid	(43,660)	(42,230)
	<u>141,436</u>	<u>(407,372)</u>
Net cash from/(used in) financing activities	141,436	(407,372)
Net decrease in cash and cash equivalents	(18,763)	(17,560)
Cash and cash equivalents beginning of period	245,674	101,333
Effect of foreign exchange rate changes	(4,223)	258
	<u>222,688</u>	<u>84,031</u>
Cash and cash equivalents at end of period	<u>222,688</u>	<u>84,031</u>

Notes to the unaudited interim financial information

1. Basis of preparation

The unaudited interim financial information presents the financial track record of I-Solutions Group for the six-month period to 31 March 2018. This financial information has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"), and with those parts of the Companies Act 2006 as applicable to companies reporting under IFRS.

This unaudited interim financial information is prepared in accordance with IFRS under the historical cost convention, as modified by the use of fair value for financial instruments measured at fair value. The unaudited interim financial information is presented in pounds sterling ("£") except where otherwise indicated.

I-Solutions Group has applied IFRS for the first time from 1 October 2014. The principles and requirements for first time adoption of IFRS are set out in IFRS 1. IFRS 1 allows certain exemptions in the application of particular standards to prior periods in order to assist companies with the transition process.

The principal accounting policies adopted in the preparation of the unaudited interim financial information are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

2. Significant accounting policies

The condensed consolidated financial statements have been prepared under the historical cost convention in accordance with International Financial Reporting Standards as adopted by the European Union. The accounting policies are consistent with those followed in the preparation of the historical financial information of I-Solutions Global for the years ended 30 September 2015, 30 September 2016 and 30 September 2017.

3. Segmental reporting

Primary reporting format – business segments

At 31 March 2018 I-Solutions Group operated one business segment, that of the development and sale of Enterprise cloud-based software on a software-as-a-service (SaaS) basis and associated maintenance, support, software customisation and professional consultancy services. All revenues are from continuing operations and are not seasonal in nature.

Secondary reporting format – geographical segments

I-Solutions Group operates in two main geographic areas, although all are managed in the UK. I-Solutions Group's revenue per geographical segment is as follows:

	<i>Six months ended 31 March 2018 £</i>	<i>Six months ended 31 March 2017 £</i>
United Kingdom	582,769	388,260
Rest of the world	1,682,170	1,721,849
	<u>2,264,939</u>	<u>2,110,109</u>

All I-Solutions Group's assets are held in the UK and all of its capital expenditure arises in the UK.

4. Taxation

	<i>Six months ended 31 March 2018 £</i>	<i>Six months ended 31 March 2017 £</i>
Analysis of credit in period		
Current tax credit for the period	(91,662)	(70,582)
Adjustments in respect of prior periods	—	—
Total current tax	<u>(91,662)</u>	<u>(70,582)</u>
Deferred tax	—	—
Tax credit per statement of comprehensive income	<u>(91,662)</u>	<u>(70,582)</u>

I-Solutions Group has accumulated losses available to carry forward against future trading profits. No deferred tax asset has been recognised in respect of tax losses since it is uncertain the balance sheet date as to whether future profits will be available against which the unused tax losses can be utilised.

5. Loss per share

The loss per share has been calculated using the loss for the year and the weighted average number of ordinary shares outstanding during the year, as follows:

	<i>Six months ended 31 March 2018 £</i>	<i>Six months ended 31 March 2017 £</i>
Loss for the period attributable to equity holders of the Parent Company	(269,209)	(27,454)
Weighted average number of ordinary shares	<u>1,417,213</u>	<u>1,417,213</u>
Loss per share	<u>(0.19)</u>	<u>(0.02)</u>

I-Solutions Global issued employee options over ordinary shares which are potentially dilutive. There is however no dilutive effect of these issued options as there is a loss for each of the periods concerned.

6. Called up share capital

	<i>2018 No.</i>	<i>2017 No.</i>
Allotted, called up and fully paid		
Ordinary shares of £1 each	<u>1,417,216</u>	<u>1,417,216</u>
	<i>31 March 2018 £</i>	<i>31 March 2017 £</i>
Allotted, called up and fully paid		
Ordinary shares of £1 each	<u>1,417,216</u>	<u>1,417,216</u>
	<u>1,417,216</u>	<u>1,417,216</u>

	<i>As at 31 March 2018 £</i>	<i>As at 30 September 2017 £</i>
Non-current		
Venture debt	77,650	344,090
Shareholder loans	—	205,138
	<u>77,650</u>	<u>549,228</u>
Current		
Venture debt	266,440	260,490
Shareholder loans	701,065	50,341
	<u>967,505</u>	<u>310,831</u>
Total borrowings and loans	<u>1,045,155</u>	<u>860,059</u>

7. Borrowings

The directors consider the carrying value of all financial liabilities to be equivalent to their fair value.

Venture debt

The venture debt has a fixed interest rate of the higher of 11.5 per cent. per annum or LIBOR plus 8 per cent. per annum.

Shareholder loans

The shareholder loans have fixed interest rates of between 11 per cent. and 12 per cent. per annum.

PART IV

ADDITIONAL INFORMATION

1. RESPONSIBILITY

- 1.1 The Directors, whose names appear on page 7 of this document, and the Company accept responsibility, both individually and collectively, for the information contained in this document. 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. All the Directors accept individual and collective responsibility for compliance with the AIM Rules.

2. THE COMPANY

- 2.1 The Company was incorporated and registered in England and Wales with registered number 11321642 on 20 April 2018 as a private company limited by shares under the name Broomco (4297) Limited. On 4 June 2018, the Company changed its name to i-nexus Global Limited, and on 18 June 2018 the Company was re-registered as a public limited company with the name i-nexus Global plc. The Group trades under the name 'i-nexus'.
- 2.2 The principal legislation under which the Company operates is the Act and regulations made under the Act. The liability of the Company's members is limited to the amount, if any, unpaid on their shares.
- 2.3 The Company does not have an authorised share capital.
- 2.4 The Company is domiciled in the United Kingdom. The registered office and principal place of business of the Company is at i-nexus, i-nexus Suite, George House, Herald Avenue, Coventry Business Park, Coventry, CV5 6UB (telephone number +44 (0) 845 607 0061). The Company's website is www.i-nexus.com.
- 2.5 The average monthly number of staff employed by the Group for the year ended 30 September 2017 was 51, with 48 being employees and 3 being non-executive directors. As at 19 June 2018, being the last practicable date prior to publication of this document, the Group had 57 full time staff, including its SVP Sales Europe (based in Switzerland) and SVP Sales Americas (based in Florida).
- 2.6 The following are the important events in the development of the Group's business:
- 2.6.1 I-Solutions Global Limited was incorporated and registered in England and Wales on 26 September 2001 as a private company limited by shares;
- 2.6.2 i-nexus (America), Inc. was incorporated in the State of Delaware on 2 January 2009 as a wholly-owned subsidiary of I-Solutions Global Limited;
- 2.6.3 the Company was incorporated on 20 April 2018 as detailed in paragraph 2.1 above;
- 2.6.4 on 25 May 2018, the Company became the holding company of I-Solutions Global Limited by means of the Share Capital Reorganisation, which is described more particularly in paragraph 4.3 below;
- 2.6.5 on 4 June 2018, the Company changed its name to i-nexus Global Limited;
- 2.6.6 on 18 June 2018, the Company was re-registered as a public limited company with the name i-nexus Global plc.

3. SUBSIDIARIES

The Company is the holding company of the Group. The following table contains details of the Company's principal subsidiaries:

<i>Company name</i>	<i>Principal activity</i>	<i>Country of incorporation</i>	<i>Percentage ownership</i>
I-Solutions Global Limited	Development and sale of enterprise cloud-based software on a SaaS basis and associated maintenance, support, software customisation and professional consultancy services	England	100 per cent.
i-Nexus (America), Inc.	Sale of computer software and associated maintenance, support, software customisation and services	USA	100 per cent. owned by I-Solutions Global Limited

4. SHARE CAPITAL

4.1 Set out below are details of the issued share capital of the Company (i) as at the date of this document and (ii) as it will be immediately following the Placing and Admission:

	<i>Present</i>		<i>Immediately following Admission</i>	
	<i>Number</i>	<i>Nominal value</i>	<i>Number</i>	<i>Nominal value</i>
Issued Ordinary Shares	16,547,710	£1,654,771.00	29,571,605	£2,957,160.50

4.2 On incorporation, the issued share capital of the Company was £1.00 divided into one ordinary share of £1.00.

4.3 The following changes to the issued share capital of the Company have either (i) taken place since incorporation or (ii) will take place prior to Admission:

4.3.1 on 20 April 2018, the Company was incorporated with one ordinary share of £1.00 held by Richard Cunningham;

4.3.2 on 25 May 2018, 1,417,215 ordinary shares of £1.00 each in the issued share capital of the Company were issued to the Shareholders in exchange for the transfer by them of the entire issued share capital of I-Solutions Global to the Company. The issued share capital of I-Solutions Global at that time was 1,417,216 ordinary shares, which were fully paid up;

4.3.3 on 8 June 2018, the Company granted a number of share options ("**Replacement Options**") over ordinary shares of £1.00 in consideration of the release of equivalent options previously granted by I-Solutions Global pursuant to the Historic Share Schemes;

4.3.4 On 18 June 2018, 1 ordinary share of £1.00 in the issued share capital of the Company was issued to Richard Cunningham in connection with the share exchange as more particularly described in paragraph 15.8.1 of Part IV of this document;

4.3.5 on 18 June 2018, the Company issued the New Warrant Instruments to Industrial Lending 1 S.A. (as nominee for Boost) as more particularly described in paragraph 15.5.2 of Part IV of this document;

