

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART TWO (EXPLANATORY STATEMENT) OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT 2006. THIS DOCUMENT CONTAINS DETAILS OF A PROPOSED ACQUISITION WHICH, IF IMPLEMENTED, WILL RESULT IN THE CANCELLATION OF THE ADMISSION TO TRADING OF PIRES SHARES ON AIM.

If you are in doubt about this offer you should consult an independent financial adviser authorised under the Financial Services and Markets Act 2000, if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are taking advice in a territory outside the United Kingdom.

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

The release, publication or distribution of this Document and/or the accompanying documents (in whole or in part) in, into or from jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this Document comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Neither this Document nor any of the accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Scheme or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This Document is not a prospectus. None of the securities referred to in this Document shall be sold, issued, exchanged or transferred in any jurisdiction in contravention of applicable law.

**Recommended All Share Offer for
Pires Investments plc**

(incorporated in England and Wales with company number 02929801)

by

Tern plc

(incorporated in England and Wales with company number 05131386)

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

This Document (including any documents incorporated into it by reference to another source), together with the accompanying Forms of Proxy, should be read as a whole.

Application will be made by Tern for the New Tern Shares to be admitted to trading on AIM.

Your attention is drawn to the letter from a Non-Executive Director of Pires in Part One (*Letter from a Non-Executive Director of Pires*) of this Document, which contains the unanimous recommendation of the Pires Directors that you vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting. A letter from Cairn explaining the Scheme appears in Part Two (*Explanatory Statement*) of this Document and constitutes an explanatory statement in compliance with section 897 of the Act.

Notices of the Court Meeting and the General Meeting of Pires, each of which will be held remotely by a virtual meeting platform are set out in Part Ten (*Notice of Court Meeting*) and Part Eleven (*Notice of General Meeting*) respectively of this Document. The Court Meeting will start at 11.00 a.m. on 21 July 2022 and the General Meeting at 11.10 a.m. on that date or as soon thereafter as the Court Meeting is concluded or adjourned. Please also refer to pages 13 to 14 of this Document, which contain an indicative timetable of certain principal events in relation to the approval and implementation of the Acquisition.

The action to be taken by Pires Shareholders is set out on pages 10 to 12 and at paragraphs 7 and 18 of Part Two (*Explanatory Statement*) of this Document.

To make the Meetings as efficient as possible, Pires will hold the Court Meeting and the General Meeting as virtual meetings in accordance with the powers in its Articles of Association. Pires Shareholders will be able to participate and vote in the Meetings electronically through a virtual meeting platform. Further information is set out on pages 10 to 12 and at paragraphs 7 and 18 of Part Two (*Explanatory Statement*) of this Document. Any changes to the arrangements for the Court Meeting and the General Meeting will be communicated to Pires Shareholders before the Meetings, including through Pires's website www.piresinvestments.com and by announcement through a Regulatory Information Service. Pires Shareholders should continue to monitor Pires's website and exchange news services for any updates.

The BLUE Form of Proxy is to be used in connection with the Court Meeting and the YELLOW Form of Proxy is to be used in connection with the General Meeting. Whether or not they intend to participate in the Court Meeting and/or the General Meeting, Pires Shareholders are asked to complete, sign and return the enclosed BLUE and YELLOW Forms of Proxy in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received by Pires's registrar, Computershare Investor Services PLC, not later than 11.00 a.m. on 19 July 2022 (in the case of the BLUE Form of Proxy for the Court Meeting) or 11.10 a.m. on 19 July 2022 (in the case of the YELLOW Form of Proxy for the General Meeting), or in the case of any adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting. Pires Shareholders who hold Pires Shares in uncertificated form (that is, in CREST) may also appoint a proxy through the CREST electronic proxy appointment service by following the instructions set out on pages 11 to 12 of this Document. If the BLUE Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be emailed to externalproxyqueries@computershare.co.uk, before the start of the Court Meeting. However, in the case of the General Meeting, if the YELLOW Form of Proxy is not lodged by the relevant time and in accordance with the instructions set out on the Form of Proxy, such Form of Proxy will be invalid. The return of a completed Form of Proxy or the appointment of a proxy electronically through CREST will not prevent a Pires Shareholder from participating in and voting at the Court Meeting or the General Meeting through the virtual meeting platform if they are entitled and wish to do so.

If you have any queries please contact Computershare Investor Services PLC on +44 (0)370 889 3207. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice.

Certain terms used in this Document are defined in Part Nine (*Definitions*). All times referred to in this Document are references to London times unless otherwise stated. References to the singular in this Document include the plural and vice versa.

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

Cairn, which is authorised and regulated by the FCA in the United Kingdom, is acting as financial adviser, nominated advisor and Rule 3 adviser exclusively to Pires and no one else in connection

with the Acquisition and the subject matter of this Document, and will not be responsible to anyone other than Pires for providing the protections afforded to clients of Cairn, or for providing advice in relation to the Acquisition and the subject matter of this Document. Neither Cairn nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Cairn in connection with this Document, any statement contained herein or otherwise.

Allenby Capital, which is authorised and regulated by the FCA in the United Kingdom, is acting as financial adviser, nominated adviser and broker exclusively to Tern and no one else in connection with the Acquisition and the subject matter of this Document, and will not be responsible to anyone other than Tern for providing the protections afforded to clients of Allenby Capital, or for providing advice in relation to the Acquisition and the subject matter of this Document. Neither Allenby Capital nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Allenby Capital in connection with this Document, any statement contained herein or otherwise.

No person has been authorised to give any information or make any representations other than those contained in this Document and, if given or made, such information or representations must not be relied upon as having been authorised by Pires, the Pires Directors, Tern, the Tern Directors, or by Cairn or Allenby Capital or any other person involved in the Acquisition. Neither the delivery of this Document nor the holding of the Meetings, the Court Hearing or the filing of the Court Order shall, under any circumstances, create any implication that there has been no change in the affairs of the Wider Pires Group or the Wider Tern Group since the date of this Document or that the information in, or incorporated into, this Document is correct as at any time subsequent to its date.

Important notices

The statements contained in this Document are made as at the date of this Document, unless some other time is specified in relation to them, and service of this Document shall not give rise to any implication that there has been no change in the facts set forth in this Document since such date. Nothing in this Document shall be deemed to be a forecast, projection or estimate of the future financial performance of Pires, the Wider Pires Group, Tern or the Wider Tern Group except where otherwise stated.

This Document has been prepared for the purposes of complying with English law, the Code, the requirements of the Panel, the rules of the London Stock Exchange and the AIM Rules and the information disclosed may not be the same as that which would have been disclosed if this Document had been prepared in accordance with the laws of jurisdictions outside England and Wales. This Document and the Conditions and further terms set out in this Document are governed by the laws of England and Wales and are subject to the jurisdiction of the English courts.

The release, publication or distribution of this Document in, into or from jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This Document does not constitute an offer or invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities pursuant to this Document or otherwise in any jurisdiction in which such offer or solicitation is unlawful.

The statements contained in this Document are made as at the date of this Document, unless some other time is specified in relation to them, and service of this Document shall not mean or give rise to any implication that there has been no change in the facts set forth in this Document since such date. Nothing in this Document shall be deemed to be a forecast, projection or estimate of the future financial performance of Pires, the Pires Group, Tern or the Tern Group except where otherwise stated.

Overseas shareholders

The release, publication or distribution of this Document in or into jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable legal or regulatory requirements. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.

Neither this Document nor any of the accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Scheme or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This Document and the accompanying Forms of Proxy have been prepared for the purposes of complying with English law, the rules of the London Stock Exchange, the AIM Rules and the Code, and the information disclosed may not be the same as that which would have been disclosed if this Document had been prepared in accordance with the laws of jurisdictions outside of England and Wales.

Unless otherwise determined by Tern or required by the Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Acquisition by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Document and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction or any other jurisdiction where to do so would constitute a violation of the laws of that jurisdiction, and persons receiving such documents (including agents, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send such documents in or into or from any Restricted Jurisdiction. Doing so may render invalid any related vote in respect of the Acquisition.

The availability of the New Tern Shares under the Acquisition to Pires Shareholders who are not resident in the United Kingdom or the ability of those persons to hold such shares may be affected by the laws or regulatory requirements of the relevant jurisdictions in which they are resident (which may affect the ability of such Pires Shareholders to vote their Pires Shares with respect to the Scheme and the Acquisition at the Meetings, or to execute and deliver Forms of Proxy appointing another to vote at the Meetings on their behalf).

The New Tern Shares may not be offered, sold or delivered, directly or indirectly in, into or from any Restricted Jurisdiction or to, or for the account or benefit of, any Restricted Persons except pursuant to an applicable exemption from, or in a transaction not subject to, applicable securities laws of those jurisdictions, or otherwise permitted under applicable securities laws of those jurisdictions.

Additional information for US holders

The Acquisition relates to shares in an English company and is proposed to be made by means of a scheme of arrangement under English company law. US holders of Pires Shares should note that the Scheme relates to the shares of an English company that is a “foreign private issuer” as defined under Rule 3b-4 of the US Exchange Act and will be governed by English law. Accordingly, neither the proxy solicitation rules nor the tender offer rules under the US Exchange Act will apply to the Scheme. Moreover, the Acquisition and the Scheme are subject to the disclosure requirements and practices applicable in England to schemes of arrangement, which differ from the disclosure requirements of the US proxy solicitation rules and tender offer rules.

Financial information included in this Document has been prepared in accordance with accounting standards applicable in the United Kingdom that may not be comparable to financial statements of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US.

If Tern were to elect (with the consent of Pires and the Panel) to implement the Acquisition by way of a takeover offer, such offer will be made in compliance with applicable US securities laws and regulations, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder.

Neither the SEC, nor any US state securities commission, nor any other US regulatory authority has recommended, or approved or disapproved of, the Acquisition, or passed upon the adequacy or accuracy of this Document. Any representation to the contrary is a criminal offence in the US.

It may be difficult for US holders of Pires Shares to enforce their rights and any claim arising out of the US federal laws, since Pires and Tern are located in a non-US jurisdiction, and some or all of their officers and directors may be residents of a non-US jurisdiction. US holders of Pires Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

Each Pires Shareholder (including US holders of Pires Shares) is urged to consult their independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to them.

The New Tern Shares to be issued pursuant to the Scheme have not been, and will not be, registered under the US Securities Act or under the securities laws of any state, district or other jurisdiction of the US, may not be offered or sold in the US absent registration or an applicable exemption from the registration requirements of the US Securities Act, and are expected to be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. The New Tern Shares will not be registered under the securities laws of any state of the US and will be issued in the US pursuant to the Scheme in reliance on available exemptions from such state law registration requirements.

For the purposes of qualifying for the exemption from the registration requirements of the US Securities Act afforded by Section 3(a)(10) thereof, Pires will advise the Court through counsel that its sanctioning of the Scheme will be relied upon by Tern as an approval of the Scheme following a hearing on fairness of its terms to Pires Shareholders. All Pires Shareholders are entitled to attend such Court Hearing in person or through counsel to support or oppose the sanctioning of the Scheme, and such notification of such Court Hearing will be given to all such Pires Shareholders. Former Pires Shareholders who will be affiliates (within the meaning of Rule 144 under the US Securities Act) of Tern after the Effective Date will receive "restricted securities" as defined in Rule 144 under the US Securities Act. Under applicable US federal securities laws, persons who are or will be affiliates of Tern may not resell the New Tern Shares received as a result of the Scheme without registration under the US Securities Act, except pursuant to the applicable resale provisions of Rule 144 under the US Securities Act or another applicable exemption from registration or in a transaction not subject to registration (including a transaction that satisfies the applicable requirements of Regulation S under the US Securities Act). "Affiliates" of a company are generally defined as persons who directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, that company. Whether a person is an affiliate of a company for purposes of the US Securities Act depends on the circumstances, but affiliates can include certain officers, directors and significant shareholders. Persons who believe they may be affiliates of Tern should consult their own legal advisers before any sale of securities received in the Scheme.

In accordance with the Code and normal United Kingdom practice and pursuant to Rule 14e-5(b) of the US Exchange Act (were the Acquisition to be implemented by way of an Offer), Tern or its nominees or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares and other securities outside the US, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website.

Cautionary note regarding forward-looking statements

This Document (including information incorporated by reference in this Document), oral statements made regarding the Acquisition, and other information published by Pires and Tern contain certain

forward-looking statements, beliefs or opinions with respect to the financial condition, results of operations and business of the Wider Pires Group and the Tern Group. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts.

Forward-looking statements may often, but not always, be identified by the use of forward-looking terms such as “may”, “will”, “expects”, “believes”, “hopes”, “anticipates”, “aims”, “plans”, “estimates”, “projects”, “targets”, “intends”, “forecasts”, “outlook”, “impact”, “potential”, “confidence”, “improve”, “continue”, “optimistic”, “deliver”, “comfortable”, “trend”, “seeks” or variations of such words and phrases or statements that certain actions, events or results “could”, “should”, “would” or “might” be taken, occur or be achieved or the negative of such terms or other variations on such terms or comparable terminology.

Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. These statements are based on assumptions and assessments made by Pires and/or Tern, as the case may be, in light of their experience and their perception of historical trends, current conditions, future developments and other factors that they believe appropriate. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors that could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements are unknown.

Although it is believed that the expectations reflected in such forward-looking statements were reasonable at the time the statements were made, no assurance is given by Pires and/or Tern that such expectations or the assumptions and assessments underlying them will prove to have been correct and the circumstances may change. You are, therefore, cautioned not to place undue reliance on these forward-looking statements. Neither Pires nor Tern assumes any obligation, and Pires and Tern disclaim any intention or obligation, to update or correct the information contained in this Document (whether as a result of new information, future events or otherwise), except as required by applicable law or regulation.

Save as specifically stated in this Document, any such forward-looking statements have not been reviewed by the auditors of Pires or Tern or their respective financial advisers. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. There are many factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements is the satisfaction of any conditions to the Acquisition, as well as additional factors such as changes in global, political, economic, business, competitive, market and regulatory forces (including as a result of governmental, business or individual responses to the COVID-19 pandemic and any variant thereof), future exchange and interest rates, changes in tax rates and future business combinations or dispositions. Such forward-looking statements should, therefore, be construed in the light of such actors. Neither Pires nor Tern, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Document will actually occur.

Profit forecasts or profit estimates

No statement in this Document (including any statement of estimated synergies) is intended as a profit forecast or estimate for any period and no statement in this Document should be interpreted to mean that earnings or earnings per share for Pires, Tern or the Enlarged Group, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings per share or dividend per share for Tern, Pires or the Enlarged Group, as appropriate.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company;

and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. on the 10th Business Day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 p.m. on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

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

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

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

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Rounding

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

Electronic communications

Please be aware that addresses, electronic addresses and certain information provided by Pires Shareholders, persons with information rights and other relevant persons for the receipt of communications from Pires may be provided to Tern during the Offer Period as requested under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) of the Code.

Rule 2.9

In accordance with Rule 2.9 of the Code, Tern confirms that, as at the Latest Practicable Date, it has 352,014,701 Tern Shares of nominal value 0.02 pence each in issue with ISIN GB00BFPMV798. Tern does not hold any securities (including Tern Shares) in treasury.

In accordance with Rule 2.9 of the Code, Pires confirms that, as at the Latest Practicable Date, it has 166,334,391 Pires Shares of nominal value 0.25 pence each in issue with ISIN GB00BD07SH45. Pires does not hold any securities (including Pires Shares) in treasury.

Publication on website

Pursuant to Rule 26.1 of the Code, a copy of this Document and other documents in connection with the Acquisition will, subject to certain restrictions, be available for inspection on Tern's website at www.ternplc.com and on Pires's website at www.piresinvestments.com no later than 12.00 noon on the Business Day following the date of publication of this Document. Neither the content of the

websites referred to in this Document nor the content of any website accessible from hyperlinks is incorporated into or forms part of this Document.

Requesting hard copy documents

A person who has received this Document may request a hard copy of documents or any information incorporated by reference into this Document.

Recipients of this Document may request hard copies of the above-referenced documents or information by: (i) contacting Pires during business hours on +44 (0) 203 368 8961; or (ii) submitting a request in writing to Pires by email at nick.lee@piresinvestmentsplc.com or by post to Pires Investments plc, 9th Floor, 107 Cheapside, London EC2V 6DN, United Kingdom.

Save as expressly referred to in this Document, hard copies of the above-reference financial information will not be sent to recipients of this Document unless specifically requested.

Date

This Document is dated 28 June 2022.

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ACTION TO BE TAKEN

This section should be read in conjunction with the rest of this Document, and in particular, paragraph 17 of Part One (*Letter from a Non-Executive Director of Pires*), paragraphs 7 and 18 of Part Two (*Explanatory Statement*) and the notices of the Court Meeting and the General Meeting at Part Ten (*Notice of Court Meeting*) and Part Eleven (*Notice of General Meeting*) respectively of this Document.

For the reasons set out in this Document, the Pires Directors, who have been advised by Cairn as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing advice to Pires, Cairn has taken into account the commercial assessments of the Pires Directors. Cairn is providing independent financial advice to the Pires Directors for the purposes of Rule 3 of the Code.

Accordingly, the Pires Directors believe that the terms of the Acquisition (including the Scheme) are in the best interests of Pires Shareholders as a whole and unanimously recommend that Pires Shareholders vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting.

1. Documents

Pires Shareholders – please check that you have received the following with this Document:

- a BLUE Form of Proxy for use in respect of the Court Meeting at 11.00 a.m. on 21 July 2022;
- a YELLOW Form of Proxy for use in respect of the General Meeting on 11.10 a.m. on 21 July 2022; and
- a pre-paid envelope for use in the UK only for the return of the Forms of Proxy.