- 4.3.6 on 18 June 2018, the issued share capital of 1,416,217 ordinary shares of £1.00 each was subdivided into 14,162,170 ordinary shares of £0.10 each. At the same time, the Board adjusted the Replacement Options on the same basis to reflect the subdivision;
- 4.3.7 on 18 June 2018, the Company issued, in aggregate, 2,186,920 Ordinary Shares to Paul Docherty, Simon Crowther and Alyson Levett in exchange for the transfer by them of the ordinary shares acquired by them in I-Solutions Global following the exercise by them on 18 June 2018 of certain share options granted to them pursuant to the Historic Share Schemes;
- 4.3.8 on 18 June 2018, the Company issued, in aggregate, 188,620 Ordinary Shares to Financiere De L'Audiovisuel and Aidan Paul in exchange for the transfer by them of the ordinary shares acquired by them in I-Solutions Global following the conversion of part or all of their bridging loans, as more particularly described in paragraph 15.6 of Part IV of this document;
- 4.3.9 immediately prior to, but conditional on Admission, the Company shall issue 691,940 Ordinary Shares to Industrial Lending 1 S.A. (as nominee for Boost) following the exercise of its warrants under the New Warrant Instruments (as more particularly described in paragraph 15.5.2 of Part IV of this document);
- 4.3.10 immediately prior to, but conditional on Admission, the Company shall issue 680,990 Ordinary Shares pursuant to the exercise of the Replacement Options.
- 4.4 The New Ordinary Shares will be allotted and issued in accordance with the following resolutions of the Company passed on 18 June 2018 and conditional on (but effective immediately prior to) Admission taking place not later than 31 October 2018, which:
- 4.4.1 pursuant to section 551 of the Act, the Directors be and are generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company, or to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of:
- 4.4.1.1 £1,165,096.80, in respect of the Placing; and
- 4.4.1.2 otherwise £985,720,
- provided that (unless previously revoked, varied or renewed), the authority set out in paragraph 4.4.1.1 above shall expire on 31 October 2018 and the authority set out in paragraph 4.4.1.2 above shall expire at the conclusion of the next annual general meeting of the Company or on the date which is 15 months from the date of the passing of this resolution (whichever is the earlier), save that the Company may make an offer or agreement before such authority expires which would or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after such authority expires and the Directors may allot shares or grant such rights pursuant to any such offer or agreement as if such authority had not expired. These authorities are in addition to any existing authorities under section 551 of the Act; and
- 4.4.2 that, subject to the passing of the resolutions referred to in paragraph 4.4.1 above and pursuant to section 570 of the Act, the Directors be and are generally empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authorities granted by the resolutions referred to in paragraph 4.4.1 above as if section 561 of the Act did not apply to such allotments, provided that these powers shall be limited to the allotment of equity securities:
- 4.4.2.1 referred to in the resolution referred to in paragraph 4.4.1.1 above;

4.4.2.2 otherwise than pursuant to the resolution referred to in 4.4.1.1 above, up to an aggregate nominal amount of £295,716,

and the power set out in paragraph 4.4.2.1 above shall expire on 31 October 2018 and the power set out in paragraph 4.4.2.2 above shall expire at the conclusion of the next annual general meeting of the Company or on the date which is 15 months from the date of the passing of this resolution (whichever is the earlier), save that the Company may make an offer or agreement before such authority expires which would or might require equity securities to be allotted for cash after such authority expires and the Directors may allot equity securities for cash pursuant to any such offer or agreement as if such power had not expired.

These powers are in addition to any existing powers under section 570 of the Act.

- 4.5 The provisions of section 561 of the Act confer on shareholders rights of pre-emption in respect of the allotment of securities which are, or are to be, paid up in cash (other than by way of allotments to employees under any employee share scheme as defined in section 1166 of the Act). Subject to certain limited exceptions, unless the approval of shareholders is obtained in a general meeting of the Company, the Company must normally offer Ordinary Shares to be issued for cash to existing shareholders on a *pro rata* basis.
- 4.6 By a resolution of the Board passed on 19 June 2018, it was resolved conditionally upon (but effective immediately prior to) Admission taking place prior to 31 July 2018, to allot the New Ordinary Shares for cash at the Placing Price.
- 4.7 Following Admission, the Company may grant options over Ordinary Shares representing up to 10 per cent. of the issued ordinary share capital of the Company from time to time under the New Share Scheme, on the terms described in paragraph 6 of this Part IV.
- 4.8 The Ordinary Shares in issue on Admission will be in registered form and, following Admission, will be capable of being held in Uncertificated Form. In the case of Ordinary Shares held in Uncertificated Form, the Articles permit the holding and transfer of Ordinary Shares under CREST. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument. The Directors have applied for the Ordinary Shares to be admitted to CREST. The records in respect of Ordinary Shares held in Uncertificated Form will be maintained by Euroclear UK & Ireland Limited and the Company's registrar, Share Registrars Limited (details of whom are set out on page 8 of this document).
- 4.9 It is anticipated that, where appropriate, share certificates will be despatched by first class post by ten business days following Admission. Temporary documents of title will not be issued. Prior to the despatch of definitive share certificates, transfers will be certified against the register.
- 4.10 The ISIN of the Ordinary Shares is GB00BDFDLT01, the SEDOL number is BDFDLT0, and the LEI code is 213800QGMSEXNLYTU292.
- 4.11 The legislation under which the New Ordinary Shares will be issued is the Act and regulations made under the Act.
- 4.12 The Ordinary Shares are denominated in pound sterling.
- 4.13 Following the Placing and Admission (assuming all the New Ordinary Shares are allotted pursuant to the Placing), the Existing Ordinary Shares will represent 56 per cent. of the Enlarged Share Capital.
- 4.14 Save as disclosed in this paragraph 4, as at the date of this document:
- 4.14.1 the Company did not hold any treasury shares and no Ordinary Shares were held by, or on behalf of, any member of the Group;

- 4.14.2 no shares have been issued otherwise than as fully paid;
- 4.14.3 the Company had no outstanding convertible securities, exchangeable securities or securities with warrants;
- 4.14.4 the Company has given no undertaking to increase its share capital; and
- 4.14.5 no capital of any member of the Group is under option or is agreed, conditionally or unconditionally, to be put under option.

5. ARTICLES OF ASSOCIATION

Articles of association

The Articles include provisions to the following effect:

5.1 Objects

Section 31 of the Act provides that the objects of a company are unrestricted unless any restrictions are set out in the articles. There are no such restrictions in the Articles and the objects of the Company are therefore unrestricted.

5.2 Voting rights

5.2.1 Subject to any rights or restrictions attached to any shares, on a show of hands:

5.2.1.1 every shareholder who is present in person has one vote;

5.2.1.2 every proxy present who has been duly appointed by one or more shareholders entitled to vote on the resolution(s) has one vote; and

5.2.1.3 a proxy has one vote for and one vote against the resolution(s) if he has been duly appointed by more than one shareholder and either (i) is instructed by one or more of those shareholders to vote for the resolution and by one or more others to vote against it; or (ii) is instructed by one or more of those shareholders to vote in one way and is given a discretion as to how to vote by one or more others (and wishes to use that discretion to vote in the other way).

5.2.2 Subject to any rights or restrictions attached to any shares, on a poll every shareholder present in person or by proxy shall have one vote for every share of which he is the holder.

5.2.3 Where there are joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote or votes of the other joint holder or holders. Seniority is determined by the order in which the names of the holders stand in the register.

5.2.4 Unless the Board otherwise determines, a shareholder shall not be entitled to vote unless all calls or other sums due from him in respect of shares in the Company have been paid.

5.3 Dividends

5.3.1 Subject to the Act and the Articles, the Company may by ordinary resolution declare dividends, but no such dividends shall exceed the amount recommended by the Board. Subject to the Act, the Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appear to the Board to be justified by the profits of the Company available for distribution.

- 5.3.2 Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up or credited as paid up (other than amounts paid in advance of calls) on the shares in respect of which the dividend is paid and shall be apportioned and paid proportionately to the amounts paid up on such shares during any portion or portions of the period in respect of which the dividend is paid.
- 5.3.3 Dividends may be declared or paid in whatever currency the Board decide. Unless otherwise provided by the rights attached to the shares, dividends shall not carry a right to receive interest.
- 5.3.4 All dividends unclaimed for a period of 12 years after having been declared or becoming due for payment shall be forfeited and cease to remain owing by the Company.
- 5.3.5 The Board may, with the authority of an ordinary resolution of the Company:
 - 5.3.5.1 offer holders of Ordinary Shares the right to elect to receive further Ordinary Shares, credited as fully paid, instead of cash in respect of all or part of any dividend or dividends specified by the ordinary resolution;
 - 5.3.5.2 direct that payment of all or part of any dividend declared may be satisfied by the distribution of specific assets.
- 5.3.6 There are no fixed or specified dates on which entitlements to dividends payable by the Company arise.

5.4 *Pre-emption rights*

In certain circumstances, shareholders may have statutory pre-emption rights under the Act in respect of the allotment of new shares in the Company. These statutory pre-emption rights would require the Company to offer new shares for allotment by existing shareholders on a *pro rata* basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory pre-emption rights would be set out in the documentation by which such shares would be offered to shareholders.

5.5 *Distribution of assets on a winding-up*

On a winding-up, the liquidator may, with the authority of a special resolution of the Company and any other sanction required by law, divide among the shareholders in kind the whole or any part of the assets of the Company and may value any assets and determine how the division shall be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the like sanction, transfer any part of the assets of the Company to trustees on such trusts for the benefit of shareholders as he may determine. The liquidator shall not, however (except with the consent of the shareholder concerned) distribute to a shareholder any asset to which there is attached a liability or potential liability for the owner.

5.6 *Transfer of shares*

- 5.6.1 Every transfer of shares which are in certificated form must be in writing in any usual form or in any form approved by the Board and shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee.
- 5.6.2 Every transfer of shares which are in Uncertificated Form must be made by means of a relevant system (such as CREST).
- 5.6.3 The Board may, in its absolute discretion and without giving any reason, refuse to register any transfer of certificated shares if: (a) it is in respect of a share which is not

fully paid up (provided that the refusal does not prevent dealings in the Company's shares from taking place on an open and proper basis); (b) it is in respect of more than one class of share; (c) it is not duly stamped (if so required); or (d) it is not delivered for registration to the registered office of the Company or such other place as the Board may from time to time determine, accompanied (except in the case of a transfer by a recognised person (as defined in the Articles) where a certificate has not been issued) by the relevant share certificate and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.

5.6.4 The Board may, in its absolute discretion and without giving any reason, refuse to register any transfer of shares which is in favour of: (a) a child, bankrupt or person of unsound mind; or (b) more than four joint transferees.

5.7 *Suspension of rights*

If a shareholder or any person appearing to be interested in shares held by such a shareholder has been duly served with a notice under section 793 of the Act and has failed in relation to any shares ("**default shares**") to give the Company the information thereby required within 14 days from the date of the notice, then, unless the Board otherwise determines, the shareholder shall not be entitled to vote or exercise any right conferred by membership in relation to meetings of the Company in respect of such default shares. Where the holding represents more than 0.25 per cent of the issued shares of that class (excluding any shares of that class held as treasury shares), the payment of dividends may be withheld and such shareholder shall not be entitled to transfer such shares other than by arm's length sale or unless the shareholder himself is not in default and the shareholder proves to the satisfaction of the Board that no person in default is interested in the shares the subject of the transfer.

5.8 *Untraced shareholders*

The Company is entitled to sell any share of a shareholder who is untraceable, provided that:

5.8.1 for a period of not less than 12 years (during which at least three cash dividends have been payable on the share), no cheque, warrant or money order sent to the shareholder has been cashed or all funds sent electronically have been returned;

5.8.2 at the end of such 12 year period, the Company has advertised in a national and local (ie the area in which the shareholder's registered address is situated) newspaper its intention to sell such share; and

5.8.3 the Company has not, during such 12 year period or in the three month period following the last of such advertisements, received any communication in respect of such share from the shareholder.

The Company shall be indebted to the former shareholder for an amount equal to the net proceeds of any such sale.

5.9 *Variation of class rights*

5.9.1 Subject to the Act, all or any of the rights or privileges attached to any class of shares in the Company may be varied or abrogated in such manner (if any) as may be provided by such rights, or, in the absence of any such provision, either with the consent in writing of the holders of at least three-fourths of the nominal amount of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of such holders of shares of that class, but not otherwise. The quorum at any such meeting (other than an adjourned meeting) is two persons holding or representing by proxy at least one-third in nominal amount of the issued shares of the class in question.

- 5.9.2 The rights attached to any class of shares shall not, unless otherwise expressly provided in the rights attaching to such shares, be deemed to be varied or abrogated by the creation or issue of shares ranking *pari passu* with or subsequent to them or by the purchase or redemption by the Company of any of its own shares.
- 5.10 *Share capital, changes in capital and purchase of own shares*
- 5.10.1 Subject to the Act and to the Articles, the power of the Company to allot and issue shares shall be exercised by the Board at such times and on such terms and conditions as the Board may determine.
- 5.10.2 Subject to the Articles and to any rights attached to any existing shares any share may be issued with such rights or restrictions as the Company may from time to time determine by ordinary resolution.
- 5.10.3 The Company may issue redeemable shares and the Board may determine the terms, conditions and manner of redemption of such shares, provided it does so before the shares are allotted.
- 5.11 *General meetings*
- 5.11.1 The Board may convene a general meeting whenever it thinks fit. Shareholders have a statutory right to requisition a general meeting in certain circumstances.
- 5.11.2 Pursuant to the Act, an annual general meeting shall be called on not less than 21 clear days' notice. All other general meetings shall be called by not less than 14 clear days' notice.
- 5.11.3 The quorum for a general meeting is two shareholders present in person or by proxy and entitled to vote.
- 5.11.4 The Board and, at any general meeting, the chairman of the meeting may make any arrangement and impose any requirement or restriction which it or he considers appropriate to ensure the security or orderly conduct of the meeting. This may include requirements for evidence of identity to be produced by those attending, the searching of their personal property and the restriction of items which may be taken into the meeting place.
- 5.12 *Appointment of directors*
- 5.12.1 Unless otherwise determined by ordinary resolution, there shall be no maximum number of directors, but the number of directors shall not be less than two.
- 5.12.2 Subject to the Act and the Articles, the Company may by ordinary resolution appoint any person who is willing to act as a director either as an additional director or to fill a vacancy. The Board may also appoint any person who is willing to act as a director, subject to the Act and the Articles. Any person appointed by the Board as a director will hold office only until conclusion of the next annual general meeting of the Company, unless he is re-elected during such meeting.
- 5.12.3 The Board may appoint any director to hold any employment or executive office in the Company and may also revoke or terminate any such appointment (without prejudice to any claim for damages for breach of any service contract between the director and the Company).
- 5.13 *Remuneration of directors*
- 5.13.1 The total of the fees paid to the non-executive directors for their services must not exceed £250,000 a year, unless otherwise determined by ordinary resolution. This

amount shall be automatically increased each year by the same amount as the increase in the General Index of Retail Prices. The Board may decide to pay additional remuneration to a non-executive director for services which the Board determines are outside the scope of the ordinary duties of a director, whether by way of additional fees, salary, percentage of profits or otherwise.

5.13.2 The salary or remuneration of executive directors shall be determined by the Board and may be either a fixed sum of money or may altogether or in part be governed by business done or profits made or otherwise determined by the Board.

5.13.3 Each director is entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in the performance of his duties as director.

5.14 *Retirement and removal of directors*

5.14.1 At each annual general meeting of the Company, one-third of the directors (or the number nearest to but not exceeding one-third if the number of directors is not a multiple of three) shall retire from office. In addition, any director who has been a director at each of the preceding two annual general meetings shall also retire. Each such director may, if eligible, offer himself for re-election. If the Company, at the meeting at which a director retires, does not fill the vacancy the retiring director shall, if willing, be deemed to have been reappointed unless it is expressly resolved not to fill the vacancy or a resolution for the reappointment of the director is put to the meeting and lost.

5.14.2 Without prejudice to the provisions of the Act, the Company may by ordinary resolution remove any director before the expiration of his period of office and may appoint by ordinary resolution appoint another director in his place.

5.15 *Directors' interests*

5.15.1 Subject to the Act and provided that he has disclosed to the directors the nature and extent of any interest, a director is able to enter into contracts or other arrangements with the Company, hold any other office (except auditor) with the Company or be a director, employee or otherwise interested in any company in which the Company is interested. Such a director shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any such office, employment, contract, arrangement or proposal.

5.15.2 Save as otherwise provided by the Articles, a director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board concerning any contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he (together with any person connected with him) is to his knowledge materially interested, directly or indirectly. Interests of which the director is not aware, interests which cannot reasonably be regarded as likely to give rise to a conflict of interest and interests arising purely as a result of an interest in the Company's shares, debentures or other securities are disregarded. However, a director can vote and be counted in the quorum where the resolution relates to any of the following:

5.15.2.1 the giving of any guarantee, security or indemnity in respect of (i) money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings or (ii) a debt or obligation of the Company or any of its subsidiary undertakings for which the director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

- 5.15.2.2 the participation of the director, in an offer of securities of the Company or any of its subsidiary undertakings, including participation in the underwriting or sub-underwriting of the offer;
 - 5.15.2.3 a proposal involving another company in which he and any persons connected with him has a direct or indirect interest of any kind, unless he and any persons connected with him hold an interest in shares representing one per cent or more of either any class of equity share capital, or the voting rights, in such company;
 - 5.15.2.4 any arrangement for the benefit of employees of the Company or of any of its subsidiary undertakings which does not award the director any privilege or benefit not generally awarded to the employees to whom such arrangement relates;
 - 5.15.2.5 any proposal concerning the purchase or maintenance of any insurance policy under which he may benefit; and
 - 5.15.2.6 any proposal concerning indemnities in favour of directors or the funding of expenditure by one or more directors on defending proceedings against such director(s).
- 5.15.3 A director shall not vote or be counted in the quorum on any resolution of the Board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested.
- 5.15.4 The Board may authorise any matter that would otherwise involve a Director breaching his duty under the Act to avoid conflicts of interest, provided that the interested director(s) do not vote or count in the quorum in relation to any resolution authorising the matter. The Board may authorise the relevant matter on such terms as it may determine including:
- 5.15.4.1 whether the interested director(s) may vote or be counted in the quorum in relation to any resolution relating to the relevant matter;
 - 5.15.4.2 the exclusion of the interested director(s) from all information and discussion by the Company of the relevant matter; and
 - 5.15.4.3 the imposition of confidentiality obligations on the interested director(s).

An interested director must act in accordance with any terms determined by the Board. An authorisation of a relevant matter may also provide that where the interested director obtains information that is confidential to a third party (other than through his position as director) he will not be obliged to disclose it to the Company or to use it in relation to the Company's affairs, if to do so would amount to a breach of that confidence.

5.16 *Powers of the directors*

- 5.16.1 The business of the Company shall be managed by the Board, which may exercise all the powers of the Company whether relating to the management of the business or not.
- 5.16.2 Subject to the provisions of the Act, the Board may exercise all the powers of the Company to borrow money, to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital, to issue debentures and other securities and to give security, either outright or as collateral security for any debt, liability or obligation

of the Company or of any third party. The Board shall restrict the borrowings of the Company and, insofar as it is able, of its subsidiary undertakings, so as to procure that the aggregate principal amount outstanding in respect of borrowings by the Group shall not, without an ordinary resolution of the Company, exceed a sum equal to five times the aggregate of the amount paid up or credited as paid up on the Company's issued share capital and the total amount standing to the credit of the capital and revenue reserves of the Group as shown in the latest audited balance sheet of the Group, after such adjustments and deductions as are specified in the Articles.

5.16.3 The Board may exercise all the powers of the Company to provide pensions or other retirement or superannuation benefits, death or disability benefits or other allowances or gratuities, by insurance or otherwise, for any person who is, or has at any time been, a director of or employed by or in the service of the Company or of any company which is a subsidiary company of the Company, or is allied to or associated with the Company or any such subsidiary, or any predecessor in business of the Company or any such subsidiary, and for any member of his family (including a spouse or former spouse) or any person who is, or was, dependent on him.

5.17 *Directors' indemnity and insurance*

5.17.1 Subject to the Act, each director of the Company and of any associated company may be indemnified against any liability.

5.17.2 Subject to the Act, the Board may purchase and maintain insurance against any liability for any director of the Company or of any associated company.

6. **SHARE SCHEMES**

6.1 **New share incentive plans**

On 18 June 2018, the Company adopted the following employee share plans ("**Share Plans**") which are to take effect conditionally upon Admission. Under the terms of each of the Share Plans, awards may be granted to employees and directors of the Group which entitle them to acquire Ordinary Shares subject to certain conditions:

6.1.1 the i-nexus Global plc Long Term Incentive Plan ("**LTIP**"); and

6.1.2 the i-nexus Global plc Employee Share Option Scheme ("**ESOS**").