If you have not received either of these documents, please contact the Shareholder Helpline on the number indicated below.

2. Voting at the Court Meeting and the General Meeting

IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR AND REASONABLE REPRESENTATION OF THE OPINION OF SCHEME SHAREHOLDERS. EVEN IF YOU INTEND TO PARTICIPATE IN THE MEETINGS THROUGH THE VIRTUAL MEETING PLATFORM, YOU ARE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY (OR APPOINT A PROXY ONLINE OR THROUGH CREST ELECTRONIC PROXY APPOINTMENT SERVICE), FOR BOTH THE COURT MEETING AND THE GENERAL MEETING, AS SOON AS POSSIBLE, AND IN ANY EVENT BY NO LATER THAN 11.00 A.M. ON 19 JULY 2022 (IN THE CASE OF THE COURT MEETING) OR 11.10 A.M. ON 19 JULY 2022 (IN THE CASE OF THE GENERAL MEETING). APPOINTMENT OF A PROXY WILL NOT PREVENT YOU FROM PARTICIPATING, SPEAKING AND VOTING AT THE COURT MEETING OR THE GENERAL MEETING OR ANY ADJOURNMENT THEREOF THROUGH THE VIRTUAL MEETING PLATFORM.

The Scheme will require approval at the meeting of Pires Shareholders convened by order of the Court to be held at 11.00 a.m. on 21 July 2022. Implementation of the Scheme will also require approval of the Special Resolution to be proposed at the General Meeting. The General Meeting will be held at 11.10 a.m. (or as soon thereafter as the Court Meeting is concluded or adjourned) on 21 July 2022. Both Meetings will be held using the same virtual meeting platform address at the web address below. You will not need to log out of the meeting platform and log in again.

To join the Court Meeting, type (or paste) the following web address into your web browser:

<https://mmitc-collab.webex.com/mmitc-collab/onstage/g.php?MTID=eeb32340382ee0bc4ea0e16f9e5a911bd>

You will be asked to enter a password to gain access to the Court Meeting. This password can be found on the bottom section of the BLUE Form of Proxy. Please detach and keep this portion of the BLUE Form of Proxy before returning it.

When the Court Meeting opens at the appointed time, you be able to see and hear the chairperson of the Court Meeting. The chairperson will open the Court Meeting and address any questions that have been submitted in advance. All attendees will remain muted by the host unless and until they are invited to speak by the chairperson of the Court Meeting.

The chairperson will then formally put the resolution to approve the Scheme to the Court Meeting, and you will have an option to submit an electronic poll card to record your vote. Please ensure that your email programme is open when you “submit” the online poll card to ensure an automatic response email is generated. If you: (a) have already submitted a Form of Proxy or appointed a CREST proxy; or (b) do not wish to vote, you do not need to submit a poll card.

Once voting at the Court Meeting has concluded, the chairperson will formally close the Court Meeting and open the General Meeting. If you wish to participate in the General Meeting, please do not exit the virtual meeting platform. If you did not participate in the Court Meeting, but wish to participate in the General Meeting, please type (or paste) the above web address into your web browser and enter your password.

Voting on the Special Resolution at the General Meeting will take place in the same manner as set out above.

Pires Shareholders entitled to participate in and vote at the Meetings are entitled to appoint a proxy to exercise all or any of their rights to speak and vote at the Court Meeting and/or General Meeting. A proxy need not be a Scheme Shareholder or a Pires Shareholder. Pires Shareholders entitled to participate in and vote at the Meetings are entitled to appoint a proxy in respect of some or all of their Pires Shares, and may appoint more than one proxy as long as each proxy is appointed to exercise rights attached to different Pires Shares. A space has been included on the Forms of Proxy to allow Pires Shareholders to specify the number of Pires Shares in respect of which that proxy is appointed. If you wish to appoint more than one proxy in respect of your shareholding, please call the Pires Shareholder helpline on the number indicated below for further Forms of Proxy, or photocopy the Forms of Proxy, as required.

2.1 Sending Forms of Proxy by post or by hand

As you will not be permitted to physically attend and vote at the Meetings, please complete and sign the Forms of Proxy in accordance with the instructions printed on them and return them, either: (i) by post; or (ii) during normal business hours only, by hand, to the Registrar, at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom so as to be received as soon as possible and in any event not later than the relevant times set out below:

BLUE Forms of Proxy for the Court Meeting	11.00 a.m. on 19 July 2022
YELLOW Forms of Proxy for the General Meeting	11.10 a.m. on 19 July 2022

or, if the Court Meeting or General Meeting is adjourned, the relevant Form of Proxy should be received not later than 48 hours before the time fixed for the adjourned Meeting.

If the BLUE Form of Proxy for the Court Meeting is not returned by the above time, it may be sent by email to externalproxyqueries@computershare.co.uk before the start of the Court Meeting. However, if the YELLOW Form of Proxy for the General Meeting is not returned so as to be received by the above time, it will be invalid.

The completion and return of Forms of Proxy, or the appointment of a proxy electronically using CREST (or any other procedure described below), will not prevent you from participating in and voting at the Court Meeting and/or General Meeting, or any adjournments thereof, through the virtual meeting platform should you wish to do so and should you be so entitled.

2.2 Electronic appointment of proxies through CREST

If you hold Pires Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the Court Meeting or the General Meeting (or any adjourned Meeting) by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual (please also refer to the accompanying notes to the notices

of the Meetings set out in Part Ten (*Notice of Court Meeting*) and Part Eleven (*Notice of General Meeting*) of this Document). CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by the Registrars (CREST Participant ID 3RA50) not later than 48 hours (excluding any period falling on a weekend or bank holiday) before the time fixed for the Court Meeting or the General Meeting (or any adjourned Meeting), as applicable. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST application host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

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

Pires may treat as invalid a CREST Proxy Instruction in the circumstances set out in the CREST Regulations.

If you wish to appoint more than one proxy in respect of your shareholding, please contact the shareholder helpline on the number provided below to obtain (an) additional proxy form(s). Alternatively, you may photocopy the enclosed proxy forms in colour or, if you are a CREST member, please follow the procedures set out in the CREST manual.

The results of the Court Meeting and the General Meeting will be announced through a Regulatory Information Service and also published on Pires’s website at www.piresinvestments.com once the votes have been counted and verified.

3. Shareholder helpline

If you have any questions about this Document, the Court Meeting or the General Meeting or how to complete the Forms of Proxy or to appoint a proxy through the CREST electronic proxy appointment service, please call the shareholder helpline operated by the Registrar on +44 (0)370 889 3207. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The following dates and times associated with the Scheme are subject to change and will depend on, *inter alia*, the date on which the Conditions to the Scheme are satisfied or, if capable of waiver, waived, and the date on which the Court sanctions the Scheme. Pires will, once known, give adequate notice of all of these dates and times by issuing an announcement through a Regulatory Information Service, and such announcement will be made available on Pires's website at www.piresinvestments.com. Further updates and changes to these times will be notified in the same way.

Event	Time and/or date
Latest time for lodging Forms of Proxy and registering proxy appointments through CREST for the:	
Court Meeting (BLUE Form of Proxy)	11.00 a.m. on 19 July 2022 ⁽¹⁾
General Meeting (YELLOW Form of Proxy)	11.10 a.m. on 19 July 2022 ⁽²⁾
Voting Record Time for the Court Meeting and the General Meeting	close of business on 19 July 2022 ⁽³⁾
Court Meeting	11.00 a.m. on 21 July 2022
General Meeting	11.10 a.m. on 21 July 2022 ⁽⁴⁾
The following dates are indicative only and are subject to change⁽⁵⁾	
Expected date of the Tern General Meeting	21 July 2022
Last day of dealings in, or for registration of transfers of, Pires Shares	a date expected to be in the third quarter of 2022 (and in any event prior to the Long Stop Date) ("D")
Court Hearing to sanction the Scheme	D
Scheme Record Time	6.00 p.m. on D
Expected Effective Date of the Scheme	D+1 ("S")
Suspension of trading, and dealings, in Pires Shares	7.30 a.m. on S
New Tern Shares issued to Pires Shareholders	By 8.00 a.m. on the first Business Day following S
Cancellation of admission to trading of Pires Shares on AIM	7.00 a.m. on the first Business Day following S
Admission and commencement of dealings in New Tern Shares	8.00 a.m. on the first Business Day following S
CREST accounts of Pires Shareholders credited with New Tern Shares	On or after 8.00 a.m. on the first Business Day following S but no later than 14 days after the Effective Date
Latest date for despatch of share certificates for New Tern Shares for those Pires Shareholders who do not hold their Pires Shares in CREST	Within 14 days from the Effective Date
Long Stop Date	11.59 p.m. on 30 September 2022 ⁽⁶⁾

Notes:

- (1) It is requested that BLUE Forms of Proxy for the Court Meeting be lodged not later than 48 hours before the time appointed for the Court Meeting or if the Court Meeting is adjourned, the time fixed for any adjourned Court Meeting, excluding any part of a day that is not a Business Day. BLUE Forms of Proxy not so lodged may be emailed to externalproxyqueries@computershare.co.uk before the start of the Court Meeting.
- (2) YELLOW Forms of Proxy for the General Meeting must be lodged not later than 48 hours before the time appointed for the General Meeting, or if the General Meeting is adjourned, the time fixed for any adjourned General Meeting excluding any part of a day that is not a Business Day. YELLOW Forms of Proxy for the General Meeting not lodged by this time will be invalid.
- (3) If either the Court Meeting or the General Meeting is adjourned, the Voting Record Time for the relevant adjourned meeting will be 6.00 p.m. on the day which is two Business Days before the date of the adjourned meeting.

- (4) The General Meeting will be held as soon as the Court Meeting shall have concluded or been adjourned.
- (5) These dates are indicative only and will depend, *inter alia*, on the date upon which: (i) the Conditions are satisfied or (if capable of waiver) waived; (ii) the Court sanctions the Scheme; and (iii) the Court Order is delivered to the Registrar of Companies.
- (6) This is the latest date by which the Scheme may become Effective unless Tern and Pires agree (and the Panel and, if required, the Court permit) a later date.

All references in this Document to times are to London time unless otherwise stated. The dates and times given are indicative only and are based on Pires's current expectations and may be subject to change (including as a result of changes to the regulatory timetable). If any of the expected times and/or dates above change, the revised times and/or dates will be notified to Pires Shareholders by announcement through a Regulatory Information Service with such announcement being made available on Pires's website at www.piresinvestments.com and on Tern's website at www.ternplc.com.

PART ONE

LETTER FROM A NON-EXECUTIVE DIRECTOR OF PIRES INVESTMENTS PLC



Pires Investments plc

(Incorporated in England and Wales with company number 02929801)

Directors

John May (*Non-Executive Director*)
Nicholas Lee (*Non-Executive Director*)
David Palumbo (*Non-Executive Director*)

Registered office:

9th Floor
107 Cheapside
London EC2V 6DN
United Kingdom

28 June 2022

To the holders of Pires Shares and, for information only, to holders of Pires Warrants and persons with information rights

Dear Pires Shareholder

RECOMMENDED ALL SHARE OFFER FOR PIRES INVESTMENTS PLC BY TERN PLC

1. Introduction

On 1 June 2022, the Boards of Pires and Tern announced that they had reached agreement on the terms of a recommended all-share offer whereby Tern will acquire the entire issued and to be issued share capital of Pires in exchange for New Tern Shares. The Acquisition is to be implemented by means of a court-sanctioned scheme of arrangement under Part 26 of the Act.

I am writing to you today to set out the background to the Acquisition and the reasons why the Pires Directors consider the terms of the Acquisition to be fair and reasonable and are unanimously recommending that you vote in favour of the Scheme.

In order to approve the terms of the Acquisition, the Scheme will require approval at the Court Meeting and will require Pires Shareholders to vote in favour of the Special Resolution to be proposed at the General Meeting, to be held on 21 July 2022 through a virtual meeting platform. Details of the actions you should take are set out in paragraph 17 of this Part One and paragraphs 7 and 18 of Part Two (*Explanatory Statement*) of this Document. The recommendation of the Pires Directors is set out in paragraph 5 of this Part One.

Tern has received an irrevocable undertaking from RiverFort Global Opportunities plc to vote in favour of the necessary resolutions that will be put before Pires Shareholders to implement the Acquisition and the Scheme in respect of 30,914,193 Pires Shares and any further Pires Shares acquired by RiverFort Global Opportunities plc on the exercise of any Pires Warrants.

On 21 June 2022, Pires announced that it had received notifications for the exercise of Pires Warrants over 4,939,200 Pires Shares, which included the notification of the exercise of Pires Warrants over 4,814,200 Pires Shares held by RiverFort Global Opportunities plc, and that such new Pires Shares had been issued and admitted to trading on AIM. Following the issue and admission of the 4,939,200 Pires Shares resulting from the warrant exercises, the irrevocable undertaking from RiverFort Global Opportunities plc is in respect of 35,728,393 Pires Shares representing 21.48 per cent. of Pires's issued share capital as at the Latest Practicable Date.

I draw your attention to the Explanatory Statement from Cairn set out in Part Two (*Explanatory Statement*) of this Document, which gives details about the Acquisition, the Scheme to implement it and further information on Tern and its intentions following completion of the Acquisition.

2. Summary of the terms and conditions of the Acquisition

2.1 Terms of the Acquisition

Under the terms of the Acquisition, which is subject to the Conditions and the other terms set out in Part Three (*Conditions to the implementation of the Scheme and to the Acquisition*) of this Document, Scheme Shareholders on the register of members of Pires at the Scheme Record Time will receive:

For each Pires Share held, 0.51613 New Tern Shares

Based on the Closing Price of 15.5 pence per Tern Share on 31 May 2022 (being the last Business Day before the date of the Announcement), the Acquisition valued:

- each Pires Share at 8.0 pence, a premium of 53.8 per cent. to Pires' closing share price of 5.2 pence on 31 May 2022 (being the last Business Day prior to the commencement of the Offer Period) and a 31.1 per cent. premium to the average closing share price of 6.1 pence per Pires Share for the six months ended 31 May 2022;
- the entire issued and to be issued share capital of Pires at approximately £14.9 million; and
- the Enlarged Group at a combined market capitalisation of approximately £69.5 million (assuming completion of the Acquisition).

Based on the Closing Price of 12.75 pence per Tern Share on the Latest Practicable Date, the Acquisition values each Pires Share at 6.58 pence and Pires's issued ordinary share capital on a fully diluted basis at approximately £12.3 million, representing a premium of:

- 26.6 per cent. to the Closing Price of 5.2 pence per Pires Share on 31 May 2022 (being the last Business Day prior to the commencement of the Offer Period); and
- 32.9 per cent. to the Closing Price of 4.95 pence per Pires Share on the Latest Practicable Date.

The New Tern Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Tern Shares already in issue, including the right to receive and retain dividends and other distributions declared, made or paid by reference to a record date falling after completion of the Acquisition. Application will be made to the London Stock Exchange for the New Tern Shares to be admitted to trading on AIM.

Upon completion of the Acquisition, Pires Shareholders will own approximately 21.39 per cent. of the Estimated Enlarged Share Capital.

If any dividend or other distribution or return of value is proposed, declared, made, paid or becomes payable in respect of Pires Shares on or after the date of this Document and prior to the Acquisition becoming effective, Tern will have the right to reduce the value of the consideration payable for each Pires Share by up to the amount per Pires Share of such dividend, distribution or return of value.

The New Tern Shares to be issued and allotted to Scheme Shareholders in accordance with the Exchange Ratio will be rounded up to the nearest whole number. Under the terms of the Acquisition, Scheme Shareholders will receive 0.51613 New Tern Shares for every Pires Share held. If a Scheme Shareholder holds only one Pires Share, then one New Tern Share will be allotted and issued to such Scheme Shareholder. If a Scheme Shareholder holds more than one Pires Share, then the Scheme Shareholder will receive such number of New Tern Shares as is equal to such number of Pires Shares the Scheme Shareholder holds multiplied by 0.51613 and rounded up to the nearest whole number. By way of illustration, if a Scheme Shareholder holds 2,500 Pires Shares, they will receive 1,291 New Tern Shares calculated as follows: 2,500 Pires Shares multiplied by 0.51613 equates to 1,290.325 New Tern Shares and 1,291 New Tern Shares when rounded up to the nearest whole number.

2.2 Conditions of the Acquisition

Further details of the Conditions and further terms of the Acquisition are set out in Part Three (*Conditions to the implementation of the Scheme and to the Acquisition*) of this Document.

3. Background to and reasons for the Acquisition

The Tern Board believes that combining the two businesses by way of the Acquisition has compelling strategic and financial rationale, and will be value accretive to both Tern Shareholders and Pires Shareholders and provide the opportunity for the Enlarged Group to:

- (a) establish a company of greater scale and potential interest to institutional investors;
- (b) provide investors with increased diversity of exposure to specialist technology businesses at different stages of development;
- (c) aid the development of the companies within each businesses' portfolio given their synergistic nature;
- (d) further enhance the existing Sure Valley Ventures relationship through the businesses' combined investment;
- (e) create a leadership position as the 'go to' investor in the IoT sector and other deep technology sectors that include AI, Machine Learning (ML) and Natural Language Processing (NLP);
- (f) provide greater liquidity to Pires Shareholders through their proposed holding of Tern Shares;
- (g) provide clear corporate synergistic benefits and cost savings, most notably Pires' public company costs, benefiting from the efficiencies created by the Enlarged Group;
- (h) provide Pires and its portfolio companies with a greater ability to expand outside of the UK, particularly given Tern's North American presence, connections and history; and
- (i) facilitate increased access to capital from a variety of sources as part of a larger group, in addition to the proceeds from potential exits of investments held by each business.

The Acquisition also enables Pires Shareholders to participate fully in the potential value creation from the Acquisition and benefit from any future shareholder returns.

The Tern Board believes that the terms of the Acquisition fairly reflect both Tern's and Pires's respective standalone businesses and their prospects as well as an appropriate sharing of the anticipated synergies resulting from the Acquisition. In addition, the Tern Board believes that there is considerable unlocked potential within the Pires investment portfolio, which is entering its mature stage having substantially completed its investment stage, (including unrealised value in the Sure Valley Ventures Fund 1 investment portfolio, which is entering its mature stage having substantially completed its investment stage) and that by using its hands-on approach and wide network of connections the Tern management team will quickly have an impact of releasing such potential. Furthermore, Pires will have ongoing representation on the board of the Enlarged Group, with Nicholas Lee being proposed to join the Tern Board as a non-executive director from the Effective Date.

4. Background to and reasons for the Pires Board recommending the Acquisition

Pires is an investment company with its ordinary shares admitted to trading on AIM that is focused on investing in next generation technology. Since moving towards technology investments in 2019, Pires has made some very exciting and attractive investments.

Today, Pires has a very attractive investment portfolio with clear potential for future growth and the ability to continue as an independent quoted company, however, there are a number of reasons why a combination with Tern is an attractive option for Pires and Pires Shareholders:

- (a) **Attractive price being offered:** the Offer Value represents a significant premium to Pires's share price at 31 May 2022 (being the last Business Day prior to the commencement of the Offer Period) and at the Latest Practicable Date and takes into account the growth prospects of the Pires investment portfolio;

- (b) **Share offer:** by receiving shares in the Enlarged Group, Pires Shareholders are able to retain an interest in the upside potential from the combination of the investment portfolios and benefit from any synergies available;
- (c) **Scale:** whilst Pires's organic growth has been rapid over the last couple of years, a combination with Tern enables both companies to quickly achieve greater scale. The Pires Directors believe that this scale will enhance liquidity to the benefit of all Pires Shareholders, whilst also making the Enlarged Group more attractive to both retail and institutional investors;
- (d) **Funding:** going forward the Enlarged Group will be better placed to benefit from a greater range of more flexible funding options;
- (e) **Complementary portfolio:** Pires's portfolio generally comprises smaller shareholdings in its investee companies and is more diverse, whereas Tern has a more concentrated portfolio with larger shareholdings. The combination of the two portfolios will create greater balance and mitigate risk, thereby offering the potential to deliver greater absolute gains;
- (f) **Operating infrastructure and resources:** the management of Pires's investment portfolio can benefit from the technology and operating synergies of Tern's investment portfolio, as well as the operating expertise and hands-on approach of Tern's larger operating team, which will provide greater resources and a more international network; and
- (g) **Cost reduction:** the majority of the direct costs associated with the management of the Pires portfolio can be eliminated through the combination, thereby reducing the cost ratio for the Enlarged Group.

5. Pires Directors' Recommendation

The Pires Directors, who have been so advised by Cairn as to the financial terms of the Acquisition, unanimously consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the Pires Directors, Cairn has taken into account the commercial assessments of the Pires Directors. Cairn is providing independent financial advice to the Pires Directors for the purpose of Rule 3 of the Code.

Accordingly, the Pires Directors unanimously intend to recommend that Pires Shareholders vote in favour of the Scheme at the Court Meeting and the Special Resolution relating to the Acquisition at the General Meeting (or in the event that the Acquisition is implemented by way of an Offer, to accept or procure acceptance of such Offer).

6. Information on Tern

Tern is a public limited company incorporated in England and Wales whose shares are admitted to trading on AIM.

Tern is focused on value creation from IoT technology businesses and its network of companies comprises Device Authority Limited, Wyld Networks AB, InVMA Limited (trading as Konektio), FVRVS Limited (trading as FundamentalVR) and Talking Medicines Limited, all of which are companies that Tern has interests in.

In March 2022, Tern announced that it had agreed to participate in a new venture capital fund, the New SVV Fund alongside the British Business Bank and other investors.

6.1 Tern's investment strategy

Tern's investment strategy is to invest in high-potential, private, UK software companies that solve significant real-world problems using new methods in large global markets.

Specifically, Tern targets investments in companies that have developed disruptive innovations to healthcare and industrial markets, employing the following technologies: AI, Machine Learning, Next Generation IoT Networking, Security (e.g., Information Security (InfoSec)) and Immersive Technologies such as AR and VR for the IoT.

Tern seeks to participate at the late seed stage or 'A' round, where there is often an equity gap, typically leading the investment round, bringing in other syndicate partners in later rounds, to capitalise the investee company initially and provide funding for future growth. When Tern invests in a company, it seeks to secure a position of influence, typically a board seat as Chairperson. Subsequently, Tern provides substantial "hands on" support and value add through the Tern team's operating expertise and network, to accelerate the company's growth from the initial investment to a position when it can hold a Series 'B' investment round. At the appropriate time, Tern will work to help the company secure a new lead Series 'B' investor, using the Tern team's extensive network and working with the investee company's syndicate of third-party investors.

6.2 Details of the Tern Network of Companies

Tern's network of companies predominantly comprises:

(a) ***Device Authority Limited ("Device Authority")***

Tern has a 53.8 per cent. holding in Device Authority. Device Authority is a global leader in Identity and Access Management (IAM) for the IoT; focused on the automotive, medical device (IoMT) and industrial (IIoT) sectors.

Device Authority's KeyScaler™ platform provides zero-touch provisioning and complete automated lifecycle management for securing IoT devices and data at scale, with frictionless deployment across device provisioning, authentication, credential management, policy based end-to-end data security/encryption and secure OTA (Over the Air) and HSM (Hardware Security Module) updates.

KeyScaler™ is system agnostic and protects Device Authority's customers' global IoT deployments at the edge, in the cloud and integrating into complex policy-driven requirements, independent of the customers' proprietary hardware and software environments. KeyScaler™ is deployed both direct, and through key platform and system integrator partners such as Microsoft, Wipro, EPS Global/Intrinsic ID. In December 2021, as part of a US\$2.9 million funding package, Device Authority received a US\$1.25 million strategic investment from Venafi Inc, a leader in providing machine identities.

(b) ***Wyld Networks AB ("Wyld Networks")***

Tern has a 49.2 per cent. holding in Wyld Networks. Wyld Networks' shares are quoted on the NASDAQ First North in Stockholm.

Wyld Networks is a virtual satellite network operator that develops and delivers innovative wireless technology solutions that enable affordable connectivity for IoT devices and sensors, potentially anywhere in the world – especially for the 85 per cent. of the world's surface where there are no cellular networks. Wyld Networks' technology also enables mesh networks that utilise location aware technology and wirelessly mesh devices in areas where 4G or Wi-Fi are congested or not available.

(c) ***FVRVS Limited (trading as "FundamentalVR")***

Tern has a 20.0 per cent. holding in FundamentalVR. FundamentalVR is a leading virtual reality training and data analysis technology platform with its initial applications being in surgical training.

FundamentalVR is led by surgical training experts and leading technologists with a mission to revolutionise surgical training by bringing simulation into the hands of medical professionals around the world, using low cost and easily accessible technology. FundamentalVR's software platform takes advantage of readily available virtual reality software and devices, such as the Facebook owned Oculus Quest, and combines it with cutting edge haptics (being technology based on the sense of touch) to create a simulation system that can be used on any modern computer set up. Using computer learning, the software platform works together with haptic hardware devices to simulate the physical sensation of operating on human tissue. It also has the capability to provide AI driven real-time feedback, procedure correction data and best practice insight. The result is a simulation system that provides surgeons with a more hands-on experience and aims to better prepare them for real life situations, resulting in better patient outcomes.

(d) ***InVMA Limited (trading as Konektio) (“Konektio”)***

Tern has a 36.8 per cent. holding in Konektio. Konektio helps industrial and manufacturing companies prosper by converging their physical assets with new transformational digital insights. Konektio’s AssetMinder® is a modular, industry 4.0, IoT software as a service (SaaS) platform, using a wide range of analytical tools and AI and machine learning algorithms to connect up whole factory floors and processes, as well as managing resources into and out of the factory. AssetMinder® assesses the effectiveness and efficiencies of entire operations, putting customers in control of their assets and therefore directly impacting productivity, efficiency and business outcomes.

(e) ***Talking Medicines Limited (“Talking Medicines”)***

Tern has a 23.8 per cent. holding in Talking Medicines. Talking Medicines is a social intelligence company designed specifically for the pharmaceutical industry. By structuring and translating the ‘patient’s voice’ on social media into actionable intelligence, it focuses on assisting pharmaceutical companies in delivering a greater return on investment for marketing and delivering better health outcomes for patients. Its platform, PatientMetRx, is an AI and natural language processing (NLP) powered social intelligence service, to provide pharmaceutical companies with insights on patient experience on a scale and depth not previously possible.

(f) ***The New SVV Fund***

In March 2022, Tern announced that it had agreed to participate in the New SVV Fund alongside the British Business Bank and other investors. The New SVV Fund will invest in a range of private UK software companies with a focus on companies in the immersive technology and metaverse sectors, including AR and VR, AI, the IoT and security. Tern has committed to invest up to £5.0 million in total over the 10 year life of the New SVV Fund, which would result in an interest in the New SVV Fund of approximately 5.9 per cent. The Tern Directors believe they will be able to fund investments into the New SVV Fund from Tern’s ongoing available resources.

7. Information on Pires

Pires is an investment company listed on AIM focused on investment in next generation technologies. It invests both directly and through certain investment funds.

Pires released its final results for the year ended 31 December 2021 on 15 June 2022. For the period under review, the Company reported a profit before taxation of £1,491,000 (for the 14-month period ended 31 December 2020: loss of £687,000). The profit or loss for the Company includes unrealised gains/losses in the portfolio of quoted equity investments which are marked to market, plus any return from and adjustment to the carrying value of our unlisted investments in the technology sector.

Pires's current investment portfolio can be analysed as follows:

Category	Components
Sure Valley Ventures	1. Original Sure Valley Ventures Fund 1 with 14 investments at various stages of development.
	2. New Sure Valley Ventures Fund 2, which includes a participation of up to £50 million by the British Business Bank.
	3. A 24.9 per cent. shareholding in Sure Ventures plc, a listed fund whose principal investments are a 25.9 per cent. stake in Sure Valley Ventures Fund 1 and a holding in VividQ.
Direct investments	1. Getvisibility – a leader in data visibility and control, using state-of-the-art artificial intelligence to classify and secure unstructured information.
	2. Precog – a security solution platform company that provides data intelligence to combat crime, terrorism and protect vulnerable people.
	3. Low6 – a leader in sports gaming technology that powers franchises with their own branded gaming experiences to engage and monetise their digital fan bases.
Digital assets	Pluto Digital – a crypto technology and operations company with a focus on Decentralised Finance (DeFi) and Metaverse (blockchain gaming and NFTs).

8. Pires Warrants

The Scheme will extend to any Pires Shares which are allotted, issued or transferred to satisfy the exercise of Pires Warrants prior to 30 June 2022 (being the date on which the Pires Warrants lapse in accordance with their terms), save where a holder of Pires Warrants gives notice of exercise of the Pires Warrants by 29 June 2022 conditional on the Scheme becoming Effective.

Holders of Pires Warrants have been contacted separately regarding the effect of the Acquisition on their rights under the Pires Warrants. The communication to holders of Pires Warrants set out how such holders can exercise their Pires Warrants in connection with the Acquisition.

9. Intentions regarding management and locations

Following the Acquisition, Tern intends for Pires's future business to continue to be that of an investment company. On the Effective Date, the Tern Board intends that the existing business activities of Pires will be transferred to Tern.

By way of background, Pires currently has three employees who are its three directors. Tern currently has eight employees, of which six are its directors.

On the Effective Date, it is proposed that Nicholas Lee will join the Tern Board as a non-executive director and that John May and David Palumbo, currently the other Non-Executive Directors of Pires will resign from the Pires Board. Mr. Lee's appointment to the Tern Board is subject to approval from Tern's Nominated Adviser after completion of the customary director due diligence process to satisfy itself as to Board composition and independence and the suitability of a potential director for the purposes of the AIM Rules for Nominated Advisers.

Tern has no intention to redeploy any material fixed assets of Pires. Tern intends to move Pires's location of business and headquarters to those of Tern as soon as practicable following completion of the Acquisition. Owing to the nature of the business, Pires has no research and development function. Tern has no plans to change this. Additionally, Pires has no existing pension schemes for its employees. Tern has no plans to change this.

Notwithstanding the above, no proposals have been made on the terms of any incentive arrangement for Nicholas Lee and there have been no discussions in respect of the terms of these arrangements.

Following the Acquisition, Tern's business will continue to be that of an investment company with an investment strategy that is focused on technology businesses. Tern does not intend for the Acquisition to result in changes to the continued employment of its current employees and all of the current members of Tern's Board and management will remain in their positions following completion of the Acquisition, with the only change to the Tern Board being the addition of Nicholas Lee as a non-executive director. Tern does not intend for the Acquisition to bring about any material changes in the conditions of employment or the balance of skills or functions in relation to Tern's current employees and management. Additionally, Tern does not intend for the Acquisition to bring about any material changes to Tern's places of business, the location of its headquarters or its headquarters functions.

10. Irrevocable undertaking and lock-in agreement

Tern has received an irrevocable undertaking to vote, or procure to vote, in favour of the Scheme at the Court Meeting and the resolutions at the General Meeting (or, if the Acquisition is implemented by way of an Offer to accept, or procure the acceptance, of the Offer) from RiverFort Global Opportunities plc, in respect of an aggregate of 30,914,193 Pires Shares and any further Pires Shares acquired by RiverFort Global Opportunities plc on the exercise of any Pires Warrants. On 21 June 2022, Pires announced that it had received notifications for the exercise of Pires Warrants over 4,939,200 Pires Shares, which included the notification of the exercise of Pires Warrants over 4,814,200 Pires Shares held by RiverFort Global Opportunities plc, and that such new Pires Shares had been issued and admitted to trading on AIM. Following the issue and admission of the 4,939,200 Pires Shares resulting from the warrant exercises, the irrevocable undertaking from RiverFort Global Opportunities plc is in respect of 35,728,393 Pires Shares representing 21.48 per cent. of Pires's issued share capital as at the Latest Practicable Date. This undertaking will remain binding in the event of a competing offer being made unless the value of such competing offer is an improvement of more than 10 per cent. of the value of the consideration under the Acquisition and is not matched or bettered by Tern (where such competing offer has been announced as a firm intention to make an offer in accordance with Rule 2.7 of the Code) or if this Document is not published within 28 days of the Announcement or the Scheme lapses or is otherwise withdrawn.

In addition, this irrevocable undertaking also contains a contractual lock-in arrangement with Tern and Allenby Capital in respect of the Locked-In Shares, representing, in aggregate, approximately 4.09 per cent. of the Estimated Enlarged Share Capital. Pursuant to this lock-in agreement, RiverFort Global Opportunities plc has agreed that for the period of one month from Admission it will not, and will use all its reasonable endeavours to procure that its connected persons will not, directly or indirectly effect or agree to effect a disposal of any legal or beneficial interest in any New Tern Shares issued to it following completion of the Acquisition. Thereafter, for a further two months, RiverFort Global Opportunities plc shall only dispose of any New Tern Shares it holds in an orderly manner as Allenby Capital shall reasonably determine.

Further details of this irrevocable undertaking are set out in paragraph 9 of Part Seven (*Additional Information*) of this Document. Copies of this document is available at Pires's website at www.piresinvestments.com and on Tern's website at www.ternplc.com, and will remain on display until completion of the Acquisition.

11. Tern General Meeting

In order to allot the New Tern Shares, Tern will propose the Resolution to be approved by the Tern Shareholders at the Tern General Meeting. The Acquisition will accordingly be conditional, *inter alia*, on the Resolution being approved.

The Tern Directors consider the Acquisition to be in the best interests of Tern Shareholders as a whole and recommend unanimously that Tern Shareholders vote in favour of the Resolution, as those Tern Directors who are interested in Tern Shares have irrevocably undertaken to, or to direct (and to use all reasonable endeavours to procure that) their nominees, do in respect of their own beneficial holdings (and the

beneficial holdings which are under their control) of 21,100,898 Tern Shares representing, in aggregate, approximately 5.99 per cent. of Tern's issued ordinary share capital as at the Latest Practicable Date.

12. Issue and Admission of New Tern Shares

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

Following the completion of the Acquisition, the New Tern Shares will be issued as fully paid and will rank *pari passu* in all respects with the Tern Shares in issue at the time the New Tern Shares are issued, including in relation to the right to receive notice of, and to attend and vote at, general meetings of Tern, and the right to receive and retain any dividends and/or other distributions declared, made or paid, or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made, by Tern in respect of the Tern Shares with a record date falling after completion of the Acquisition and to participate in the assets of Tern upon a winding-up of Tern.

Irrespective of the date on which completion of the Acquisition falls, Pires Shareholders will not be entitled to receive any dividend declared, made or paid by Tern for the benefit of the Tern Shareholders by reference to a record date falling on or before the date on which the Acquisition completes.

Application will be made to the London Stock Exchange for the New Tern Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings for normal settlement in respect of the New Tern Shares at 8.00 a.m. on the first Business Day following the Effective Date.