Summaries of the key features of the Share Plans are set out in paragraphs 6.3 to 6.5 below.

6.2 **Historic Share Schemes**

With effect from Admission, there are no options outstanding under the Historic Share Schemes. No further options will be granted under the Historic Share Schemes following Admission.

6.3 **Long Term Incentive Plan**

6.3.1 *Overview*

On 18 June 2018, the Company adopted the LTIP conditionally upon Admission. Under the terms of the LTIP, awards in the form of options ("**Options**") over Ordinary Shares or conditional rights to acquire Ordinary Shares ("**Conditional Share Awards**") may be granted to employees and executive directors of the Group. The LTIP includes a schedule ("**EMI Schedule**") which permits, subject to the relevant statutory requirements being met, the grant of options intended to qualify as enterprise management incentive options ("**EMI Options**", and, together with Options and Conditional Share Awards, "**Awards**") pursuant to schedule 5 to the Income Tax (Earnings & Pensions) Act 2003 ("**Schedule 5**").

The Remuneration Committee will supervise the operation of the LTIP and will grant Awards under it.

Awards will be granted with a nil or nominal purchase or exercise price and will be subject to appropriate performance criteria. The current intention is that Awards will be granted with a purchase or exercise price equal to the nominal value of an Ordinary Share. However, if it is decided to grant Awards with a nil purchase price, an employee benefit trust will be established to facilitate the delivery of Ordinary Shares to participants in the LTIP at nil cost.

6.3.2 *Participation*

Participation in the LTIP is open to employees and executive directors of the Group.

It is the current intention that Awards will not be made under the LTIP until 2019.

6.3.3 *Individual participation limit*

The maximum value of Ordinary Shares over which Awards under the LTIP may be granted to a participant in any financial year of the Company may not in normal circumstances exceed 150 per cent. of his annual rate of base salary for that financial year, or such higher amount as the Remuneration Committee may determine, but not exceeding 250 per cent. of such annual rate of base salary.

6.3.4 *Performance targets and vesting*

Awards granted to executive directors will normally only vest after a minimum period of three years from the date of grant and will normally be subject to the achievement of appropriate performance conditions and will be subject to the participant continuing to be an employee or director of the Group at the time of vesting.

Performance conditions will be set by the Remuneration Committee at the date of grant of the Awards.

Where performance conditions have been set, if events subsequently happen which cause the Remuneration Committee to consider that any performance condition no longer represents a fair measure of performance, the Remuneration Committee may amend such performance condition so as to be more appropriate.

To the extent that any Award does not vest, it will forthwith lapse.

Awards which vest will normally be capable of exercise until the date which is ten years less one day from the date of grant.

6.3.5 *Malus and clawback*

The Remuneration Committee may determine on the grant of an Award that a term of the Award shall be that the Remuneration Committee may decide, at any time prior to the second anniversary of the vesting of an Award, that the number of Ordinary Shares subject to an unvested Award shall be reduced, or may require the participant to repay some or all of the value of an Award which has vested, on such basis as it determines to be fair and reasonable, if the Remuneration Committee determines that there has been a material misstatement in the audited accounts of any Group Company, that the assessment of any performance condition applicable to that Award was based on a material error, or materially inaccurate or misleading information, or in the case of action or conduct of the participant which amounts to fraud or gross misconduct or has a material detrimental effect on the reputation of the Group.

6.3.6 *EMI Schedule to the LTIP*

The EMI Schedule to the LTIP permits the Company to grant Options which are intended to qualify as EMI Options and as such would have tax advantages pursuant to the provisions of Schedule 5. Where such EMI Options are granted, the terms of the LTIP rules will apply save insofar as those terms are required to be modified in order to comply with Schedule 5. In particular:

- 6.3.6.1 the aggregate market value (at the date of grant) of Ordinary Shares subject to all outstanding EMI options (and any relevant tax-advantaged company share option plan (CSOP) options) held by any one employee may not exceed £249,990;
- 6.3.6.2 only employees who devote at least 25 hours per week or 75 per cent. of their total working time (if less) to the business of the Group are eligible to be granted EMI Options; and
- 6.3.6.3 in addition, if the Remuneration Committee determines that an event has occurred or may occur which is a disqualifying event for the purposes of Schedule 5 (meaning that anticipated tax benefits of the EMI Option may not be received), it shall have discretion to permit early exercise of the EMI Option to the extent vested at that time and subject to time pro-rating (but with discretion not to apply time-pro-rating).

6.4 **Employee Share Option Scheme**

6.4.1 *Overview*

On 18 June 2018, the Company adopted the ESOS conditionally upon Admission. Under the terms of the ESOS, awards in the form of options ("**ESOS Options**") over Ordinary Shares may be granted to employees and executive directors of the Group. Subject to the relevant statutory requirements being met, ESOS Options may be granted in the form of options intended to qualify as enterprise management incentive options pursuant to Schedule 5, or may be granted as non-tax-advantaged options.

The Board will supervise the operation of the ESOS and will grant Awards under it.

ESOS Options will be granted with an exercise price equal to the market value of an Ordinary Share at the date of grant.

6.4.2 *Participation*

Participation in the ESOS is open to employees and executive directors of the Group.

6.4.3 *Individual participation limit*

The maximum value of Ordinary Shares over which ESOS Options may be granted to a participant in any financial year of the Company may not in normal circumstances exceed 150 per cent. of his annual rate of base salary for that financial year, or such higher amount as the Remuneration Committee may determine, but not exceeding 250 per cent. of such annual rate of base salary.

6.4.4 *Vesting*

ESOS Options will normally only vest after a minimum period of three years from the date of grant. ESOS Options may be granted subject to performance conditions (and will be subject to performance conditions insofar as granted to executive directors). Exercise of ESOS Options will normally be subject to the participant continuing to be an employee or director of the Group at the time of exercise.

Performance conditions (if any) will be set by the Board at the time of grant of the ESOS Options.

Where performance conditions have been set, if events subsequently happen which cause the Remuneration Committee to consider that any performance condition no longer represents a fair measure of performance, the Remuneration Committee may amend such performance condition so as to be more appropriate.

To the extent that any ESOS Option does not vest, it will forthwith lapse.

ESOS Options which vest will normally be capable of exercise until the date which is ten years less one day from the date of grant.

- 6.4.5 The Board may determine that an ESOS Option shall be subject to similar malus and clawback provisions as apply to LTIP Awards (summarised in paragraph 6.3.5 above).

6.5 Features common to both Share Plans

The following features are common to both Share Plans. In this section 6.5 references to Awards are to Awards under the LTIP and to ESOS Options.

6.5.1 *Dilution limits*

The maximum number of new Ordinary Shares over which awards may be granted under the Share Plans in any 10 year period may not exceed 10 per cent. of the number of Ordinary Shares in issue from time to time.

For so long as institutional guidelines recommend, Ordinary Shares transferred from treasury to satisfy awards will count as newly issued shares for these purposes.

Awards which have lapsed or been surrendered will not count towards this dilution limit, nor will any Ordinary Shares issued pursuant to share incentive arrangements operated by the Group prior to Admission.

6.5.2 *Timing of grant of awards*

Generally, Awards can only be made in the 42 day period following the adoption of the relevant Share Plan and thereafter, only in the 42 day period immediately following a closed period within the meaning in the Market Abuse Regulation. However, in circumstances which the Remuneration Committee (or Board, as the case may be) considers exceptional, Awards may be made outside these 42 day periods.

6.5.3 *Ceasing to be an employee*

A participant who ceases to be an employee or director within the Group will normally forfeit any unvested Awards.

However, if a participant leaves as a result of death, ill health, injury or disability, redundancy, retirement, the sale of the employing company or business out of the Group or for any other reason determined by the Remuneration Committee (or Board, as the case may be) ("**Good Leaver**"), that participant (or his personal representatives if the participant has died) will be allowed to retain his unvested Awards which will vest, subject to the achievement of any applicable performance conditions, on the normal vesting date as if that participant had continued in employment within the Group. However, the number of Ordinary Shares in respect of which the Award vests will then be reduced on a *pro rata* basis to take account of the period of time since the date of grant during which the participant was not an employee or director of the Group (unless the Remuneration Committee (or Board, as the case may be) determines not to apply such pro-rating and to allow vesting to a greater or lesser extent).

Notwithstanding this, the Remuneration Committee (or Board) may instead determine that an Award granted to a Good Leaver may vest early when he leaves, to the extent to which, at the date of cessation of employment, the performance conditions

applicable to that Award have been satisfied (as determined by the Remuneration Committee acting reasonably), and on a pro-rata basis taking into account the period of time which has elapsed since the Award was granted (unless the Remuneration Committee (or Board, as the case may be) determines not to apply such pro-rating and to allow vesting to a greater or lesser extent).

In the case of an Award which takes the form of an Option, to the extent that the Option held by a Good Leaver has vested or vests, it may be exercised for a period of six months following the date of cessation of employment, or following vesting if later, (or such longer period as the Remuneration Committee (or Board, as the case may be) determines) and will otherwise lapse at the end of that period. If a participant has died, any Option held by him which has vested or vests following his death may be exercised for a period of 12 months following his death, or following the date of vesting, if later, and will otherwise lapse at the end of that period.

A participant who leaves and is not a Good Leaver will forfeit any unvested Awards. A participant who is dismissed for cause or who leaves in circumstances entitling the Group to dismiss him for cause will also forfeit any vested Options.

6.5.4 *Change of control and other corporate events*

If there is a change of control of the Company, or a court-sanctioned compromise or arrangement, or a voluntary winding up before an Award vests, the Award will vest early (and in the case of an Option, may be exercised early). The number of Ordinary Shares in respect of which an Award will vest will be calculated on the basis of the extent to which the performance conditions applicable to the Award has been satisfied as at the date of the change of control or other event. The resulting number of Ordinary Shares will then be reduced on a *pro rata* basis to reflect the reduced period between the date the Award was granted and the date of the change of control (or other event), unless the Remuneration Committee (or Board, as the case may be) decides otherwise.

Where appropriate, for example in the case of an amalgamation or reconstruction of the Company, with the consent of the acquiring company, participants may be required or allowed to exchange Options so as to operate over shares in the acquiring company.

On the occurrence of any demerger, distribution or other transaction of the Company which in the reasonable opinion of the Remuneration Committee (or Board, as the case may be) may materially affect the value of any Awards, the Remuneration Committee (or Board) may vary or alter in any manner whatsoever the terms of any Award. Such alteration may include amending any performance condition and/or the terms on which an Option vests, and may provide for immediate vesting on such event.

6.5.5 *Rights attaching to Ordinary Shares*

Awards will not confer any shareholder rights on participants until Awards have vested and the participants have received their Ordinary Shares.

Any Ordinary Shares allotted pursuant to an Award will rank equally with all other Ordinary Shares then in issue (except for rights arising by reference to a record date prior to their allotment).

6.5.6 *Taxation*

Under the terms of the Share Plans, the participant agrees to pay to the relevant company in the Group the amount of any income tax and social security contributions which the relevant company in the Group is required to withhold and/or account for to any fiscal authority in respect of his Awards. To the extent permitted by law, such tax and social security liabilities may be deducted from other payments due to the participant and the relevant company in the Group may withhold and sell Ordinary

Shares to which the participant would otherwise be entitled under the Share Plan to raise funds in order to meet such liabilities. To the extent permitted by law, such social security contributions may include employer contributions.

6.5.7 *Variation of share capital*

In the event of any increase or variation of share capital by way of capitalisation, rights issue, sub-division, consolidation or reduction of share capital or otherwise, the number and/or description of Ordinary Shares over which an Award has been made, and any purchase price in respect of such Awards and other terms of the Awards may be adjusted by the Remuneration Committee (or Board, as the case may be) as it determines to be appropriate (provided that no adjustment shall result in Ordinary Shares being issued at less than nominal value unless the Company is authorised to capitalise an amount from reserves to meet the shortfall and to apply such amount in paying up the Ordinary Shares).

6.5.8 *Amendment of the Share Plans*

The terms of the Share Plans may be amended by the Remuneration Committee (or Board, as the case may be).

No alterations may be made to the material disadvantage of any participant or in respect of any rights already acquired by him (other than a change in any performance condition) without his consent.

The Share Plans may also be extended to overseas employees of the Group, subject to such modifications as it considers appropriate to take into account local tax, exchange control, securities laws or other regulatory requirements.

6.5.9 *Benefits not pensionable*

None of the benefits which may be received under the Share Plans will be pensionable.

6.5.10 *Term of the Share Plans*

The life of the Share Plans will be ten years and no Awards may therefore be granted more than ten years after the date on which the relevant Share Plan was approved by Shareholders.

7. DIRECTORS' AND OTHER MAJOR SHAREHOLDERS INTERESTS

7.1 As at the date of this document and immediately following Admission, the interests (all of which are beneficial unless otherwise stated), whether direct or indirect, of the Directors and their families (within the meaning set out in the AIM Rules) in the issued share capital of the Company and the existence of which is known to or could, with reasonable diligence, be ascertained by that Director, are as follows:

	<i>Before Admission¹</i>		<i>Following Admission</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of Existing Shares</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Enlarged Share Capital</i>
<i>Director (or family member)</i>				
Simon Peter Crowther	940,870	5.69	854,475	2.89
Paul Thomas Docherty	861,840	5.21	848,929	2.87
Alyson Margaret Levett	818,780	4.95	763,796	2.58
Richard Hugh Cunningham	1,029,360	6.22	1,029,360	3.48
Alice Cunningham	7,740	0.05	7,740	0.03
James Davies	—	—	—	—
Nigel Halkes	—	—	6,331	0.02

¹ NB: These figures are post-sub-division

- 7.2 Save as disclosed in paragraph 7.1 above, none of the Directors has any interest in the share capital of the Company or of any of its subsidiaries nor does any member of his or her family (within the meaning set out in the AIM Rules) have any such interest, whether beneficial or non-beneficial.
- 7.3 As at 19 June 2018 (being the last practicable date prior to the publication of this document) and so far as the Directors are aware, the only persons (other than any Director) who are or will be interested, directly or indirectly, in three per cent. or more of the issued share capital of the Company prior to and immediately following Admission are as follows:

<i>Shareholder</i>	<i>Before Admission¹</i>		<i>Following Admission</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of Existing Shares</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Enlarged Share Capital</i>
Herald Investment Management Limited ²	3,896,350	23.28	4,031,450	13.63
Antrak Limited	1,852,210	11.07	1,852,210	6.26
Bury Fitzwilliam-Lay and Partners LLP	1,459,460	8.72	1,459,460	4.94
The Capital for Enterprise Fund LP	889,080	5.31	889,080	3.01
Kontor Investments Limited	523,790	3.13	523,790	1.77
Amati Global Investors Limited	Nil	Nil	3,164,557	10.70
Alto Invest	Nil	Nil	3,164,557	10.70
Hargreave Hale Limited	Nil	Nil	2,658,228	8.99
LivingBridge EP LLP	Nil	Nil	1,582,279	5.35
Chelverton Asset Management Limited	Nil	Nil	1,139,241	3.85

¹ NB: These figures are post-sub-division

² This total holding includes the shareholding of all entities ultimately controlled by Herald Investment Management Limited.

- 7.4 The Company and the Directors are not aware of (i) any persons who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company, nor (ii) any arrangements the operation of which may at a subsequent date result in a change in control of the Company.
- 7.5 The voting rights of the persons listed in paragraph 7.3 do not differ from the voting rights of any other holder of Ordinary Shares.
- 7.6 Save as disclosed in paragraph 15.7, there are no outstanding loans granted by any member of the Group to any Director nor are there any guarantees provided by any member of the Group for the benefit of any Director.
- 7.7 The Directors hold the following directorships and are partners in the following partnerships and have held the following directorships and been partners in the following partnerships within the five years prior to the date of this document:

<i>Director</i>	<i>Current</i>	<i>Previous</i>
Simon Peter Crowther	I-Solutions Global Limited	None
Richard Hugh Cunningham	I-Solutions Global Limited, Maidwell Hall School, Commontime Limited, Viewber Limited	None
James Davies	I-Solutions Global Limited	None
Paul Thomas Docherty	I-Solutions Global Limited	None
Alyson Margaret Levett	I-Solutions Global Limited	AML Financial Consultancy Limited

<i>Director</i>	<i>Current</i>	<i>Previous</i>
Nigel Halkes	Hargreaves Services plc, Polka Children's Theatre Limited, The EY Foundation	Ernst & Young LLP, Ernst & Young Europe LLP, Management Consulting Group PLC, FreeAgent Holdings plc

7.8 As at the date of this document no Director:

- 7.8.1 has any unspent convictions in relation to any indictable offences; or
- 7.8.2 has been bankrupt or entered into an individual voluntary arrangement; or
- 7.8.3 was a director of any company at the time of or within 12 months preceding any receivership, compulsory liquidation, creditors voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with that company's creditors generally or with any class of its creditors; or
- 7.8.4 has been a partner in a partnership at the time of or within 12 months preceding any compulsory liquidation, administration or partnership voluntary arrangement of such partnership; or
- 7.8.5 has had his assets the subject of any receivership or has been a partner of a partnership at the time of or within 12 months preceding any assets thereof being the subject of a receivership; or
- 7.8.6 has been subject to any public criticism by any statutory or regulatory authority (including any recognised professional body) nor has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of a company.

8. DIRECTORS' SERVICE AGREEMENTS AND LETTERS OF APPOINTMENT

8.1 Each of the executive Directors has a service agreement with the Company. Details of these service agreements are set out below:

<i>Director</i>	<i>Date of agreement</i>	<i>Current salary (per annum)</i>
Simon Crowther	1 April 2016	£140,000
Alyson Levett	1 April 2016	£128,600
Paul Docherty	1 April 2016	£128,600

Each Director is appointed on a permanent basis with a requirement to give and receive 6 months' notice of termination (except where the Company is entitled to terminate without notice). Benefits under the service agreements for all of the Directors include a discretionary bonus, permanent health insurance, life assurance cover at a rate of 3 x salary and private medical insurance for each Director and their family. The service agreements also contain the ability for the Company to place the Directors on garden leave during their notice period or to make a payment in lieu of notice. There are also provisions contained in each Director's service agreement which, in the event of termination, restrict the Director from soliciting or dealing with the Group's customers, from poaching key employees, and from being involved in any capacity with any business which competes with the Group. Each of these restrictions are intended to apply for a period of 12 months following the termination of their employment. The service agreements also contain provisions which, *inter alia*, restrict the disclosure of confidential information and protect the Group's intellectual property rights.

Richard Hugh Cunningham was appointed a non-executive Director and Chairman of the Company by letter of appointment dated 4 June 2018. The appointment is for a period of 36 months with effect from 23 May 2018 (subject to re-election at the next annual general meeting) unless terminated earlier by either party giving to the other 3 months prior written notice. The fee payable for Richard's services as a non-executive Director is £48,000 per annum and is subject to annual review.

James Davies was appointed a non-executive Director of the Company by letter of appointment dated 4 June 2018. The appointment is for a period of 36 months with effect from 23 May 2018 (subject to re-election at the next annual general meeting) unless terminated earlier by either party giving to the other 3 months prior written notice. The fee payable for James' services as a non-executive Director is £35,000 per annum and is subject to annual review.

Nigel Halkes was appointed a non-executive Director of the Company by letter of appointment dated 2 June 2018. The appointment is for a period of 36 months with effect from 23 May 2018 (subject to re-election at the next annual general meeting) unless terminated earlier by either party giving to the other 3 months prior written notice. The fee payable for Nigel's services as a non-executive Director is £35,000 per annum and is subject to annual review.

- 8.2 Save as disclosed in paragraph 8.1 above, there are no existing or proposed service agreements or consultancy agreements between any of the Directors and the Company which cannot be terminated by the Company without payment of compensation within 12 months.
- 8.3 The aggregate of the remuneration paid and benefits in kind (including bonus payments) granted to the Directors by any member of the Group in respect of the financial year ended 30 September 2017 was approximately £539,000.
- 8.4 There are no arrangements under which any Director has waived or agreed to waive future emoluments nor have there been any such waivers of emoluments during the financial year immediately preceding the date of this document.