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

13. The Scheme and the Meetings

The Acquisition is being implemented by way of a Court-sanctioned scheme of arrangement between Pires and the Scheme Shareholders under Part 26 of the Act, although Tern reserves the right to elect to implement the Acquisition by way of an Offer (subject to the consent of the Panel and Pires). The procedure involves an application by Pires to the Court to sanction the Scheme, which will involve the Scheme Shares being transferred to Tern, in consideration for which Scheme Shareholders will receive 0.51613 New Tern Shares for every Pires Share held (on the basis described in paragraph 2 above).

To become Effective, the Scheme requires, *inter alia*, the approval of a majority in number of the Scheme Shareholders present and voting (and entitled to vote), either virtually or by proxy at the Court Meeting, representing 75 per cent. or more in value of the Scheme Shares held by such Scheme Shareholders present and voting at the Court Meeting (or any adjournment of the Court Meeting) and the passing of the Special Resolution necessary to implement the Scheme at the General Meeting (or any adjournment of the General Meeting). Following the Court Meeting and the General Meeting and the satisfaction (or, where applicable, waiver) of the other Conditions, the Scheme must also be sanctioned by the Court. Pires will give adequate notice of the time, date and arrangements for the Court Hearing, once known, by issuing an announcement through a Regulatory Information Service. The Scheme will only become Effective upon a copy of the Court Order being delivered to the Registrar of Companies for registration. Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they voted in favour of, or against, the Scheme at the Court Meeting or in favour of, or against, or abstained from voting on the Special Resolution at the General Meeting.

it is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of the opinion of Scheme Shareholders. Even if you intend to participate in the Meetings through the virtual meeting platform, you are strongly urged to complete, sign and return your Forms of Proxy (or appoint a proxy online or through CREST electronic proxy appointment service), for both the Court Meeting and the General Meeting, as soon as possible, and in any event by no later than 11.00 a.m. on 19 July 2022 (in the

case of the Court Meeting) or 11.10 a.m. on 19 July 2022 (in the case of the General Meeting). Appointment of a proxy will not prevent you from participating, speaking and voting at the Court Meeting or the General Meeting or any adjournment thereof through the virtual meeting platform.

Further details of the Scheme and the Meetings are set out in paragraph 7 of Part Two (*Explanatory Statement*) of this Document.

14. Cancellation of trading of Pires Shares on AIM

A request will be made to the London Stock Exchange prior to the Effective Date to cancel the trading in Pires Shares on AIM with effect from the Effective Date or shortly thereafter.

The last day of dealings in Pires Shares is expected to be on the Business Day prior to the Effective Date. Further details are set out in paragraph 11 of Part Two (*Explanatory Statement*) of this Document.

15. Overseas holders

Overseas holders of Pires Shares should refer to Part Six (*Additional Information for Overseas holders*) of this Document, which contains important information relevant to such holders.

16. United Kingdom taxation

Your attention is drawn to Part Eight (*United Kingdom Taxation*) of this Document, which summarises certain limited aspects of the United Kingdom taxation treatment of the Scheme. This summary relates only to the position of certain Scheme Shareholders under the Scheme (as explained further at Part Eight (*United Kingdom Taxation*) of this Document), does not constitute tax advice and does not purport to be a complete analysis of all tax considerations relating to the Scheme.

You are strongly advised to consult an appropriately qualified independent professional adviser immediately to discuss the tax consequences of the Scheme given your particular circumstances, in particular, if you are in any doubt about your own tax position or you are subject to taxation in any jurisdiction other than the United Kingdom.

17. Action to be taken by Pires Shareholders

Details of the approvals being sought at the Court Meeting and the General Meeting and the action to be taken by Pires Shareholders in respect of the Acquisition and Scheme are set out in paragraphs 7 and 18 of Part Two (*Explanatory Statement*) of this Document.

Details relating to the delisting of the Pires Shares and the allotment and issue of the New Tern Shares are included in paragraphs 10 to 12 (inclusive) of Part Two (*Explanatory Statement*) of this Document.

18. Further information

Your attention is drawn to further information contained in Part Two (*Explanatory Statement*), Part Three (*Conditions to the Implementation of the Scheme and to the Acquisition*), Part Four (*The Scheme of Arrangement*) and Part Seven (*Additional Information on Pires and Tern*) of this Document which provides further details concerning the Scheme.

You are advised to read the whole of this Document and not just rely on the summary information contained in this letter.

Yours faithfully,

John May
Non-Executive Director
Pires Investments plc

PART TWO
EXPLANATORY STATEMENT

(In compliance with section 897 of the Companies Act 2006)



Cairn Financial Advisers LLP
Registered office: 9th Floor, 107 Cheapside, London EC2V 6DN, United Kingdom

28 June 2022

To the holders of Pires Shares and, for information only, to holders of Pires Warrants and persons with information rights

Dear Pires Shareholder

**RECOMMENDED ALL SHARE OFFER FOR PIRES INVESTMENTS PLC
BY TERN PLC**

1. Introduction

On 1 June 2022, the Boards of Pires and Tern announced that they had reached agreement on the terms of a recommended all-share offer pursuant to which Tern will acquire the entire issued and to be issued share capital of Pires to form the Enlarged Group.

The Acquisition is to be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Act. The Scheme requires, *inter alia*, the approval of the Scheme Shareholders and the sanction of the Court.

Your attention is drawn to the letter from a Non-Executive Director of Pires set out in Part One (*Letter from a Non-Executive Director of Pires*) of this Document, which forms part of this Explanatory Statement. The letter contains, *inter alia*: (a) information on the background to, reasons for and benefits of the Acquisition and (b) the unanimous recommendation of the Pires Directors to Pires Shareholders to vote in favour of the resolutions to be proposed at the Court Meeting and the General Meeting. Statements made in this letter regarding the future plans for the Enlarged Group reflect the views of the Tern Directors and the Proposed Tern Director.

The Pires Directors, who have been so advised by Cairn as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its financial advice to the Pires Directors, Cairn has taken into account the commercial assessments of the Pires Directors. Cairn is providing independent financial advice to the Pires Directors for the purposes of Rule 3 of the Code.

Accordingly, the Pires Directors unanimously intend to recommend that Pires Shareholders vote in favour of the Scheme at the Court Meeting and the Special Resolution relating to the Acquisition at the General Meeting (or in the event that the Acquisition is implemented by way of an Offer, to accept or procure acceptance of such Offer).

Cairn has been authorised by the Pires Directors to write to you to explain the terms of the Acquisition and the Scheme and to provide you with other relevant information. In giving its advice, Cairn is advising the Pires Directors in relation to the Acquisition and is not acting for any Pires Director in their personal capacity nor for any Pires Shareholder in relation to the Acquisition. Cairn will not be responsible to any such person for providing the protections afforded to its clients or for advising any such person in relation to the Acquisition. In particular, Cairn will not owe any duties or responsibilities to any particular Pires Shareholder concerning the Acquisition. Please note that dates and timings set out in this Document are indicative only and may be subject to change.

This Explanatory Statement contains a summary of the provisions of the Scheme. The terms of the Scheme are set out in full in Part Four (*The Scheme of Arrangement*) of this Document. Your attention is also drawn to the other parts of this Document, which are deemed to form part of this Explanatory Statement, including Part One (*Letter from a Non-Executive Director of Pires*), the Conditions and certain further terms set out in Part Three (*Conditions to the implementation of the Scheme and to the Acquisition*) and the additional information set out in Part Seven (*Additional Information on Pires and Tern*) of this Document. For overseas holders of Pires Shares, your attention is drawn to Part Six (*Additional Information for Overseas holders*) of this Document, which forms part of this Explanatory Statement.

Pires Shareholders should read the whole of this document before deciding whether or not to vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting.

2. Summary of the terms and conditions of the Acquisition and the Scheme

The Acquisition is being effected by way of a Court-sanctioned scheme of arrangement between Pires and the Scheme Shareholders under Part 26 of the Act (although Tern reserves the right (with the consent of the Panel and Pires) to implement the Acquisition by way of an Offer). Following the Scheme becoming Effective, the entire issued share capital of Pires will be held by Tern.

Under the terms of the Acquisition, which is subject to the Conditions and further terms set out in Part Three (*Conditions to the implementation of the Scheme and to the Acquisition*) of this Document, Scheme Shareholders on the register of members of Pires at the Scheme Record Time will receive:

For each Pires Share held, 0.51613 New Tern Shares

Based on the Closing Price of 15.5 pence per Tern Share on 31 May 2022 (being the last Business Day before the date of the Announcement), the Acquisition valued:

- each Pires Share at 8.0 pence, a premium of 53.8 per cent. to Pires' closing share price of 5.2 pence on 31 May 2022 (being the last Business Day prior to the commencement of the Offer Period) and a 31.1 per cent. premium to the average closing share price of 6.1 pence per Pires Share for the six months ended 31 May 2022;
- the entire issued and to be issued share capital of Pires at approximately £14.9 million; and
- the Enlarged Group at a combined market capitalisation of approximately £69.5 million (assuming completion of the Acquisition).

Based on the Closing Price of 12.75 pence per Tern Share on the Latest Practicable Date, the Acquisition values each Pires Share at 6.58 pence and Pires's issued ordinary share capital on a fully diluted basis at approximately £12.3 million, representing a premium of:

- 26.6 per cent. to the Closing Price of 5.2 pence per Pires Share on 31 May 2022 (being the last Business Day prior to the commencement of the Offer Period); and
- 32.9 per cent. to the Closing Price of 4.95 pence per Pires Share on the Latest Practicable Date.

The New Tern Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Tern Shares already in issue, including the right to receive and retain dividends and other distributions declared, made or paid by reference to a record date falling after completion of the Acquisition. Application will be made to the London Stock Exchange for the New Tern Shares to be admitted to trading on AIM.

Upon completion of the Acquisition, Pires Shareholders will own approximately 21.39 per cent. of the Estimated Enlarged Share Capital.

If any dividend or other distribution or return of value is proposed, declared, made, paid or becomes payable in respect of Pires Shares on or after the date of this Document and prior to the Acquisition becoming effective, Tern will have the right to reduce the value of the consideration payable for each Pires Share by up to the amount per Pires Share of such dividend, distribution or return of value.

The New Tern Shares to be issued and allotted to Scheme Shareholders in accordance with the Exchange Ratio will be rounded up to the nearest whole number. Under the terms of the Acquisition, Scheme Shareholders will receive 0.51613 New Tern Shares for every Pires Share held. If a Scheme Shareholder holds only one Pires Share, then one New Tern Share will be allotted and issued to such Scheme Shareholder. If a Scheme Shareholder holds more than one Pires Share, then the Scheme Shareholder will receive such number of New Tern Shares as is equal to such number of Pires Shares the Scheme Shareholder holds multiplied by 0.51613 and rounded up to the nearest whole number. By way of illustration, if a Scheme Shareholder holds 2,500 Pires Shares, they will receive 1,291 New Tern Shares calculated as follows: 2,500 Pires Shares multiplied by 0.51613 equates to 1,290.325 New Tern Shares and 1,291 New Tern Shares when rounded up to the nearest whole number.

3. Background to and reasons for the Pires Board recommending the Acquisition

Information relating to the background to and reasons for the Pires Directors' recommendation of the Acquisition is set out in paragraph 5 of Part One (*Letter from a Non-Executive Director of Pires*) of this Document.

4. Information on Pires and Tern

Please refer to paragraphs 6 and 7 of Part One (*Letter from a Non-Executive Director of Pires*) of this Document.

5. Conditions to the Acquisition and Scheme

The Acquisition and, accordingly, the Scheme is subject to a number of conditions set out in full in Part Three (*Conditions to the implementation of the Scheme and to the Acquisition*) of this Document, including:

- (a) approval of the resolution to be proposed at the Court Meeting by the requisite majorities of the Scheme Shareholders and such Court Meeting being held on or before the 22nd day after the expected date of the Court Meeting (or such later date, if any, as Tern and Pires may agree and, if required, the Court and the Panel may allow);
- (b) approval of all resolutions necessary to approve and implement the Scheme by the requisite majority of the Pires Shareholders at the General Meeting and such General Meeting being held on or before the 22nd day after the expected date of the General Meeting (or such later date, if any, as Tern and Pires may agree and, if required, the Court and the Panel may allow);
- (c) the Court Hearing being held on or before the 22nd day after the expected date of the Court Hearing as set out in this Document (or such later date, if any, as Tern and Pires may agree and, if required, the Court and the Panel may allow); and
- (d) the sanction of the Scheme by the Court with or without modification (but subject to any such modification being acceptable to Tern and Pires) and the delivery of a copy of the Court Order to the Registrar of Companies and the Scheme becoming Effective by the Long Stop Date.

The Scheme will require approval by Scheme Shareholders at the Court Meeting and approval of the Special Resolution by the required majority of Pires Shareholders who are entitled to vote on the Special Resolution at the General Meeting, and the sanction of the Court at the Court Hearing. The Meetings and the nature of the approvals required to be given at them are described in more detail in paragraph 7 below. Scheme Shareholders will not be able to attend the Court Meeting or the General Meeting in person. All Scheme Shareholders are entitled to participate in the Meetings and the Court Hearing in person or through representatives (whether physically or through a virtual meeting platform) to support or oppose the sanctioning of the Scheme, further details of which are set out in paragraph 7 below.

The Scheme can only become Effective if all Conditions to the Scheme, including shareholder approvals and the sanction of the Court, have been satisfied (unless, where applicable, the relevant Condition is waived). The Scheme will become Effective upon a copy of the Court Order being delivered to the Registrar of Companies for registration. Subject to the sanction of

the Scheme by the Court, this is expected to occur during the third quarter of 2022. If the Scheme does not become Effective by the Long Stop Date, the Scheme will not become Effective and the Acquisition will not proceed.

As set out in Part Three (*Conditions to the implementation of the Scheme and to the Acquisition*) of this Document, the Acquisition and is conditional, *inter alia*, on: the New Tern Shares being admitted to trading on AIM; the approval of the Scheme by the Scheme Shareholders; and the sanction of the Scheme by the Court.

Further details of the Conditions and further terms of the Acquisition are set out in Part Three (*Conditions to the implementation of the Scheme and to the Acquisition*) of this Document.

6. Offer-related arrangements

Tern and Pires entered into the Non-Disclosure Agreement on 20 April 2022 pursuant to which each of Tern and Pires undertook, *inter alia*, to: (a) keep certain information relating to the Acquisition and the other party confidential and not to disclose it to third parties (other than to permitted parties) unless required by law or regulation; and (b) use the confidential information for the sole purpose of evaluating, negotiating, advising on or implementing the Acquisition.

The Non-Disclosure Agreement has been published on Pires's website at www.piresinvestments.com and on Tern's website at www.ternplc.com and is available for inspection at the times and places indicated in paragraph 16 of Part Seven (*Additional Information*) of this Document.

7. Description of the Scheme and the Meetings

7.1 The Scheme

The Acquisition is to be implemented by means of a Court-sanctioned scheme of arrangement between Pires and those Scheme Shareholders who are on the Pires register of members at the Scheme Record Time, that is the close of business on the date of the Court Hearing, under Part 26 of the Act. The procedure requires approval by Pires Shareholders at the Court Meeting and at the General Meeting, and sanction of the Scheme by the Court. The Scheme is set out in full in Part Four (*Scheme of Arrangement*) of this Document.

It is proposed that, under the Scheme, the Scheme Shares will be transferred to Tern (or its nominee(s)) so that the entire issued share capital of Pires is held by Tern (or its nominee(s)). Holders of Scheme Shares whose names appear on the register of Pires at the Scheme Record Time will receive 0.51613 New Tern Shares for every Pires Share held by them.

7.2 The Meetings

The Scheme will require the approval of Scheme Shareholders at the Court Meeting and Pires Shareholders at the separate General Meeting, both of which will be held on 21 July 2022, with the Court Meeting starting at 11.00 a.m. and the General Meeting starting at 11.10 a.m. (or as soon thereafter as the Court Meeting is concluded or adjourned). The Court Meeting is being held at the direction of the Court to seek the approval of Scheme Shareholders for the Scheme. The General Meeting is being convened to seek the approval of Pires Shareholders to enable the Pires Directors to implement the Scheme, to amend the Articles of Association (as described in paragraph 7.3 below) and to approve the re-registration of Pires as a private limited company.

Notices of both the Court Meeting and the General Meeting are set out in Part Ten (*Notice of Court Meeting*) and Part Eleven (*Notice of General Meeting*) of this Document. Entitlement to participate in and vote at these meetings and the number of votes which may be cast thereat will be determined by reference to the register of members of Pires at the Voting Record Time.

To make the Meetings as efficient as possible, Pires will hold the Meetings virtually in accordance with the provisions of its Articles of Association.

The Pires Shareholders will be given the opportunity to participate and vote electronically in the Meetings through the virtual meeting platform, details of which are set out below.

Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders at the Scheme Record Time, irrespective of whether or not they voted in favour of, or against, the Scheme at the Court Meeting or in favour of, or against, or abstained from voting on the Special Resolution at the General Meeting.

Any Pires Shares which Tern may acquire prior to the Court Meeting or the General Meeting (and any Pires Shares which any member of the Wider Tern Group (or their nominees) holds at the date of the Court Meeting or General Meeting) are not Scheme Shares and therefore no member of the Wider Tern Group (or their nominees) is entitled to vote at the Court Meeting or the General Meeting in respect of the Pires Shares held or acquired by it. Each such member of the Wider Tern Group will undertake to be bound by the Scheme.

(a) Court Meeting

The Court Meeting has been convened with the permission of the Court for 11.00 a.m. on 21 July 2022 to enable the Pires Shareholders who are registered as members of Pires at the Voting Record Time to consider and, if thought fit, approve the Scheme.

At the Court Meeting, voting will be by poll and each Scheme Shareholder will be entitled to one vote for each Scheme Share held at the Voting Record Time. The approval required at the Court Meeting is 75 per cent. or more in value of the Scheme Shares cast by those Scheme Shareholders. **To make the Meetings as efficient as possible, Scheme Shareholders will not be permitted to attend and vote in person at the Court Meeting. The Scheme Shareholders will be able to participate and vote on the poll in the Court Meeting through the virtual meeting platform.**

Scheme Shareholders participating in the Court Meeting through the virtual meeting platform will be permitted to ask questions of the chairperson at the Court Meeting, or questions can be submitted in advance to nick.lee@piresinvestmentsplc.com.

Scheme Shareholders have the right to raise any objections they may have to the Scheme at the Court Meetings or they can be submitted by email (to the email address shown above) in advance of the meeting.

To join the Court Meeting, type (or paste) the following web address into your web browser:

<https://mmitc-collab.webex.com/mmitc-collab/onstage/g.php?MTID=eeb32340382ee0bc4ea0e16f9e5a911bd>

You will be asked to enter a password to gain access to the Court Meeting. This password can be found on the bottom section of the BLUE Form of Proxy. Please detach and keep this portion of the BLUE Form of Proxy before returning it.

When the Court Meeting opens at the appointed time, you be able to see and hear the chairperson of the Court Meeting. The chairperson will open the Court Meeting and address any questions that have been submitted in advance. All attendees will remain muted by the host unless and until they are invited to speak by the chairperson.

The chairperson will then formally put the resolution to approve the Scheme to the Court Meeting, and you will have an option to submit an electronic poll card to record your vote. If you (a) have already submitted a Form of Proxy or appointed a CREST proxy; or (b) do not wish to vote, you do not need to submit an electronic poll card. Please ensure you have your email application open when you click "submit" on the electronic poll card so that it can generate an automatic response email.

Once voting at the Court Meeting has concluded, the chairperson will formally close the Court Meeting and open the General Meeting. If you wish to participate in the General Meeting, please do not exit the virtual meeting platform.

It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Scheme Shareholder opinion. Even if you intend to participate in the Court Meeting through the virtual meeting platform, you are strongly urged to complete and return your Forms of Proxy (or appoint a proxy online or through CREST electronic proxy appointment service) as soon as possible, and in any event by no later than 11.00 a.m. on 19 July 2022.

Pires will announce the details of the votes at the Court Meeting as required under the Code through a Regulatory Information Service as soon as practicable after the conclusion of the Meetings and, in any event, by no later than 8.00 a.m. on the Business Day following the Meetings.

(b) General Meeting

In addition, the General Meeting has been convened for 11.10 a.m. on 21 July 2022 (or as soon thereafter as the Court Meeting is concluded or adjourned) to consider and, if thought fit, pass the Special Resolution to authorise:

- the Pires Directors to take all such actions as they may consider necessary or appropriate for carrying the Scheme into effect;
- the amendment of the Articles of Association in the manner described in paragraph 7.3 below; and
- the re-registration of Pires as a private limited company with the name “Pires Investments Limited”.

Voting at the General Meeting will be by poll and each Pires Shareholder will be entitled to one vote for each Pires Share held as at the Voting Record Time. The approval required at the General Meeting is a simple majority in number representing 75 per cent. or more of the Pires Shares held by the Pires Shareholders. **To make the Meetings as efficient as possible, Pires Shareholders will not be permitted to attend and vote in person at the General Meeting. The Pires Shareholders will be able to participate and vote on the poll in the General Meeting through the virtual meeting platform.**

Pires Shareholders participating in the General Meeting will be permitted to ask questions of the chairperson at the General Meeting, or questions can be submitted in advance to nick.lee@piresinvestmentsplc.com.

Pires Shareholders have the right to raise any objections they may have to the Special Resolution at the General Meeting or such objections can be submitted by email (to the email address shown above) in advance of the meeting.

If you participated in the Court Meeting through the virtual meeting platform and wish to participate in the General Meeting, please do not exit the virtual meeting platform. If you did not participate in the Court Meeting, but wish to participate in the General Meeting, please type (or paste) the following web address into your web browser:

<https://mmitc-collab.webex.com/mmitc-collab/onstage/g.php?MTID=eeb32340382ee0bc4ea0e16f9e5a911bd>

You will be asked to enter a password to gain access to the General Meeting. This password can be found on the bottom section of the YELLOW Form of Proxy. Please detach and keep this portion of the YELLOW Form of Proxy before returning it.

When the General Meeting opens at the appointed time, you be able to see and hear the chairperson of the General Meeting. The chairperson will open the General Meeting and address any questions that have been submitted in advance. All attendees will remain muted by the host unless and until they are invited to speak by the chairperson.

The chairperson will then formally put the Special Resolution to the General Meeting, and you will have an option to submit an electronic poll card to record your vote. If you have already submitted a Form of Proxy or appointed a CREST proxy, you do not need to submit an electronic poll card unless you wish to change your note.

Once voting at the General Meeting has concluded, the chairperson will formally close the General Meeting.

Pires will announce the details of the votes at the General Meeting as required under the Code through a Regulatory Information Service as soon as practicable after the conclusion of the General Meeting and, in any event, by no later than 8.00 a.m. on the Business Day following the General Meeting.

(c) Court Hearing

Under the Act, the Scheme requires the sanction of the Court. The Court Hearing to sanction the Scheme is currently expected to be held on or around 28 July 2022, subject to the prior satisfaction or waiver (where applicable) of the other Conditions set out in Part Three (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this Document.

The Court Hearing will be held either virtually or in person at The Royal Courts of Justice, The Rolls Buildings, Fetter Lane, London EC4A 1NL, United Kingdom. Pires will give adequate details of the time, date and arrangements for the Court Meeting once known by issuing an announcement through a Regulatory Information Services. In any event, the details of the Court Hearing will be published on the Court service website and Pires's website at www.piresinvestments.com on the day before the Court Hearing. All Pires Shareholders are entitled to attend such Court Hearing in person or through counsel (whether physically or through a virtual meeting platform) to support or oppose the sanctioning of the Scheme.

Following sanction of the Scheme by the Court, the Scheme will become Effective upon a copy of the Court Order being delivered to the Registrar of Companies. This is currently expected to occur two Business Days after the date of the Court Hearing.

Pires and/or Tern will make an announcement through a Regulatory Information Service as soon as practicable following the Scheme becoming Effective.

Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders at the Scheme Record Time, irrespective of whether or not they participated in or voted in favour of, or against, the Scheme at the Court Meeting or in favour of, or against, or abstained from voting on the Special Resolution at the General Meeting.

If the Scheme does not become Effective by the Long Stop Date (or such later date as may be agreed in writing by Pires and Tern with the Panel's consent and as the Court may approve (should such approval(s) be required)), the Scheme will lapse and will never become Effective.

7.3 Amendments to the Articles of Association

It is also proposed to amend the Articles of Association so that any Pires Shares issued to any person other than Tern or its nominee(s) at or after the Scheme Record Time will be automatically acquired by Tern on the same terms as under the Scheme (other than terms as to timing and formalities). This will avoid any person (other than Tern or its nominee(s)) being left with Pires Shares after dealings in such shares have ceased on AIM (which is expected to occur at 5.00 p.m. on the Business Day before the Effective Date). Paragraph (b) of the Special Resolution set out in the notice of General Meeting in Part Eleven (*Notice of General Meeting*) of this Document seeks the approval of Pires Shareholders for such amendments.

7.4 Entitlement to vote at the Meetings

Each Pires Shareholder who is entered in Pires's register of members at the Voting Record Time will be entitled participate in and to vote on all resolutions to be put to the Court Meeting and the General Meeting. If either Meeting is adjourned, only those Pires Shareholders on the register of members at 6.00 p.m. on the day which is two Business Days before the adjourned meeting will be entitled to participate and vote. Each eligible Pires Shareholder is entitled to appoint a proxy or proxies to participate and vote instead of them. A proxy need not be a Pires Shareholder.

Eligible Pires Shareholders who return completed Forms of Proxy or appoint a proxy through CREST may still attend the Meetings (or adjourned Meeting(s), if applicable) through the virtual meeting platform instead of their proxies and vote on the poll conducted at the virtual meeting if they wish and are entitled to do so.

If you are in any doubt as to whether or not you are permitted to vote at the Meetings, please contact the Registrar on +44 (0)370 889 3207. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls

from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice.

Further information on the actions to be taken is set out in paragraph 18 of this Part Two.

7.5 Modifications to the Scheme

The Scheme contains a provision for Pires and Tern jointly to consent (on behalf of all persons concerned) to any modification of, or addition to, the Scheme or to any condition which the Court may approve or impose. The Court would be unlikely to approve or impose any modification of, or addition or condition to, the Scheme which might be material to the interests of Scheme Shareholders unless Scheme Shareholders were informed of any such modification, addition or condition. It would be for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in those circumstances.

7.6 Implementation by way of an Offer

Subject to obtaining the consent of the Panel and Pires, Tern reserves the right to elect to implement the Acquisition by way of an Offer as an alternative to the Scheme. In such event, such Offer will be implemented on substantially the same terms and conditions, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments to reflect the change in method of effecting the Acquisition.

If sufficient acceptances of such Offer are received and/or sufficient Pires Shares are otherwise acquired, it is the intention of Tern to apply the provisions of section 979 of the Act to acquire compulsorily any outstanding Pires Shares to which the offer related.

8. Financial effects of the Acquisition

Under the terms of the Acquisition, Scheme Shareholders will receive 0.51613 New Tern Shares for every Pires Share held.

The following table shows, for illustrative purposes only and on the bases and assumptions set out in the notes below, the financial effects on capital value for a holder of one Pires Share if the Scheme becomes Effective. The table below compares the value of the Acquisition using the market value of Pires Shares and Tern Shares:

(A) as at 31 May 2022, being the last Business Day prior to the commencement of the Offer Period; and

(B) as at 27 June 2022, being the Latest Practicable Date.

		(A)	(B)
	Note	pence	pence
Increase in capital value			
Market value of 0.51613 New Tern Share	(1)	8.00	6.58
Market value of one Pires Share	(2)	5.20	4.95
Increase in capital value	(3)	2.80	1.63
Representing an increase in capital value approximately of	(4)	53.8%	32.9%

Notes:

(1) The market value of 0.51613 New Tern Shares is based on the Closing Price of (A) 15.5 pence per Tern Share on 31 May 2022 (being the last Business Day prior to the commencement of the Offer Period), and (B) 12.75 pence per Tern Share on 27 June 2022 (being the Latest Practicable Date) multiplied by a ratio of 0.51613 New Tern Shares for each Pires Share.

(2) The market value of one Pires Share pursuant to the Exchange Ratio is based on the Closing Price of (A) 5.2 pence per Pires Share on 31 May 2022 (being the last Business Day prior to the commencement of the Offer Period), and (B) 4.95 pence per Pires Share on 27 June 2022 (being the Latest Practicable Date).

(3) The increase in capital value compares the values shown in (1) and (2). No account has been taken of any costs associated with the Acquisition or other potential effects of the Acquisition. In assessing the financial effects on the capital position of the Scheme Shareholders, no account has been taken of any potential liability to taxation of a Scheme Shareholder, or a beneficial owner of Scheme Shares.

(4) Presents the increase in capital value shown in (4) as a proportion of (1) in percentage terms.

The table above takes no account of taxation, which may vary depending on each Scheme Shareholder's personal circumstances. The attention of Scheme Shareholders and beneficial owners of Scheme Shares is drawn to Part Eight (*United Kingdom Taxation*) of this Document.

The tax implications of the financial effects of the Acquisition will depend on the individual circumstances of each Scheme Shareholder or beneficial owner of Scheme Shares. Beneficial owners of Scheme Shares and Scheme Shareholders should consult their own tax advisers.

Following completion of the Acquisition, the earnings, assets and liabilities of the Wider Pires Group will be consolidated into the earnings, assets and liabilities of Tern.

As at the close of business on 27 June 2022 (being the Latest Practicable Date), the Enlarged Group would have had a combined market capitalisation of approximately £57.5 million (based on the Estimated Enlarged Share Capital of 450,880,413 Tern Shares multiplied by the Closing Price of a Tern Share on the Latest Practicable Date of 12.75 pence).

9. Irrevocable undertaking

Information relating to the irrevocable undertaking which has been received by Tern in respect of Pires Shares is set out in paragraph 10 of Part One (*Letter from a Non-Executive Director of Pires*) of this Document and in paragraph 9 of Part Seven (*Additional information on Pires and Tern*) of this Document.

10. Issue and Admission of the New Tern Shares

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

Following the completion of the Acquisition, the New Tern Shares will be issued as fully paid and will rank equally in all respects with the Tern Shares in issue at the time the New Tern Shares are issued, including in relation to the right to receive notice of, and to attend and vote at, general meetings of Tern, and the right to receive and retain any dividends and/or other distributions declared, made or paid, or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made, by Tern in respect of the Tern Shares with a record date falling after completion of the Acquisition and to participate in the assets of Tern upon a winding-up of Tern.

Irrespective of the date on which completion of the Acquisition falls, Pires Shareholders will not be entitled to receive any dividend declared, made or paid by Tern for the benefit of the Tern Shareholders by reference to a record date falling on or before the date on which the Acquisition completes.

Application will be made to the London Stock Exchange for the New Tern Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings for normal settlement in respect of the New Tern Shares at 8.00 a.m. on the first Business Day following the Effective Date.

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

11. Cancellation of admission to trading of the Pires Shares on AIM and Re-Registration

Prior to the Scheme becoming Effective and subject to the applicable requirements of the AIM Rules, an application will be made to the London Stock Exchange for the admission of the Pires Shares to trading on AIM to be cancelled by 8.00 a.m. on the Business Day following the Effective Date. The last day of dealings in, and for registration of transfers of, Pires Shares shall be the Business Day prior to the Effective Date, following which Pires Shares will be suspended from trading on AIM.

As at the close of trading on the last day of dealings in Pires Shares prior to the Effective Date, there may be unsettled, open trades for the sale and purchase of Pires Shares within the CREST system. The Pires Shares that are the subject of such unsettled trades will be treated under the Scheme in the same way as any other Pires Share registered in the name of the relevant seller under that trade. Consequently, the relevant Scheme Shareholder will receive the appropriate New Tern Shares in accordance with the terms of the Acquisition. No transfers of Pires Shares will be registered after this date and no Pires Shares will be issued after this date.

By 8.00 a.m. on the Business Day following the Effective Date, share certificates in respect of Scheme Shares will cease to be valid. In addition, entitlements to Scheme Shares held within the CREST system will be cancelled by 8.00 a.m. on the Business Day following the Effective Date.

Following the Effective Date and after the admission to trading of the Pires Shares is cancelled, Pires will be re-registered as a private limited company with the name "Pires Investments Limited".

12. Settlement

Subject to the Acquisition becoming Effective (and except as provided in Part Six (*Additional information for Overseas holders*) of this Document in relation to certain overseas Pires Shareholders), settlement of the consideration to which any Pires Shareholder is entitled under the Scheme will be effected as soon as practicable and not later than 14 days after the Effective Date in the following manner:

12.1 Pires Shares in uncertificated form (that is, in CREST)

Tern will apply for the New Tern Shares to be admitted to CREST so that settlement of transactions in New Tern Shares following Admission can take place in uncertificated form within the CREST system. For Pires Shareholders who held their Pires Shares in uncertificated form at the Scheme Record Time, New Tern Shares to which the Pires Shareholder is entitled will be issued in uncertificated form through CREST. The ISIN for the New Tern Shares will be GB00BFPMV798. Tern will procure that Euroclear is instructed to credit the appropriate stock account in CREST of the relevant Pires Shareholders with such Pires Shareholder's entitlement to such New Tern Shares as soon as practicable after the Scheme becomes Effective and in any event within 14 days of the Effective Date.

Pires Shares held in uncertificated form will be disabled in CREST as at the Scheme Record Time, being 6.00 p.m. on the date of the Court Hearing.

In the case of Pires Shareholders who hold Pires Shares in uncertificated form at the Scheme Record Time and are treated as Restricted Persons, Tern shall procure the despatch to the persons entitled thereto of cheques for the sums payable to them respectively. Tern reserves the right to issue New Tern Shares to any Scheme Shareholders holding their Pires Shares in CREST in the manner referred to in the below paragraph entitled "Pires Shares in certificated form" if, for any reason, it wishes to do so.

12.2 Pires Shares in certificated form

New Tern Shares will be allotted and issued to those Pires Shareholders who hold their Pires Shares in certificated form at the Scheme Record Time. Pending the despatch of share certificates for New Tern Shares, issues of New Tern Shares will be certified against the register of members of Tern.

In the case of Pires Shareholders who hold Pires Shares in certificated form at the Scheme Record Time and who are treated as Restricted Persons, Tern shall procure the despatch to the persons entitled thereto of cheques for the sums payable to them respectively.

12.3 Fractional entitlements

New Tern Shares to be issued and allotted to Scheme Shareholders in accordance with the Exchange Ratio will be rounded up to the nearest whole number. Under the terms of the Acquisition, Scheme Shareholders will receive 0.51613 New Tern Shares for every Pires Share held. No fraction of a New Tern Share shall be allotted, issued or transferred to any Scheme Shareholder, and in the event of a fractional entitlement to New Tern Shares, the number of New Tern Shares shall be rounded up to the nearest whole Tern Share.

13. General

All documents and remittances sent to Pires Shareholders will be sent at their own risk.