9. RELATED PARTY TRANSACTIONS

- 9.1 Richard Cunningham, Simon Crowther and Alyson Lovett all entered into a loan agreement with I-Solutions Global on 28 July 2017 (as amended by an amendment agreement dated 31 October 2017 and further amended by an amendment agreement dated 20 February 2018) (the "**Bridging Loan Agreement**"). At 30 September 2017, the Group owed Alyson Levett £30,300 (2016: £7,868, 2015: £45,000), Richard Cunningham £76,500 (2016: £40,000, 2015: £50,000) and Simon Crowther £45,300 (2016: £7,792, 2015: £Nil). The Loans owed to Alyson Levett and Richard Cunningham as at 30 September 2015 were converted in to share capital, with new loans being made in the financial year ended 30 September 2016.
- 9.2 During the year ended 30 September 2015, Alyson Levett, Richard Cunningham, Antrak Limited (a company in which Kevin Douglas (a former director of I-Solutions Global) was also a director) and Frank Bury provided loans to the Group of £50,000 each, which were all repaid during the financial year.
- 9.3 Antonia Bury, who is the wife of Frank Bury (a former director of I-Solutions Global), also entered into the Bridging Loan Agreement. At 30 September 2017, the Group owed Antonia Bury £76,500 (2016: Nil, 2015: Nil).
- 9.4 HIML Holdings Limited, a company controlled by Herald Investment Management Limited, being substantial shareholders and R.A.D.D. Ventures Limited, a company wholly owned by Kevin Douglas (a former director of I-Solutions Global), also entered into the Bridging Loan Agreement. At 30 September 2017, the Group owed HIML Holdings Limited £153,000 (2016: Nil, 2015: Nil) and owed R.A.D.D. Ventures Limited £20,400 (2016: Nil, 2015: Nil).

- 9.5 At 30 September 2015, Antrak Limited, a company in which Kevin Douglas (a former director of I-Solutions Global) was also a director was owed £60,000 by the Group. This loan was converted in to share capital.
- 9.6 The Group owed the following in directors' remuneration at 30 September 2017, Alyson Leverett £25,000 (2016: £14,555, 2015: £Nil), Paul Docherty £28,000 (2016: £3,243, 2015: £Nil) and Simon Crowther £35,000 (2016: £15,079, 2015: Nil).
- 9.7 At 30 September 2016, the Group owed the following in directors remuneration: £9,000 to a limited liability partnership of which Kevin Douglas was a member (2015: £1,500), and £13,500 to a limited liability partnership of which Frank Bury was a member (2015: £13,500).
- 9.8 Anne Docherty, is the wife of director Paul Docherty, and she is employed as a Business Development Executive of I-Solutions Global.
- 9.9 Save as disclosed in paragraphs 9.1 to 9.8 above and as referred to in the related party transactions notes at paragraph 26 of the historical financial information in Part III of this document, no Director has any interest, direct or indirect, in any assets which have been acquired by, disposed of by, or leased to, any member of the Group or which are proposed to be acquired by, disposed of by, or leased to, any member of the Group.

10. TAXATION

10.1 Introduction

10.1.2 The information in this section, which is intended as a general guide only, is based on current UK tax legislation and the current published practice of HMRC both of which are subject to change, possibly with retrospective effect, regarding the ownership and disposition of Ordinary Shares. It applies only to Shareholders resident (and, in the case of individuals, domiciled) for UK tax purposes in the UK, who hold Ordinary Shares as an investment rather than trading stock and who are the absolute beneficial owners of those Ordinary Shares.

10.1.3 Certain categories of Shareholders are subject to special UK tax rules, such as persons who acquire their Ordinary Shares in connection with their office or employment or hold them otherwise than as investments. These special rules are not considered further in this section. Shares held through an ISA or a SIPP are also excluded from the scope of this section.

10.1.4 The following paragraphs should be regarded as a summary and should not be construed as constituting advice.

Shareholders who are in doubt as to their tax position, or who are subject to tax in a jurisdiction other than the UK, are strongly advised to consult their tax advisors.

10.2 Taxation of chargeable gains

10.2.1 UK resident individual Shareholders

UK resident individual Shareholders, depending upon their individual circumstances and any available reliefs, may be subject to capital gains tax at the prevailing rate on any disposals (or deemed disposals) of Ordinary Shares. For individuals whose total taxable income and gains after all allowable deductions is less than the upper limit of the basic rate income tax band, the rate of capital gains tax will be 10 per cent. (2018/2019). For gains (and any parts of gains) above that limit, the rate will be 20 per cent. (2018/2019) for gains above the applicable capital gains tax annual exempt amount (currently £11,700 for the year to 5 April 2019). For trustees and personal representatives, the rate will be 20 per cent. (2018/2019) for gains above the applicable capital gains tax annual

exempt amount (currently £11,700 for personal representatives and £5,850 for most other trustees for the year to 5 April 2019).

If the conditions for EIS and VCT relief are met, any capital gain may be exempt from tax. Please refer to section 10.6 for further details.

An individual Shareholder who has ceased to be resident in the UK for tax purposes for a period of less than five years and who disposes of the Ordinary Shares during that period may also be liable to capital gains tax on his return to the UK in relation to any capital gain realised (subject to any available exemption or relief).

10.2.2 UK resident corporate Shareholders

Where a Shareholder is within the charge to UK corporation tax, a disposal (or deemed disposal) of Ordinary Shares may give rise to a chargeable gain (or allowable loss) for the purposes of UK corporation tax, depending on the circumstances and subject to any available exemption or relief.

Corporation tax is charged on chargeable gains at the prevailing corporation tax rate applicable to that company (currently 19 per cent.).

10.3 Inheritance tax

The Ordinary Shares are assets situated in the UK for the purposes of UK inheritance tax. A gift of Ordinary Shares by, or the death of, an individual Shareholder may (subject to certain exemptions and reliefs) give rise to a liability to UK inheritance tax even if the Shareholder is not domiciled in the UK.

10.4 Taxation of dividends

The Company will not be required to withhold amounts on account of UK tax at source when paying a dividend.

10.4.1 Individual Shareholders

The first £2,000 of dividend income received by an individual Shareholder in a tax year (the “**Dividend Allowance**”) is exempt from UK income tax, regardless of what tax rate would otherwise apply to that dividend income. If an individual receives dividends in excess of the Dividend Allowance in a tax year, the excess is taxed at the following dividend rates for 2018/19: 7.5 per cent. (for individuals not liable to tax at a rate above the basic rate), 32.5 per cent. (for individuals subject to the higher rate of income tax) and 38.1 per cent. (for individuals subject to the additional rate of income tax).

Dividend income that is within the Dividend Allowance counts towards an individual's basic or higher rate limits – and will therefore affect the level of savings allowance to which they are entitled, and the rate of tax that is due on any dividend income in excess of the Dividend Allowance. In calculating into which tax band any dividend income over the Dividend Allowance falls, savings and dividend income are treated as the highest part of an individual's income. Where an individual has both savings and dividend income, the dividend income is treated as the top slice.

10.4.2 Corporate Shareholders

UK resident corporate Shareholders will not normally be liable to taxation on any dividend received in respect of Ordinary Shares provided certain conditions are met (including anti-avoidance condition) and pension funds will not normally be liable to taxation on any dividends received.

10.5 Stamp duty and stamp duty reserve tax (“SDRT”)

The allocation and issue of the New Ordinary Shares will not give rise to a liability to stamp duty or SDRT. Following Admission, the Ordinary Shares will be eligible securities admitted to trading on a recognised growth market (but not listed on that or any other market) and accordingly no stamp duty or SDRT will be charged on the conveyance, transfer or sale of Ordinary Shares (nor will any stamp duty or SDRT be chargeable on any transfer of Ordinary Shares effected on a paperless basis through CREST) in accordance with the Finance Act 2014.

10.6 EIS and VCT

10.6.1 Enterprise Investment Scheme

- 10.6.1.1 The Company has obtained provisional assurance from HMRC that a subscription for Eligible Shares will be eligible for EIS purposes, subject to the submission of the EIS1 forms in due course. The obtaining of such provisional assurance and submission of such a claim by the Company does not guarantee EIS qualification for an individual, whose claim for relief will be conditional upon his own circumstances and is subject to holding the shares throughout the relevant three year period.
- 10.6.1.2 In addition, for EIS relief not to be withdrawn, the Company must comply with a number of conditions throughout the qualifying three year period relating to those shares.
- 10.6.1.3 The following provides an outline of the EIS tax reliefs available to individuals. Any potential investors should obtain independent advice from a professional tax adviser in relation to their own circumstances.
- 10.6.1.4 In summary, EIS relief may be available where a qualifying company issues new shares, the purpose of which is to raise money for a qualifying business activity. The EIS shares must be subscribed for in cash and be fully paid up at the date of issue and must be held, broadly, for three years from the later of the date they were issued or the commencement of the Company's trade.
- 10.6.1.5 EIS income tax relief is available to individuals only. The current relief is 30 per cent. of the amount subscribed for EIS shares to be set against the individual's income tax liability for the tax year in which the EIS investment is made, and is available up to a maximum of £1,000,000 in EIS subscriptions per tax year. This relief can be 'carried back' one tax year. This relief is only available to individuals who are not connected with the Company in the period of two years prior to and three years after the subscription.
- 10.6.1.6 Very broadly, an individual is connected with the issuing company if, *inter alia*, he or his associates are employees or directors or have an interest in more than 30 per cent., of the Company's ordinary share capital.
- 10.6.1.7 Where EIS income tax relief has been given and has not been withdrawn, any gain on the subsequent disposal of the shares in qualifying circumstances is generally free from capital gains tax. If the shares are disposed of at a loss, capital gains tax relief will generally be available for that loss net of any income tax relief previously given.
- 10.6.1.8 Alternatively, an election can be made to set that loss (less any income tax relief already given) against income of that year or the preceding year.
- 10.6.1.9 Individuals who have realised gains on other assets within one year before or up to three years after the EIS shares are issued, are able to defer a capital

gains tax liability arising on those gains by making a claim to reinvest an amount of those gains against the cost of the EIS share subscription. Deferred gains will become chargeable on a disposal or deemed disposal of the EIS shares. The investor can be connected with the Company (as outlined above) and obtain such capital gains tax deferral relief.

10.6.2 *Venture Capital Trusts*

10.6.2.1 The Company has obtained assurance from HMRC that the Eligible Shares will be capable of being a “qualifying holding” for the purposes of the investment by VCTs and that the Eligible shares will be eligible shares.