By 8.00 a.m. on the Business Day following the Effective Date, each certificate representing a holding of Scheme Shares will cease to be a valid document of title and should be destroyed or, at the request of Pires, delivered up to Pires, or to any person appointed by Pires to receive the same. By 8.00 a.m. on the Business Day following the Effective Date, entitlements to Scheme Shares held within CREST will be cancelled.

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

14. Dividends

If any dividend or other distribution or return of value is proposed, declared, made, paid or becomes payable in respect of Pires Shares on or after the date of the Announcement and prior to the Acquisition becoming effective, Tern will have the right to reduce the value of the consideration payable for each Pires Share by up to the amount per Pires Share of such dividend, distribution or return of value.

15. Intentions regarding management and locations

Following the Acquisition, Tern intends for Pires's future business to continue to be that of an investment company. On the Effective Date, the Tern Board intends that the existing business activities of Pires will be transferred to Tern.

By way of background, Pires currently has three employees who are its three directors. Tern currently has eight employees, of which six are its directors.

On the Effective Date, it is proposed that Nicholas Lee will join the Tern Board as a non-executive director and that John May and David Palumbo, currently the other non-executive directors of Pires will resign from the Pires Board. Mr. Lee's appointment to the Tern Board is subject to approval from Allenby Capital, as Tern's nominated adviser, after completion of the customary director due diligence process to satisfy itself as to Board composition and independence and the suitability of a potential director for the purposes of the AIM Rules for Nominated Advisers.

Tern has no intention to redeploy any material fixed assets of Pires. Tern intends to move Pires's location of business and headquarters to those of Tern as soon as practicable following completion of the Acquisition. Owing to the nature of the business, Pires has no research and development function. Tern has no plans to change this. Additionally, Pires has no existing pension schemes for its employees. Tern has no plans to change this.

Notwithstanding the above, no proposals have been made on the terms of any incentive arrangement for Nicholas Lee and there have been no discussions in respect of the terms of these arrangements.

Following the Acquisition, Tern's business will continue to be that of an investment company with an investment strategy that is focused on technology businesses. Tern does not intend for the Acquisition to result in changes to the continued employment of its current employees and all of the current members of Tern's Board and management will remain in their positions following completion of the Acquisition, with the only change to the Tern Board being the addition of Nicholas Lee as a non-executive director. Tern does not intend for the Acquisition to bring about any material changes in the conditions of employment or the balance of skills or functions in relation to Tern's current employees and management. Additionally, Tern does not intend for the Acquisition to bring about any material changes to Tern's places of business, the location of its headquarters or its headquarters functions.

16. Pires Warrants

The Scheme will extend to any Pires Shares which are allotted, issued or transferred to satisfy the exercise of Pires Warrants prior to 30 June 2022 (being the date on which the Pires Warrants lapse in accordance with their terms), save where a holder of Pires Warrants gives notice of exercise of the Pires Warrants conditional on the Scheme becoming Effective by 29 June 2022.

Any Pires Shares allotted and issued to satisfy the exercise of Pires Warrants after the Scheme Record Time will, subject to the Scheme becoming Effective and the proposed amendments to the Articles of Association being approved at the General Meeting, be immediately transferred to Tern in exchange for the same consideration per Pires Share as Pires Shareholders will be entitled to receive under the Scheme.

Holders of Pires Warrants have been contacted separately regarding the effect of the Acquisition on their rights under the Pires Warrants. The communication to holders of Pires Warrants sets out how such holders can exercise their Pires Warrants in connection with the Acquisition.

17. Overseas holders

Overseas holders of Pires Shares should refer to Part Six (*Additional Information for Overseas holders*) of this Document which contains important information relevant to such holders.

18. Action to be taken

IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR AND REASONABLE REPRESENTATION OF THE OPINION OF SCHEME SHAREHOLDERS. EVEN IF YOU INTEND TO PARTICIPATE IN THE MEETINGS THROUGH THE VIRTUAL MEETING PLATFORM, YOU ARE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY (OR APPOINT A PROXY ONLINE OR THROUGH CREST ELECTRONIC PROXY APPOINTMENT SERVICE), AS SOON AS POSSIBLE, AND IN ANY EVENT BY NO LATER THAN 11.00 A.M. ON 19 JULY 2022 (IN THE CASE OF THE COURT MEETING) OR 11.10 A.M. ON 19 JULY 2022 (IN THE CASE OF THE GENERAL MEETING).

18.1 Forms of Proxy

Pires Shareholders will find accompanying this Document a BLUE Form of Proxy and a YELLOW Form of Proxy. The BLUE Form of Proxy is to be used in connection with the Court Meeting and the YELLOW Form of Proxy is to be used in connection with the General Meeting. Whether or not you intend to participate in these Meetings through the virtual meeting platform, please complete and sign both Forms of Proxy and return them in the reply-paid envelope provided in accordance with the instructions printed thereon to the Registrars at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom, as soon as possible but in any event by no later than 11.00 a.m. on 19 July 2022 (in the case of the BLUE Form of Proxy for the Court Meeting) or 11.10 a.m. on 19 July 2022 (in the case of the YELLOW Form of Proxy for the General Meeting).

If the BLUE Form of Proxy relating to the Court Meeting is not lodged by the relevant time, it may be sent by email to externalproxyqueries@computershare.co.uk, before the start of that Court Meeting. However, if the YELLOW Form of Proxy for the General Meeting is not lodged so as to be received by the time mentioned above, it will be invalid.

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

The completion and return of either Form of Proxy, or the appointment of a proxy electronically using CREST (or any other procedure described below) will not preclude you from participating in the Court Meeting or the General Meeting and voting through the virtual meeting platform, if you so wish.

18.2 Electronic appointment of proxies through CREST

Pires Shareholders who hold Pires Shares through CREST and who wish to appoint a proxy or proxies for the Court Meeting and General Meeting or any adjournment(s) by using the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (please also refer to the accompanying notes to Part Ten (*Notice of Court Meeting*) and Part Eleven (*Notice of General Meeting*) of this Document). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service providers, who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must in order to be valid, be transmitted so as to be received by the Registrars (CREST Participant ID 3RA50) at least 48 hours prior to the Court Meeting or the General Meeting, as applicable. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Registrars are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

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

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

IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR AND REASONABLE REPRESENTATION OF THE OPINION OF SCHEME SHAREHOLDERS. EVEN IF YOU INTEND TO PARTICIPATE IN THE MEETINGS THROUGH THE VIRTUAL MEETING PLATFORM, YOU ARE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY (OR APPOINT A PROXY ONLINE OR THROUGH CREST ELECTRONIC PROXY APPOINTMENT SERVICE), AS SOON AS POSSIBLE, AND IN ANY EVENT BY NO LATER THAN 11.00 A.M. ON 19 JULY 2022 (IN THE CASE OF THE COURT MEETING) OR 11.10 A.M. ON 19 JULY 2022 (IN THE CASE OF THE GENERAL MEETING).

18.3 Shareholder helpline

If you have any questions about this Document, the Court Meeting or the General Meeting or how to complete the Forms of Proxy or to appoint a proxy through the CREST electronic proxy appointment service, please call the shareholder helpline operated by the Registrar on +44 (0)370 889 3207. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones

and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice

19. Further information

The terms of the Scheme are set out in full in Part Four (*The Scheme of Arrangement*) of this Document. Your attention is also drawn to the further information contained in this Document, including the Conditions to the implementation of the Scheme and to the Acquisition in Part Three (*Conditions to the implementation of the Scheme and to the Acquisition*) of this Document. Further information regarding Pires and Tern is set out in Part Seven (*Additional information on Pires and Tern*) of this Document. Documents published and available for inspection are listed in paragraph 16 of Part Seven (*Additional information on Pires and Tern*) of this Document.

Yours faithfully,

James Lewis
Partner
for and on behalf of
Cairn Financial Advisers LLP

PART THREE

CONDITIONS TO THE IMPLEMENTATION OF THE SCHEME AND TO THE ACQUISITION

Part A: Conditions to the Scheme and the Acquisition

Long Stop Date

1. The Acquisition is conditional upon the Scheme becoming unconditional and becoming effective, subject to the provisions of the Code, by no later than the Long Stop Date, or such later date (if any) as Tern and Pires may agree, with the consent of the Panel, and the Court may allow.

Scheme approval

2. The Scheme is conditional upon:

- (a) its approval by a majority in number of the Scheme Shareholders representing not less than 75 per cent. in value of the Scheme Shares held by such Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court or at any adjournment of any such meeting;
- (b) the Court Meeting being held on or before the 22nd day after the expected date of the Court Meeting (or such later date, if any, as Tern and Pires may agree and, if required, the Court and the Panel may allow);
- (c) all resolutions necessary to approve and implement the Scheme being duly passed by the requisite majority or majorities of Pires Shareholders at the General Meeting or at any adjournment of that meeting;
- (d) the General Meeting being held on or before the 22nd day after the expected date of the General Meeting (or such later date, if any, as Tern and Pires may agree and, if required, the Court and the Panel may allow);
- (e) the Court Hearing being held on or before the 22nd day after the expected date of the Court Hearing (or such later date, if any, as Tern and Pires may agree and, if required, the Court and the Panel may allow); and
- (f) the sanction of the Scheme by the Court with or without modification (but subject to any such modification being acceptable to Tern and Pires) and the delivery of a copy of the Court Order to the Registrar of Companies for registration.

Other conditions

3. In addition, subject to Part B below and to the requirements of the Panel, Tern and Pires have agreed that the Acquisition is conditional upon the following conditions and, accordingly, the necessary actions to make the Scheme effective will not be taken unless the following Conditions (as amended if appropriate) have been satisfied or, where relevant, waived:

Tern Shareholder approval

- (a) an ordinary resolution relating to Tern Directors' authority to issue shares being proposed at the Tern General Meeting and passed (without amendment);

Admission of the New Tern Shares

- (b) the New Tern Shares being admitted to trading on AIM;

Notifications, waiting periods and authorisations

- (c) all necessary notifications, filings and applications having been made in connection with the Acquisition, all regulatory and statutory obligations in any relevant jurisdiction reasonably deemed necessary by Tern having been complied with in connection with the Acquisition, all necessary waiting and other time periods (including any extensions of such waiting and other time periods) under any applicable legislation or regulations of any relevant jurisdiction reasonably deemed necessary by Tern having expired, lapsed or been terminated in each case in respect of the Acquisition and all necessary

Authorisations having been obtained in terms and in a form reasonably satisfactory to Tern from appropriate third parties in connection with the Acquisition or the proposed acquisition of any shares or other securities in, or control or management of, Pires or any other member of the Wider Pires Group by any member of the Tern Group or the carrying on by any member of the Wider Pires Group of its business and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations, in each case in any way that would be materially adverse to the Wider Pires Group;

Other third party clearances

- (d) no central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, employee representative body or any other equivalent or analogous body or person in any jurisdiction (each a “**Third Party**”) having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and in each case, not having withdrawn the same), or having enacted, made or proposed to enact or make any statute, regulation, decision, order or change to published practice (and in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order, or having taken any other steps which would, in each case, reasonably be expected to:
- (i) require, prevent or materially delay the divestiture, or materially alter the terms envisaged for any proposed divestiture by any member of the Tern Group or by any member of the Wider Pires Group of all or any part of their respective businesses, assets or properties or impose any material limitation on the ability of any of them to conduct their respective businesses (or any of them) or to own any of their respective assets or properties or any part thereof, which, in any such case, is material in the context of the Tern Group or the Wider Pires Group, in either case taken as a whole;
 - (ii) require, prevent or materially delay or materially alter the terms envisaged for, any divestiture by any member of the Tern Group of any shares, other securities or other interests in Pires or any member of the Wider Pires Group;
 - (iii) except pursuant to Chapter 3 of Part 28 of the Act in the context of the Acquisition, require any member of the Tern Group or of the Wider Pires Group to acquire, or to offer to acquire, any shares or other securities (or the equivalent) or interest in any member of the Wider Pires Group owned by any Third Party;
 - (iv) except as Disclosed, require any member of the Wider Pires Group to repay any indebtedness of any member of the Wider Pires Group (other than in implementation of the Acquisition as agreed between Tern and Pires);
 - (v) impose any material limitation on, or result in any material delay in, the ability of any member of the Tern Group directly or indirectly to acquire or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership in respect of shares or loans or securities convertible into shares or any other securities (or the equivalent) in any member of the Wider Pires Group or the Tern Group or to exercise management control over any such member;
 - (vi) otherwise adversely affect the business, assets, liabilities, trading position, value, profits, operational performance, or prospects of any member of the Tern Group or of any member of the Wider Pires Group in a manner which is material in the context of the Tern Group or the Wider Pires Group in either case taken as a whole;
 - (vii) make the Acquisition or implementation of the Acquisition by Tern or any member of the Tern Group of any shares or other securities in, or control of, Pires void, voidable, illegal, and/or unenforceable under the laws of any jurisdiction, or otherwise, directly or indirectly, restrain, restrict, prohibit, prevent, delay or otherwise interfere with the same, or impose material additional conditions or obligations with

respect thereto, or otherwise challenge or interfere or require material amendment to the terms of the Acquisition or the proposed acquisition of any shares or other securities in, or control or management of, Pires by any of the Tern Group;

- (viii) impose any limitation on, or result in any delay in, the ability of any member of the Tern Group or the Wider Pires Group to conduct, integrate or co-ordinate its business, or any part of it, with the businesses of any other members of the Tern Group and/or the Wider Pires Group in each case in a manner which is adverse to and material in the context of the Tern Group or the Wider Pires Group in each case taken as a whole; or
- (ix) result in any member of the Wider Pires Group ceasing to be able to carry on business under any name under which it presently does so to an extent which is material in the context of the Wider Pires Group taken as a whole, and all applicable waiting and other time periods (including extensions thereof) during which any such Third Party could institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Acquisition or proposed Acquisition of any Pires Shares or other securities in, or control or management of, Pires, Tern or otherwise having expired, lapsed or been terminated;
- (e) all Authorisations necessary or appropriate for any member of the Wider Pires Group to carry on its business remaining in full force and effect at the time at which the Scheme becomes Effective or otherwise wholly unconditional (where the absence of such would be material and adverse in the context of the Wider Pires Group) and no intimation of any intention to revoke, suspend, materially restrict or materially modify or not to renew any of the same having been made;
- (f) no temporary restraining order, preliminary or permanent injunction, preliminary or permanent enjoinder, or other order issued and being in effect by a court or other Third Party which has the effect of making the Acquisition or any proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Pires Group by any member of the Tern Group, or the implementation of either of them, void, voidable, illegal and/ or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prohibiting, preventing, restraining, restricting, delaying or otherwise interfering with the completion or the approval of the Acquisition or any matter arising from the proposed acquisition of any shares or other securities in, or in control of, any member of the Wider Pires Group by any member of the Tern Group;

Frustrating action

- (g) except with the consent or the agreement of Tern, no resolution of Pires Shareholders in relation to any offer or disposal of assets or shares (or the equivalent thereof) in any undertaking or undertakings (or in relation to any merger, demerger, consolidation, reconstruction, amalgamation or scheme) being passed at a meeting of Pires Shareholders other than in relation to the Acquisition and, other than with the consent or the agreement of Tern, no member of the Wider Pires Group having taken (or agreed or proposed to take) any action that requires, or would require, the consent of the Panel or the approval of Pires Shareholders in accordance with, or as contemplated by, Rule 21.1 of the Code;

Certain matters arising as a result of any arrangement or agreement

- (h) except as Disclosed, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider Pires Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or subject, or any event or circumstance which, as a consequence of the Acquisition or any proposed offer by any member of the Tern Group of any shares or other securities (or the equivalent) in Pires or because of a change in the control or management of any member of the Wider Pires Group or otherwise, would or might reasonably be expected to result in (in each case to an extent or in a manner which is material and adverse in the context of the Wider Pires Group or the Tern Group, in either case taken as a whole, or in the context of the Acquisition):

- (i) any moneys borrowed by or any other indebtedness or liabilities (actual or contingent) of, or any grant available to any member of the Wider Pires Group, being or becoming repayable or capable of being declared repayable immediately or earlier than their or its stated maturity date or repayment date or the ability of any such member to borrow moneys or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
- (ii) any such agreement, arrangement, licence, permit or instrument or the rights, liabilities, obligations or interests of any member of the Wider Pires Group thereunder being, or becoming capable of being, terminated or adversely modified or adversely affected or any onerous obligation or liability arising or any adverse action being taken or arising thereunder;
- (iii) any asset owned or used by, or interests in, any member of the Wider Pires Group being disposed of or charged or ceasing to be available to any member of the Wider Pires Group or any right arising under which any such asset or interest could be required to be disposed of or charged or cease to be available to any member of the Wider Pires Group otherwise than in the ordinary and normal course of business;
- (iv) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interest of any member of the Wider Pires Group or any such mortgage, charge or other security (whenever created, arising or having arisen) becoming enforceable;
- (v) the rights, liabilities, obligations, interests or business of any member of the Wider Pires Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider Pires Group in or with any other person or body or firm or company (or any arrangement relating to any such interests or business) being or becoming capable of being terminated, or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
- (vi) the value of any member of the Wider Pires Group or its business, assets, value, financial or trading position, profits, operational performance or prospects being prejudiced or adversely affected;
- (vii) any member of the Wider Pires Group ceasing to be able to carry on business under any name under which it presently does so;
- (viii) the creation or acceleration of any liability, actual or contingent, by any member of the Wider Pires Group (including any tax liability or any obligation to obtain or acquire any material authorisation, notice, waiver, concession, agreement or exemption from any Third Party or any person which would be material in the context of the Wider Pires Group);
- (ix) except as any liability of any member of the Wider Pires Group to make any severance, termination, bonus or other payment to any of its directors or other officers; or
- (x) any requirement on any member of the Wider Pires Group to acquire, subscribe, pay up or repay any shares or other securities in another corporate entity (other than in respect of another member of the Wider Pires Group),

and no event having occurred which, under any provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Pires Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, would or is reasonably likely to result in any of the events or circumstances as are referred to in sub-paragraphs (i) to (x) of this Condition to an extent which is or which would be material in the context of the Wider Pires Group taken as a whole;

Certain events occurring since 31 December 2021

- (i) except as Disclosed, no member of the Wider Pires Group having, since 31 December 2021:

- (i) save as between Pires and wholly-owned subsidiaries of Pires or for Pires Shares issued under or pursuant to the exercise of existing Pires Warrants, issued, agreed to issue, authorised or proposed the issue of additional shares of any class or agreed to transfer or sell or authorised or proposed the transfer or sale of Pires Shares out of treasury;
- (ii) save as between Pires and wholly-owned subsidiaries of Pires, issued or agreed to issue, authorised or proposed the issue of securities convertible into shares of any class or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities;
- (iii) other than to another member of the Pires Group, recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution whether payable in cash or otherwise;
- (iv) other than pursuant to the Acquisition or transactions in the ordinary and normal course of business, merged or demerged with any body corporate, partnership or business or acquired or disposed of or transferred, mortgaged or charged or created any security interest over any assets or any right, title or interest in any asset (including shares and trade investments) or authorised or proposed or announced any intention to propose any merger, demerger, offer or disposal, transfer, mortgage, charge or security interest, in any such case to an extent which is material in the context of the Wider Pires Group taken as a whole;
- (v) save as between Pires and wholly-owned subsidiaries of Pires, made or authorised or proposed or announced an intention to propose any change in its loan capital, in each case to the extent to which is material in the context of the Wider Pires Group taken as a whole;
- (vi) save as between Pires and wholly-owned subsidiaries of Pires and for transactions in the ordinary and normal course of business, issued, authorised or proposed the issue of any debentures, incurred or increased any indebtedness or become subject to any guarantee or actual or contingent liability;
- (vii) disposed of, or transferred, mortgaged or created any security interest over any material asset or any right, title or interest in any material asset or authorised, proposed or announced any intention to do so;
- (viii) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect to the matters mentioned in sub-paragraphs (i) or (ii) above, made any other change to any part of its share capital;
- (ix) implemented, or authorised, proposed or announced its intention to implement, any joint venture, asset or profit sharing arrangement, partnership, composition, assignment, reconstruction, merger, demerger, amalgamation, scheme, commitment or other transaction or arrangement otherwise than in the ordinary course of business or in respect of the Acquisition;
- (x) sold or transferred or agreed to sell or transfer any Pires Shares held by Pires as treasury shares;
- (xi) save as Disclosed, entered into, varied, authorised or proposed entry into or variation of the terms of, or made any offer (which remains open for acceptance) to enter into or vary the terms of any contract, commitment, arrangement or service agreement with any director or senior executive of any member of the Wider Pires Group;
- (xii) entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, onerous or unusual nature or magnitude or which is or could reasonably be expected to be materially restrictive on the businesses of any member of the Wider Pires Group or the Tern Group;

- (xiii) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it for its winding-up (voluntary or otherwise), dissolution or reorganisation or in relation to payments, a moratorium of any indebtedness, or for the appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any part of its assets or revenues or any analogous or equivalent steps or proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed, and in each such case, to the extent which is material in the context of the Wider Pires Group taken as a whole;
- (xiv) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;
- (xv) waived, compromised or settled any claim otherwise than in the ordinary course of business and, in any case, which is material in the context of the Wider Pires Group taken as a whole;
- (xvi) except in relation to changes made or agreed as a result of being required as a result of changes to legislation, having made or agreed or consented to any material change to:
 - (A) the terms of the trust deeds, rules, policy or other governing documents constituting the pension schemes or other retirement or death benefit arrangement established by any member of the Wider Pires Group for its directors, former directors, employees, former employees or each of their respective dependents;
 - (B) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder;
 - (C) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
 - (D) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made;
- (xvii) carried out any act:
 - (A) which would or could reasonably be expected to lead to the commencement of the winding up of any pension plan;
 - (B) which would or might create a material debt owed by an employer to any pension plan;
 - (C) which would or might accelerate any obligation on any employer to fund or pay additional contributions to any pension plan;
 - (D) which would or might give rise indirectly or directly to a liability in respect of a pension plan; or
 - (E) to change the trustee or trustee directors or other fiduciary of the relevant pension plans;
- (xviii) save as agreed by the Panel (if required) and by Tern, proposed, agreed to provide or modified the terms of any share option scheme or incentive scheme or other benefit constituting a material change relating to the employment or termination of employment of a material category of person employed by the Wider Pires Group or which constitutes a material change to the terms or conditions of employment of any senior employee of the Wider Pires Group;
- (xix) made any material alteration to its constitutional documents (other than an alteration required in connection with the Acquisition);

- (xx) except in the ordinary and normal course of business, terminated or varied the terms of any agreement or arrangement between any member of the Wider Pires Group and any other person in a manner which would or is reasonably likely to have a material adverse effect on the financial position of the Wider Pires Group taken as a whole; or
- (xxi) otherwise than in the ordinary course of business, entered into any contract, commitment, arrangement or agreement, or passed any resolution or made any offer (which remains open for acceptance) with respect to, or announced any intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition;

No adverse change, litigation, regulatory enquiry or similar

- (j) except as Disclosed, since 31 December 2021:
 - (i) no adverse change and no circumstance having arisen which would or might reasonably be expected to result in any adverse change or deterioration in the business, assets, value, liabilities, financial or trading position, operational performance or profits or prospects of any member of the Wider Pires Group which is material in the context of the Wider Pires Group taken as a whole;
 - (ii) (other than as a result of or in connection with the Acquisition) no litigation, arbitration proceedings, prosecution or other legal proceedings including, without limitation, with regard to intellectual property rights used or owned by the Wider Pires Group having been threatened, announced or instituted by or against or remaining outstanding against any member of the Wider Pires Group or to which any member of the Wider Pires Group is or may become a party (whether as a claimant, defendant or otherwise) which is material in the context of the Wider Pires Group taken as a whole;
 - (iii) no enquiry, review, investigation or enforcement proceedings by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Pires Group having been instituted, announced, implemented or threatened by or against or remaining outstanding against or in respect of any member of the Wider Pires Group, which, in each case might reasonably be expected to have an adverse effect on such member to an extent which is material, in the context of the Wider Pires Group taken as a whole or in the context of the Acquisition;
 - (iv) no steps having been taken and no omissions having been made which are likely to result in the withdrawal, cancellation, termination or modification of any licence or permit held by any member of the Wider Pires Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which would have, or would reasonably be expected to have a material and adverse effect on the Wider Pires Group taken as a whole;
 - (v) no contingent or other liability having arisen, increased or become apparent to Pires (other than in the ordinary course of business) which is reasonably likely to affect adversely the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Wider Pires Group; in each case to an extent which is material in the context of the Wider Pires Group taken as whole or in the context of the Acquisition; and
 - (vi) no member of the Wider Pires Group having conducted its business in breach of any applicable laws and regulations and which is material in the context of the Wider Pires Group as a whole or material in the context of the Acquisition;

No discovery of certain matters regarding information, liabilities and environmental issues

- (k) except as Disclosed, Tern not having discovered:
 - (i) that any financial, business or other information concerning the Wider Pires Group as contained in the information publicly disclosed at the time by or on behalf of any member of the Wider Pires Group and delivered by or on behalf of Pires through a

Regulatory Information Service or other public announcement prior to the date of the Announcement is misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not misleading;

- (ii) that any member of the Wider Pires Group is subject to any liability (contingent or otherwise) and which is material in the context of the Wider Pires Group taken as a whole; or
- (iii) any information which affects the import of any information disclosed at any time prior to the Announcement by or on behalf of any member of the Wider Pires Group and which is material in the context of the Wider Pires Group taken as a whole;

Anti-bribery, anti-corruption, proceeds of crime and sanctions

- (l) except as Disclosed, Tern not having discovered that:
 - (i) any past or present member, director, officer or employee, agent, consultant or designated representative of the Wider Pires Group or any person that performs or has performed services for or on behalf of the Wider Pires Group is or has at any time engaged in any or has paid or agreed to pay any bribe including any “inducement fee”, given or agreed to give any similar gift or benefit or paid or agreed to pay to a concealed bank account or fund to or for the account of, any customer, supplier, governmental official or employee, representative of a political party, or other person for the purpose of obtaining or retaining business or otherwise engaged in any activity, practice, conduct or any such things (or omitted to do such things) in contravention of the Bribery Act 2010, as amended, or the US Foreign Corrupt Practices Act 1977, as amended, or any other anti-corruption legislation applicable to the Wider Pires Group;
 - (ii) any asset of any member of the Wider Pires Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition) or proceeds of crime under any other applicable law, rule or regulation concerning money laundering or proceeds of crime or any member of the Wider Pires Group is found to have engaged in activities constituting money laundering under any applicable law, rule or regulation concerning money laundering;
 - (iii) any past or present member, director, officer or employee, agent, consultant or designated representative of the Wider Pires Group has engaged in any activity or business with, or made any investments in, or made any payments, funds or assets available to, or received any funds or assets from: (i) any government, entity or individual in respect of which US, UK or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by US, UK or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control or HMRC; or (ii) any government, entity or individual named by any of the economic sanctions of the United Nations, the United States, the UK or the European Union or any of their respective member states;
 - (iv) a member of the Wider Pires Group has engaged in any transaction which would cause the Tern Group to be in breach of any law or regulation upon its Acquisition of Pires, including the economic sanctions of the United States Office of Foreign Assets Control, or HMRC, or any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the UK, the European Union or any of its member states; or
 - (v) any past (whilst in the employment of the Wider Pires Group) or present member, director, officer or employee of the Wider Pires Group, or any other person for whom any such person may be liable or responsible:
 - (A) has engaged in conduct which would violate any relevant anti-terrorism laws, rules or regulations;

- (B) has engaged in conduct which would violate any relevant anti-terrorism laws, rules or regulation or any applicable export controls. Including but not limited to the Export Administration Regulations administered and enforced by the U.S. Department of Commerce or the International Traffic in Arms Regulations administered and enforced by the U.S. Department of State;
- (C) has engaged in conduct which would violate any relevant laws, rules, or regulations concerning human rights, including but not limited to any law, rule, or regulation concerning false imprisonment, torture or other cruel and unusual punishment, or child labour; or
- (D) is debarred or otherwise rendered ineligible to bid for or to perform contracts for or with any government, governmental instrumentality, or international organisation or found to have violated any applicable law, rule or regulation concerning government contracting or public procurement.

Part B: Waiver and invocation of the Conditions

1. Tern reserves the right to waive, in whole or in part, all or any of the Conditions, except for Conditions 1, 2(a), 2(c), 2(f), 3(a) and 3(b), which cannot be waived. The Acquisition will be subject to the satisfaction (or waiver, if permitted) of the Conditions and to the further terms set out in this Document. Regarding Conditions 2(b), 2(d) and 2(e), if any such deadline is not met, Tern will make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked or waived the relevant Condition or agreed with Pires to extend the deadline in relation to the relevant Condition.
2. The Acquisition shall lapse unless all of the Conditions have been fulfilled or, where permitted, waived or, where appropriate, have been determined by Tern to be or remain satisfied, by no later than 11.59 p.m. on the date immediately preceding the date of the Court Hearing, failing which the Acquisition will lapse.
3. Under Rule 13.6 of the Code, Pires may not invoke, or cause or permit Tern to invoke, any condition to the Acquisition unless the circumstances which give rise to the right to invoke the condition are of material significance to the shareholders of Pires in the context of the Acquisition.
4. Under Rule 13.5(a) of the Code, Tern may not invoke a Condition to the Acquisition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn without the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Tern in the context of the Acquisition.
5. The Scheme approval Conditions (Condition 2), Tern Shareholder Approval (Condition 3(a)) and Admission of the New Tern Shares (Condition 3(b)) are not subject to Rule 13.5(a) of the Code. All other Conditions are subject to Rule 13.5(a) of the Code and any Condition that is subject to Rule 13.5(a) may be waived by Tern.
6. If Tern is required by the Panel to make an offer or offers for Pires Shares under the provisions of Rule 9 of the Code, Tern may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.
7. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

Part C: Implementation by way of Offer

1. Tern reserves the right, with the consent of the Panel and Pires, or, in certain circumstances, without the consent of Pires, to implement the Acquisition by way of a takeover offer (as defined in Part 28 of the Act). In such event, such Offer will be implemented on the same terms, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments, including (without limitation and subject to the consent of the Panel) an acceptance condition that is set at 90 per cent. (or such lesser percentage, as Tern and Pires may decide after, to the extent necessary, consultation with the Panel, being in any case more than 50 per cent.) of the Pires Shares: (i) in nominal value of the shares to which such Offer relates; and (ii) of the voting rights attached to those shares, and that is subject to Tern and/or

(with the consent of the Panel) any of its wholly-owned subsidiaries having acquired or agreed to acquire, whether pursuant to the Offer or otherwise, Pires Shares carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of Pires, including, for this purpose, any such voting rights attaching to Pires Shares that are unconditionally allotted or issued before the takeover offer becomes or is declared unconditional as to acceptances, whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise. The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.

Part D: Certain further terms of the Acquisition

1. Pires Shares will be acquired by Tern fully paid and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other rights and interests of any nature whatsoever and together with all rights now and hereafter attaching thereto, including without limitation voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made or paid, on or after the Scheme becomes Effective.
2. The Acquisition will be governed by English law and be subject to the jurisdiction of the English courts and to the conditions and further terms set out in this Document (or Offer document as the case may be). The Acquisition will comply with the applicable rules and regulations of the London Stock Exchange and the Code. This Document does not constitute, or form part of, an offer or invitation to purchase Pires Shares or any other securities.
3. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
4. If Tern is required by the Panel to make an offer for Pires Shares under the provisions of Rule 9 of the Code, Tern may make such alterations to any of the above Conditions as are necessary to comply with the provisions of Rule 9 of the Code.
5. Fractions of New Tern Shares will not be allotted or issued to persons accepting the Scheme. In the event a Scheme Shareholder is entitled to a fraction of a New Tern Share, the number of New Tern Shares shall be rounded up to the nearest whole New Tern Share.
6. The offer will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, telephone, internet or e-mail) of interstate or foreign commerce of, or of any facility of a national securities exchange of, any Restricted Jurisdiction and the Acquisition will not be capable of acceptance by any such use, means, instrumentality or facility or from within any Restricted Jurisdiction.
7. The New Tern Shares to be issued pursuant to the Acquisition have not been and will not be registered under the US Securities Act nor under any of the relevant securities laws of any Restricted Jurisdiction. Accordingly, the New Tern Shares may not be offered, sold or delivered, directly or indirectly, into any Restricted Jurisdiction, except pursuant to exemptions from applicable requirements of any such jurisdiction.
8. Any reference in this Part Three (*Conditions to the implementation of the Scheme and to the Acquisition*) to any law or regulation of any jurisdiction includes: (i) any subordinate legislation or regulation made under it; (ii) any law or regulation which it has amended, supplemented or replaced; and (iii) any law or regulation amending, supplementing or replacing it (whether before or after the date of this Document).
9. The Acquisition is subject to applicable requirements of the London Stock Exchange and the Code. In the event of any conflict or inconsistency between the terms and conditions of the Acquisition and the Code, the provisions of the Code shall prevail, and Tern reserves the right to (and shall if required by the Panel) make such alterations, additions or modifications to the terms and conditions of the Acquisition so that any such conflict or inconsistency is removed.