10.6.2.2 The status of the Eligible Shares as a qualifying holding for VCTs will be conditional, *inter alia*, upon the Company continuing to satisfy the relevant requirements. It is the Board’s intention that the Company will continue to meet the VCT requirements so that it continues to be a qualifying company for these purposes. However, the Board cannot give any warranty or undertaking that the Company will continue to meet the conditions, including in the event that the Board believes that the interests of the Company are not best served by preserving the VCT status, or as a result of changes in legislation.

11. WORKING CAPITAL

The Directors are of the opinion, having made due and careful enquiry, taking into account available bank and other facilities and the net proceeds of the Placing receivable by the Company that the working capital available to the Group is sufficient for its present requirements, that is for at least the next 12 months from the date of Admission.

12. SIGNIFICANT CHANGE

Save as disclosed in this document there has been no significant change in the financial or trading position of the Group since 31 March 2018, the date to which the Group’s last unaudited interim financial statements were published.

13. LITIGATION

No member of the Group is involved in any legal or arbitration proceedings which are having or may have a significant effect on the Group’s financial position nor, so far as the Company is aware, are any such proceedings pending or threatened by or against any member of the Group.

14. PLACING AGREEMENT

In connection with the Placing, the Company, the Directors and N+1 Singer entered into the Placing Agreement on 20 June 2018. The Placing Agreement is conditional on, *inter alia*, Admission occurring on 21 June 2018 or such later date (not being later than 8.00 am on 31 July 2018) as the Company and N+1 Singer may agree. The principal terms of the Placing Agreement are as follows:

14.1 N+1 Singer has agreed, as agent of the Company, to use its reasonable endeavours to procure places for the Placing Shares, in each case at the Placing Price;

14.2 the Company has agreed to pay N+1 Singer, whether or not the Placing Agreement becomes unconditional, a corporate finance fee and, provided the Placing Agreement becomes unconditional, a commission payment in respect of the gross aggregate value at the Placing Price of the Placing Shares, and a discretionary commission payment of the gross aggregate value at the Placing Price of the Placing Shares placed for the Company;

- 14.3 the Company has agreed to pay all of the costs and expenses of and incidental to the Placing and related arrangements (other than stamp duty or stamp duty reserve tax payable on the transfer of the Sale Shares, which is payable by the Selling Shareholders) together with any applicable VAT;
- 14.4 the Company and the Directors have given certain warranties to N+1 Singer as to the accuracy of the information in this document and as to other matters relating to the Group. The liability of the Directors under these warranties is limited in time and amount, save in certain circumstances. The Company has given an indemnity to N+1 Singer against any losses or liabilities arising out of the proper performance by N+1 Singer of its duties under the Placing Agreement;
- 14.5 N+1 Singer may terminate the Placing Agreement before Admission in certain circumstances, including for material breach of the warranties referred to above.

15. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into in the two years preceding the date of this document by any member of the Group and are, or may be, material to the Group or have been entered into by any member of the Group and contain any provision under which any member of the Group has any obligation or entitlement which is material to the Group at the date of this document:

- 15.1 **the Placing Agreement:** the Company is a party to the Placing Agreement detailed in paragraph 14 of this Part IV;
- 15.2 **the Nominated Adviser and Broker Engagement Letter:** a nominated adviser and broker engagement letter dated 23 April 2018 was entered into between (1) N+1 Singer and (2) I-Solutions Global (the "**Nomad Engagement Letter**"), pursuant to which N+1 Singer agrees to act as the Company's nominated adviser and broker as required by the AIM Rules with effect from Admission. The Nomad Engagement Letter is terminable by either party on three months' prior written notice, or forthwith by the parties in certain circumstances. N+1 Singer undertakes to provide the services of a nominated adviser as required under the AIM Rules and the Company agrees to comply with their obligations under the AIM Rules;
- 15.3 **Lock-in arrangements:** each of the Locked-in Parties, which includes the Directors, has undertaken pursuant to a lock-in agreement entered into between each individual Locked-in Party, N+1 Singer and the Company not to dispose of any Ordinary Shares (or any interest therein) held by him (including any options, as appropriate) immediately following Admission:
- 15.3.1 for a period of 12 months following Admission except in limited circumstances or as the parties may agree in certain circumstances; and
- 15.3.2 for a period from the date which is 12 months from the date of Admission to the date that is 24 months from the date of Admission, except in certain limited exceptions, and otherwise with the prior written consent of N+1 Singer, or its successor, and that any disposal permitted by N+1 Singer, or its successor, of Ordinary Shares during this period will be made through N+1 Singer, or its successor, in such orderly manner as they shall reasonably determine;
- 15.4 **Orderly Market Agreements:** the Orderly Market Party has undertaken pursuant to an orderly market agreement entered into between the Orderly Market Party, N+1 Singer and the Company not to dispose of any Ordinary Shares (or any interest therein) held by him (including any options, as appropriate) immediately following Admission for a period which is 12 months from the date of Admission, except in certain limited exceptions, and otherwise as the parties may agree in certain circumstances, and that any disposal permitted by N+1 Singer, or its

successor, of Ordinary Shares during this period will be made through N+1 Singer, or its successor, in such orderly manner as they shall reasonably determine;

15.5 Arrangements with Boost:

15.5.1 Boost Loan Agreement, Boost Debenture and Subordination Agreements

I-Solutions Global Limited entered into the Boost Loan Agreement, pursuant to which I-Solutions Global Limited was originally granted a loan in the aggregate sum of £2,200,000, to be advanced in three tranches. Under the terms of the original Boost Loan Agreement, interest accrues at the rate of 11.5 per cent. per annum and the repayments for each tranche falls due in 36 equal monthly instalments on each tranche's draw down date, and thereafter the first business day of each successive calendar month. As at 16 March 2018, the facilities under tranche 2 and tranche 3 were not drawn down and so they were cancelled, and I-Solutions Global entered into a first amendment letter to the original Boost Loan Agreement on 16 March 2018 for an additional advance of an aggregate of £750,000. Under the amendment letter the facility amount was lowered to £1,550,000 from £2,200,000 and interest accrues at the rate of the higher of 11.5 per cent. per annum or LIBOR plus 8 per cent. per annum and the date of repayment being the date following 45 months after the date of the draw down. Furthermore, the date of repayment in respect of tranche 1 was amended to be the date following 45 months after the date of the draw down. As at 19 June 2018 (being the last practicable date prior to the publication of this document) an amount of approximately £250,000 was outstanding under tranche 1 of the original Boost Loan Agreement and £500,000 was outstanding under the first amendment letter. The Boost Loan Agreement is secured by a debenture granted by I-Solutions Global Limited in favour of Industrial Lending 1 S.A. dated 24 September 2015, which is enforceable on a change of control ("**Boost Debenture**"). Boost has confirmed that it will not exercise any rights it has in respect of a change of control and has agreed that the Boost Loan Agreement will remain in place following Admission. The Boost Debenture is a continuing security and charges all of the property of the Group, including but not limited to, its intellectual property rights, by way of a legal mortgage, a first fixed charge and a floating charge. Pursuant to a subordination agreement dated 16 March 2018, the Bridging Loan Agreement and Shareholder Loan Agreement (as defined in paragraph 15.6 below) are subordinated to the Boost Loan Agreement. Boost has confirmed its acceptance to the loan repayments under the Bridging Loan Agreement and Shareholder Loan Agreement being made out of the proceeds of the Placing as detailed in paragraphs 15.6 and 15.7 below.

In consideration for Industrial Lending 1 S.A. agreeing not to exercise any rights it has in respect of a change of control and agreeing to the loan repayments under the Bridging Loan Agreement and the Shareholder Agreement, the Company has agreed to guarantee the obligations of I-Solutions Global under the Boost Loan Agreement pursuant to a second amendment letter to the original Boost Loan Agreement dated 18 June 2018. The Company's obligations under the second amendment letter are secured by a debenture granted by the Company in favour of Industrial Lending 1 S.A. dated 18 June 2018; the terms of this debenture are on the same terms as the Boost Debenture.

15.5.2 Boost Warrants:

In consideration for entering into the original Boost Loan Agreement I-Solutions Global issued the 2015 Warrant Instrument. Pursuant to the 2015 Warrant Instrument, Boost (in the name of its nominee, Industrial Lending 1 S.A.) was granted warrants to subscribe for up to 101,448 ordinary shares of £1.00 each in I-Solutions Global Limited at an exercise price of £5.10 per share. In consideration for entering into the first

amendment letter to the Boost Loan Agreement, I-Solutions issued the 2018 Warrant Instrument. Pursuant to the 2018 Warrant Instrument, Boost was granted further warrants to subscribe for up to 27,705 ordinary shares of £1.00 each in I-Solutions Global Limited at an exercise price per share to be determined in accordance with the provisions of that instrument.

On 24 September 2015 and 16 March 2018, warrants to subscribe for a total of 69,194 ordinary shares of £1.00 each in I-Solutions Global Limited were issued under the two Warrant Instruments being 50,724 warrants issued under the 2015 Warrant Instrument and 18,470 warrants issued under the 2018 Warrant Instrument. On 18 June 2018, as part of the Share Capital Reorganisation new warrant instruments were issued to Industrial Lending 1 S.A. (as nominee for Boost) by the Company, which were issued on exactly the same terms as the Warrant Instruments ("**New Warrant Instruments**") in exchange for the surrender of the Warrant Instruments. Boost has served notice to exercise all of its warrants, pursuant to the New Warrant Instruments, conditional on, but immediately prior to, Admission, with the Company conditionally issuing 691,940 Ordinary Shares to Industrial Lending 1 SA (as nominee for Boost) with effect from Admission. Of the 691,940 Ordinary Shares issued, 475,219 (being the Boost Sale Shares) are to be sold (to cover the exercise price of the warrants);

15.6 **Shareholder Loan Agreement:**

I-Solutions Global Limited has entered into a loan agreement dated 16 March 2018 with Paul McQuitty, Aidan Paul, and Financiere de l'Audiovisuel (the latter being known as "**Finaudi**") pursuant to which I-Solutions Global Limited was granted loans in the aggregate amount of £325,000. Under the agreement, each loan bears interest at a rate of 11 per cent. per annum and is due for repayment nine months after the date of the agreement in 36 equal instalments. However, it has been agreed that the loan will be settled in full in advance of the due date for repayment as follows:

15.6.1 Paul McQuitty loaned I-Solutions Global Limited £150,000, all of which is to be repaid out of the proceeds of the Placing;

15.6.2 Aidan Paul loaned I-Solutions Global Limited £50,000, 100 per cent. of which, together with accrued interest, was converted into 8,215 ordinary shares of £1.00 each in I-Solutions Global Limited on 18 June 2018. Subsequently, on 18 June 2018, these shares were transferred to the Company in consideration for the issue of 82,150 Ordinary Shares;

15.6.3 Finaudi loaned I-Solutions Global Limited £125,000, 50 per cent. of which is to be repaid out of the proceeds of the Placing, and 50 per cent. of which, together with accrued interest, was converted into 10,647 ordinary shares of £1.00 each in I-Solutions Global Limited on 18 June 2018. Subsequently, on 18 June 2018, these shares were transferred to the Company in consideration for the issue of 106,470 Ordinary Shares;

15.7 **Bridging Loan Agreement**

I-Solutions Global Limited has entered into a loan agreement dated 28 July 2017 with HIML Holdings Limited, Richard Cunningham, Simon Crowther, Alyson Levett, R.A.D.D. Ventures and Antonia Kate Bury as amended by an amendment agreement dated 31 October 2017, and a further amendment agreement dated 20 February 2018. The total sum advanced under the agreement is £350,000, being made up of £150,000 from HIML Holdings Limited, £75,000 from Richard Cunningham, £10,000 from Simon Crowther, £20,000 from Alyson Levett, and £20,000 from R.A.D.D. Ventures, and £75,000 from Antonia Bury. Interest on the debt will be calculated and accrued at a rate of 12 per cent. per annum. The repayment date under the

agreement is July 2019 or earlier should the lenders decide. However, it has been agreed that the loan will be repaid in full out of the proceeds of the Placing;

15.8 **Group Reorganisation:**

15.8.1 **Share for Share Exchange Agreements:**

On 25 May 2018, the Company entered into share for share exchange agreements with each of the Shareholders (in their capacity as the then shareholders of I-Solutions Global Limited) pursuant to which the Company issued 1,417,215 ordinary shares of £1.00 each to the Shareholders (with a further Ordinary Share of £1.00 being held as a subscriber share by Richard Cunningham) in exchange for the transfer by them of the entire issued share capital of I-Solutions Global Limited to the Company. Further details are provided at paragraph 4.3.2 above. On 18 June 2018, the Company entered into a deed of variation to the share for share exchange agreement with Richard Cunningham dated 25 May 2018 to ensure that it accurately reflected the number of shares which should have been issued to Richard Cunningham in exchange for the shares he previously held in I-Solutions Global. Pursuant to the terms of the share for share exchange agreements, all of the Shareholders transferred the beneficial interest of their shares in I-Solutions Global to the Company, and appointed it as their attorney to exercise all of their voting rights in relation to the shares in I-Solutions Global Limited pending the return of the application for stamp duty relief in connection with the share for share exchange from HMRC. Upon receipt of the adjudicated application the Company will be written up in the register of members of I-Solutions Global Limited as the legal holder of all the shares in I-Solutions Global Limited. However, if for some reason the stamp duty relief is not available, the Company will pay the relevant amount of the stamp duty, so as to enable the legal title to the entire issued share capital of I-Solutions Global to be registered in the name of the Company;

15.8.2 **Option Exchange Agreements:**

On 18 June 2018, options over 680,990 ordinary shares in I-Solutions Global ("**Old Options**") were released by way of various deeds of release and grant of options ("**Option Exchange Agreements**") pursuant to which each holder of an Old Option agreed to release their Old Option in consideration of the grant of a new option by the Company on equivalent terms ("**Exchange Option**"). On 18 June 2018 the Company granted an Exchange Option for each Old Option released pursuant to the terms of the Option Exchange Agreements. The Exchange Options were then exercised on 18 June 2018 and the exercising holders gave an undertaking to pay the exercise price together, in some cases, with any taxes and national insurance contributions which may be payable in respect of such exercise. The Option Exercise Sale Shares are to be sold to discharge the undertaking to pay the exercise price and, in some cases, possible taxes and national insurance contributions which may be payable by the holders of the Exchange Options;

15.8.3 **New Investor Rights Agreement**

On 25 May 2018 each of the Shareholders entered into a deed of adherence to a new investor rights agreement ("**New Investor Rights Agreement**") with the Company on substantially the same terms as the investor rights agreement with I-Solutions Global Limited dated 29 June 2012 which they had previously adhered to and which was terminated on 25 May 2018 as part of the Share Capital Reorganisation. The New Investor Rights Agreement will be terminated automatically at Admission;

15.8.4 on 18 June 2018 the Company issued the New Warrant Instruments, as described in paragraph 15.6.2 of Part IV of this document;

- 15.8.5 on 18 June 2018, the Company entered into agreements to issue an aggregate of 2,186,920 Ordinary Shares to Paul Docherty, Simon Crowther and Alyson Levett in exchange for the transfer of ordinary shares issued to them in I-Solutions Global following the exercise of certain share options granted to them pursuant to the Historic Share Schemes;
- 15.8.6 on 18 June 2018, the Company entered into agreements to issue an aggregate of 188,620 Ordinary Shares to Aidan Paul and Finaudi in exchange for the transfer of the ordinary shares issued to them in I-Solutions Global following the conversion of part or all of their shareholder loans; and
- 15.8.7 pursuant to the exchange of Ordinary Shares referred to in paragraphs 15.8.5 and 15.8.6 above, the Company entered into share purchase agreements with the parties agreeing to transfer the beneficial interest of their ordinary shares in I-Solutions Global to the Company. The parties agreed that the sale of the beneficial interest of the ordinary shares in I-Solutions Global would be completed by means of a declaration of trust in favour of the Company, with the parties holding the shares on trust for the Company and appointing the Company as their attorney to execute stock transfer forms so as to transfer the legal title to the ordinary shares in I-Solutions Global. Stock transfer forms effecting the transfer of the legal title to the ordinary shares were executed, enabling the Company to be registered in the register of members of I-Solutions Global as the legal holder of the ordinary shares in I-Solutions Global and the declaration of trust agreements are with HMRC for stamping.

16. CONSENTS

- 16.1 Saffery Champness has given and not withdrawn its consent to the issue of this document with the inclusion herein of its report in Part III of this document and the references to such report and to its name in the form and context in which they appear and has authorised the contents of Part III of this document.
- 16.2 N+1 Singer has given and not withdrawn its consent to the issue of this document with the inclusion of its name and references to it in the form and context in which they appear.

17. MANDATORY BIDS, SQUEEZE-OUT AND SELL-OUT RULES RELATING TO THE ORDINARY SHARES

17.1 Mandatory bid

The Takeover Code applies to the Company. Under the Takeover Code, if an acquisition of Ordinary Shares were to increase the aggregate holding of the acquirer and its concert parties to shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer (and depending on the circumstances, its concert parties) would be required, except with the consent of the Panel on Takeovers and Mergers, to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for any interests in the Ordinary Shares by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered by an acquisition of shares by a person holding (together with its concert parties) shares carrying between 30 and 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the voting rights.

17.2 Squeeze-out

Under the Act, if an offeror were to acquire 90 per cent. of the Ordinary Shares within four months of making the offer, it could then compulsorily acquire the remaining 10 per cent. It would do so by sending a notice to outstanding shareholders telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold

the consideration on trust for outstanding shareholders. The consideration offered to the shareholders whose shares are compulsorily acquired under the Act must, in general, be the same as the consideration that was available under the takeover offer.

17.3 *Sell-out*

The Act also gives minority shareholders in the Company a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the Ordinary Shares and at any time before the end of the period within which the offer could be accepted the offeror held or had agreed to acquire not less than 90 per cent. of the Ordinary Shares, any holder of shares to which the offer relates who has not accepted the offer can require the offeror to acquire his shares. The offeror would be required to give any shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a shareholder exercises its rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

18. GENERAL

- 18.1 The total costs and expenses of, or incidental to, the Placing and Admission, all of which are payable by the Company, are estimated to be approximately £1.1 million (exclusive of value added tax). This amount includes the commissions referred to in paragraph 14 of this Part IV. The expected net proceeds of the Placing receivable by the Company, after deduction of such costs and expenses, is £8.9 million. No expenses of the Placing are being specifically charged to subscribers or purchasers under the Placing.
- 18.2 Save as disclosed in this document, no person (other than the Company's professional advisers named in this document and trade suppliers) has at any time within the 12 months preceding the date of this document received, directly or indirectly, from the Company or any other member of the Group or entered into any contractual arrangements to receive, directly or indirectly, from the Company or any other member of the Group on or after Admission any fees, securities in the Company or any other benefit to the value of £10,000 or more.
- 18.3 The Placing is not being underwritten.
- 18.4 The Placing Price of 79 pence represents a premium of 69 pence above the nominal value of 10 pence per Ordinary Share. The Placing Price is payable in full on application.
- 18.5 The auditors of the Company are Saffery Champness, chartered accountants and registered auditors, who are regulated by the Institute of Chartered Accountants in England and Wales, who have audited the Group's accounts for each of the three financial years ended 30 September 2017. The audit reports were unqualified and did not contain a statement under sections 498(2) or (3) of the Act.
- 18.6 The quote contained in paragraph 2 of Part I of this document has been sourced from Fortune Magazine dated 21 June 1999 and titled "Why CEOs Fail". This information has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by Fortune Magazine, no facts have been omitted which would render such information inaccurate or misleading.
- 18.7 The reference made in paragraph 6 of Part I of this document to the Gartner Market Guide on Strategy Execution Management has been sourced from the Gartner Market Guide on Strategy Execution Management, issued in November 2017. This information has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by Gartner Market Guide on Strategy Execution Management, no facts have been omitted which would render such information inaccurate or misleading.

- 18.8 The Company currently has no significant investments in progress and the Company has made no firm commitments concerning future investments.
- 18.9 The Directors are not aware of any patents or other intellectual property rights, licences, particular contracts or manufacturing processes on which the Company is dependent.
- 18.10 Save in connection with the application for Admission, none of the Ordinary Shares has been admitted to dealings on any recognised investment exchange and no application for such admission has been made and it is not intended to make any other arrangements for dealings in the Ordinary Shares on any such exchange.

Dated 20 June 2018