PART FOUR
THE SCHEME OF ARRANGEMENT

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

CR-2022-001654

IN THE MATTER OF PIRES INVESTMENTS PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

SCHEME OF ARRANGEMENT

(under Part 26 of the Companies Act 2006)

between

PIRES INVESTMENTS PLC

AND

THE HOLDERS OF THE SCHEME SHARES

(as defined below)

PRELIMINARY

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

Acquisition	the proposed recommended acquisition by Tern of the entire issued and to be issued ordinary share capital of Pires, to be effected by means of the Scheme on the terms and subject to the satisfaction (or, if applicable, waiver) of the Conditions or, should Tern so elect and subject to the consent of the Panel and Pires, by means of an Offer and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
Act	the Companies Act 2006, as amended, modified, consolidated, re-enacted or replaced from time to time;
Business Day	any day (other than a Saturday, Sunday or public holiday) on which clearing banks in London are generally open for normal business;
certificated or in certificated form	a share or other security which is not in uncertificated form (that is, not in CREST);
close of business	6.00 p.m. on the Business Day in question;
Code	the City Code on Takeovers and Mergers issued from time to time by the Panel;
Conditions	the conditions to the implementation of the Scheme or, if applicable, the conditions to the Offer, as set out in Part Three (<i>Conditions to the implementation of the Scheme and to the Acquisition</i>) of the Scheme Document and Condition means any of them;

Court	the High Court of Justice in England and Wales;
Court Hearing	the hearing by the Court to sanction the Scheme and, if such hearing is adjourned, references to the commencement of any such hearing shall mean the commencement of the final adjournment thereof;
Court Meeting	the meeting (or any adjournment, postponement or reconvention thereof) of the Scheme Shareholders (or the relevant class or classes thereof) to be convened by order of the Court pursuant to section 896 of the Act to consider and, if thought fit, approve the Scheme (with or without modification);
Court Order	the order of the Court sanctioning this Scheme under Part 26 of the Act;
CREST	the relevant system (as defined in the Regulations) in respect of which Euroclear is the Operator (as defined in the Regulations) for the paperless settlement of trades in securities and the holding of uncertificated securities;
Effective Date	the date on which this Scheme becomes effective in accordance with its terms;
Euroclear	Euroclear UK & International Limited;
Exchange Ratio holder	0.51613 New Tern Shares in exchange for every Pires Share held a registered holder and includes any person(s) entitled by transmission;
Latest Practicable Date	27 June 2022 (being the latest practicable date before the publication of this Scheme);
New Tern Shares	the new Tern Shares to be issued fully paid to the Scheme Shareholders pursuant to the Scheme (and any other Pires Shares which are issued after the Scheme becomes Effective);
Offer Value	the value of the offer, based on the Exchange Ratio (being 0.51613 New Tern Shares for every Pires Share) and the price of 15.5 pence per Tern Share, being the Closing Price on 31 May 2022 (being the date prior to the announcement of the Acquisition under Rule 2.7 of the Code) which implied a value of 8 pence per Pires Share at that date;
Panel	the UK Panel on Takeovers and Mergers;
Pires	Pires Investments plc (incorporated in England and Wales with company number 02929801 with its registered office at 9 th Floor, 107 Cheapside, London EC2V 6DN, United Kingdom);
Pires Group	Pires and its subsidiaries and subsidiary undertakings from time to time;
Pires's Registrars	Computershare Investor Services PLC (incorporated in England and Wales with company number 03498808 with its registered office at The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom);
Pires Shareholders	the registered holders of Pires Shares from time to time;
Pires Shares	ordinary shares with a nominal value of 0.25 pence each in the capital of Pires;
Pires Warrants	the warrants over 20,529,221 Pires Shares which are outstanding at the Latest Practicable Date;
Registrar of Companies	the registrar of companies in England and Wales;

Regulations	the Uncertificated Securities Regulations 2001 (<i>SI 2001/3755</i>);
Scheme	the proposed scheme of arrangement under Part 26 of the Act between Pires and the Scheme Shareholders (the full terms of which are set out in the Scheme Document), with or subject to any modification, addition or condition which Tern and Pires may agree, and if required, the Court may approve or impose;
Scheme Document	the circular dated 28 June 2022 sent by Pires to Pires Shareholders containing and setting out, <i>inter alia</i> , the full terms and conditions of the Scheme and containing the notices convening the Court Meeting and the General Meeting;
Scheme Record Time	close of business on the date of the Court Hearing, or such later time as Tern and Pires may agree;
Scheme Shareholders	holders of Scheme Shares at any relevant date or time;
Scheme Shares	means the Pires Shares: <ul style="list-style-type: none"> (i) in issue at the date of the Scheme Document; (ii) (if any) issued after the date of the Scheme Document and before the Voting Record Time; and (iii) (if any) issued at or after the Voting Record Time and before the Scheme Record Time, in respect of which the original or any subsequent holders thereof will be bound by the Scheme or in respect of which their holders are, or shall have agreed in writing to be, bound by the Scheme, in each case, remaining in issue at the Scheme Record Time but excluding any Pires Shares held in treasury at any relevant date or time and any Pires Shares registered in the name of or beneficially owned by any member of the Wider Tern Group, its nominees or any person acting in concert with Tern for purposes of the Code at any relevant date or time;
Significant Interest	in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Act) or the relevant partnership interest in such undertaking;
Sterling	the lawful currency of the United Kingdom;
Tern	Tern plc (incorporated in England and Wales with company number 05131386 with its registered office at Tern plc, 27/28 Eastcastle Street, London W1W 8DH, United Kingdom);
Tern Shares	ordinary share(s) with a nominal value of 0.02 pence each in the capital of Tern;
uncertificated form or in uncertificated form	recorded on the relevant register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST; and
Voting Record Time	6.00 p.m. on the day which is two Business Days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6.00 p.m. on the day which is two Business Days before the date set for the adjourned Court Meeting.

(B) References to clauses, sub-clauses and paragraphs are to clauses, sub-clauses and paragraphs of this Scheme.

(C) The issued share capital of Pires as at the Latest Practicable Date is £415,835.9775 divided into 166,334,391 ordinary shares of nominal value 0.25 pence each, all of which were credited as fully paid.

- (D) Pires has outstanding warrants over Pires Shares that are exercisable at prices below the Offer Value in respect of 20,529,221 Pires Shares as at the Latest Practicable Date.
- (E) Tern was incorporated in England and Wales on 18 May 2004 with company number 05131386.
- (F) As at the Latest Practicable Date, no member of the Wider Tern Group holds, or beneficially owns, any Pires Shares.
- (G) Tern has, subject to the satisfaction or, where capable, waiver of the Conditions, agreed to appear by counsel at the hearing to sanction this Scheme and to undertake to the Court to be bound by the provisions of this Scheme and to execute and do, or procure to be executed and done, all such documents, acts and things as may be necessary or desirable to be executed or done by it to give effect to this Scheme.
- (H) All times referred to in this Scheme are references to London times unless otherwise stated.
- (I) References to the singular in this Document include the plural and vice versa.

THE SCHEME

1. Transfer of Scheme Shares

- 1.1 On the Effective Date, Tern and/or its nominee(s) shall acquire all the Scheme Shares fully paid with full title guarantee, free from all liens, equities, charges, encumbrances, options, rights of pre-emption and other interests, and together with all rights at the Effective Date or thereafter attached thereto, including, without limitation, voting rights and the right to receive and retain all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made on or after the Effective Date.
- 1.2 For the purposes of the Acquisition, the Scheme Shares shall be transferred from the Scheme Shareholders to Tern and/or its nominee(s) by means of a form of transfer or other instrument or instruction of transfer and, to give effect to such transfer(s), any person may be appointed by Tern as attorney and/or agent and/or otherwise and shall be authorised as such attorney and/or agent and or otherwise on behalf of the relevant Scheme Shareholder, to execute and deliver as transferor an instrument or other instruction of transfer, or to procure the transfer by means of CREST or otherwise give any instructions to transfer (in each case, whether as a deed or otherwise), any Scheme Shares and every form, instrument or instruction of transfer so executed or instruction given shall be effective as if it had been executed or given by the holder or holders of the Scheme Shares thereby transferred. Such instrument, form or instruction of transfer shall be deemed to be the principal instrument of transfer and the equitable or beneficial interest in the Scheme Shares shall only be transferred to Tern and/or its nominee(s), together with the legal interest in such Scheme Shares, pursuant to such instruction, form or instrument of transfer.
- 1.3 Pending the registration of Tern or its nominee(s) as the holder of any Scheme Share to be transferred pursuant to this Scheme, each Scheme Shareholder irrevocably: (i) appoints Tern and/or its nominee(s) as its attorney and/or agent and/or otherwise to: (a) exercise on its behalf (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to the Scheme Shares and any or all rights and privileges attaching to the Scheme Shares; and (b) sign any consent to short notice of any general or separate class meeting of Pires and on their behalf to execute a form of proxy in respect of its Scheme Shares appointing any person nominated by Tern and/or its nominee(s) to attend general and separate class meetings of Pires; and (ii) authorises Pires to send to Tern and/or its nominee(s) any notice, circular, warrant or other document or communication which may be required to be sent to them as a member of Pires, such that from the Effective Date, no Scheme Shareholder shall be entitled to exercise any voting rights attached to the Scheme Shares or any other rights or privileges attaching to the Scheme Shares.

- 1.4 Forthwith upon receipt of any transfer of Scheme Shares in favour of Tern which is executed in the manner provided by Clause 1.2 and, where required, is duly stamped, Pires shall register the transferees as the holder of Scheme Shares comprised in the transfer and shall effect such registration notwithstanding that the transfer is not accompanied by the certificate for the shares so comprised.

2. Consideration for the transfer of Scheme Shares

- 2.1 In consideration for the transfer of the Scheme Shares to Tern and/or its nominee(s) referred to in Clause 1 of this Scheme, Tern shall, subject as provided below, allot and issue New Tern Shares to (or for the account of) each Scheme Shareholder (as appearing in the register of members of Pires at the Scheme Record Time) on the following basis:

for every Scheme Share held at the Scheme Record Time, 0.51613 New Tern Shares

- 2.2 If, after the date of the Announcement, any dividend or other distribution (including any return of capital) is authorised, declared, made, paid or payable by Pires in respect of the Pires Shares with a record date on or before the Effective Date (each a “**Non-Permitted Pires Dividend**”), Tern reserves the right to reduce the Exchange Ratio accordingly so as to reflect the aggregate value attributable to any such Non-Permitted Pires Dividend. In such circumstances, Pires Shareholders would be entitled to retain any such dividend, distribution or other return of capital declared, made or paid or which becomes payable.
- 2.3 If, after the date of the Announcement, any dividend, or other distribution (including any return of capital) is authorised, declared, made, paid or payable by Tern in respect of the Tern Shares with a record date on or before the Effective Date (each a “**Non-Permitted Tern Dividend**”), then Pires will be entitled to declare and pay, and the Pires Shareholders will be entitled to receive and retain an equalisation dividend in Sterling (the Pires Equalisation Dividend) in respect of the Pires Shares of an amount per Pires Share equal to the amount of the Non-Permitted Tern Dividend per Tern Share multiplied by the Exchange Ratio (taking into account any reduction to the Exchange Ratio arising as a result of any Non-Permitted Pires Dividends in accordance with Clause 2.2).
- 2.4 The New Tern Shares allotted and issued pursuant to Clause 2.1 shall be issued credited as fully paid and shall rank *pari passu* in all respects with the Tern Shares in issue at the Effective Date, including the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid, or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made, in each case, by reference to a record date falling after the Effective Date. Scheme Shareholders who receive New Tern Shares pursuant to the Scheme shall not be entitled to receive any dividend announced, declared, made or paid by Tern by reference to a record date falling on or before the Effective Date.
- 2.5 New Tern Shares to be issued and allotted to Scheme Shareholders in accordance with the Exchange Ratio will be rounded up to the nearest whole New Tern Share.

3. Overseas holders

- 3.1 The provisions of Clause 2 and Clause 4.1(a) shall be subject to any prohibition or condition imposed by law. Without prejudice to the generality of the foregoing, if, in respect of any Scheme Shareholder who is resident, located or has a registered address in a jurisdiction outside the United Kingdom, or whom Tern reasonably believes to be a citizen, resident or national of a jurisdiction outside the United Kingdom, Tern is advised that the law of a country or territory outside the United Kingdom precludes:
- (a) the allotment, issue and/or delivery to that Scheme Shareholder of New Tern Shares; or
 - (b) the matters referred to in Clause 3.1(a), except after compliance by Pires or Tern (as the case may be) with any governmental or other consent or any registration, filing or other formality with which Pires and/or Tern is unable to comply or compliance with which Pires and/or Tern (as the case may be) regards as unduly onerous,

then Tern may, in its sole discretion, determine that such New Tern Shares shall not be allotted, issued and delivered to such Scheme Shareholder but shall instead be allotted, issued and delivered to a person appointed by Tern for such Scheme Shareholder on terms that such person shall, as soon as practicable following the Effective Date, sell the New Tern Shares so issued.

- 3.2 Any sale under Clause 3.1 shall be carried out at the best price which can reasonably be obtained at the time of sale, and the net proceeds of such sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of sale) shall be paid to such Scheme Shareholder in accordance with the provisions of clause 4.
- 3.3 To give effect to any sale under Clause 3.1, the person appointed by Tern in accordance with Clause 3.1 shall be authorised as attorney and/or agent and/or otherwise on behalf of the Scheme Shareholder concerned to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer and to give such instructions and to do all other things which they may consider necessary or expedient in connection with such sale. In the absence of fraud, none of Pires, Tern or the person(s) so appointed shall have any liability or for any loss or damage arising as a result of the timing or terms of any sale pursuant to this Clause 3.
- 3.4 Neither Tern nor Pires will be liable to any Scheme Shareholder for any determination made pursuant to this Clause 3 or for any omission or denial made hereunder.

4. Settlement and despatch of consideration

- 4.1 As soon as practicable on or after the Effective Date, and in any event no later than 14 days after the Effective Date, Tern shall:
- (a) subject to the provisions of Clause 3 and Clause 5:
 - (i) allot the New Tern Shares which it is required to allot to Scheme Shareholders pursuant to Clause 2; and
 - (ii) issue the New Tern Shares which it is required to issue to Scheme Shareholders pursuant to Clause 2; and
 - (A) in the case of Scheme Shares which at the Scheme Record Time are held in certificated form, Tern shall deliver or procure delivery of share certificates for such New Tern Shares to the persons entitled thereto in accordance with Clause 4.2;
 - (B) in the case of Scheme Shares which at the Scheme Record Time are held in uncertificated form, Tern shall procure that Euroclear is instructed to credit the appropriate stock account in CREST of the relevant Scheme Shareholder with such Scheme Shareholder's entitlement to such New Tern Shares, provided that Tern reserves the right to settle all or part of such consideration in the manner set out in Clause 4.1(a)(ii)(A) if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this Clause 4.1(a)(ii)(B); and/or
 - (C) in the case of New Tern Shares sold pursuant to Clause 3, procure the despatch to the persons entitled thereto of cheques for the sums payable to them, respectively.
- 4.2 All share certificates and/or cheques required to be despatched by this Scheme shall be despatched by first-class post by Tern in prepaid envelopes or by international standard post if overseas (or by such method as may be approved by the Panel) addressed to the relevant holders entitled thereto at their respective addresses as appearing in the register of members of Pires at the Scheme Record Time (or such other address as may be notified by the relevant Scheme Shareholders to Pires before such time), or, in the case of joint holders, at the registered address of the joint holder whose name stands first in such register (except, in their case, as otherwise directed in writing).

- 4.3 All cheques required to be delivered under this Scheme shall be payable to Scheme Shareholders except that, in the case of joint holders of Scheme Shares, Tern reserves the right to make such cheques payable to the joint holder whose name stands first in the register of members of Pires at the Scheme Record Time. All such cash payments shall be made in pounds sterling by cheque drawn on a branch of a clearing bank in the United Kingdom. In the case of Scheme Shares which at the Scheme Record Time are held in uncertificated form, Tern will procure that Euroclear is instructed to create an assured payment obligation in favour of the payment bank of the persons entitled thereto in accordance with the CREST assured payment arrangements for the sums payable to them, respectively, provided that Tern reserves the right to make payment of the said sums by cheque if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this Clause 4.3.
- 4.4 None of Tern, Pires or their agents or nominees shall be responsible for any loss or delay in the transmission or delivery of cheques and/or share certificates sent in accordance with this Scheme which shall be sent at the risk of the persons entitled thereto.
- 4.5 The provisions of this Clause 4 shall take effect subject to any prohibition or condition imposed by law.

5. Fractional entitlements

New Tern Shares to be issued and allotted to Scheme Shareholders in accordance with the Exchange Ratio will be rounded up to the nearest whole New Tern Share.

6. Share certificates representing Scheme Shares and cancellation of CREST entitlements

- 6.1 On the Effective Date, Pires will become a wholly-owned subsidiary of Tern. Prior to the Effective Date, an application will be made to London Stock Exchange plc (the “**London Stock Exchange**”) for admission to trading on AIM, the market of that name operated by the London Stock Exchange (“**AIM**”), of the Pires Shares to be cancelled from or shortly after the Effective Date. The last day of dealings in Pires Shares on AIM is expected to be the Business Day immediately prior to the Effective Date and no transfers shall be registered after close of business on that date.
- 6.2 With effect from 8.00 a.m. on the Business Day following the Effective Date:
- (a) all certificates representing Scheme Shares shall cease to have effect as documents of title to the Scheme Shares comprised in the certificates and every holder of Scheme Shares shall be bound by the request of Pires to deliver up the same to Pires, or, as it may direct, to destroy the same;
 - (b) Euroclear shall be instructed to cancel the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form; and
 - (c) subject to completion of any form of transfer or other instrument or instruction of transfer as may be required in accordance with Clause 1.2, appropriate entries will be made in the register of members of Pires to reflect the transfer of the Scheme Shares to Tern (and/or its nominee(s)).

7. Mandates

All mandates and other instructions, including communications preferences, which have been given to Pires by Scheme Shareholders in respect of some or all of their Scheme Shares and which remain in force at the Scheme Record Time in respect of their Scheme Shares shall, unless and until revoked or amended, be deemed as from the Effective Date to be valid and effective mandates and/or instructions (as applicable) to Tern in relation to the New Tern Shares issued in respect thereof, except to the extent that a Scheme Shareholder already holds one or more Tern Shares at the Scheme Record Time (and Link Group is able to match such holding), in which case any mandates and instructions in relation to those existing Tern Shares will also apply to the New Tern Shares received by that Scheme Shareholder.

8. Operation of this Scheme

- 8.1 This Scheme shall become effective upon a copy of the Court Order being duly delivered to the Registrar of Companies for registration.

8.2 Unless this Scheme has become effective on or before 30 September 2022, or such later date (if any) as Tern and Pires may agree and (if required) the Panel and the Court may allow, this Scheme shall never become effective.

9. Modification

Pires and Tern may jointly consent on behalf of all persons concerned to any modification of or addition to this Scheme or to any condition which the Court may approve or impose. Any such modification or addition shall require the consent of the Panel where such consent is required under the Code.

10. Governing law

This Scheme and all rights and obligations arising out of or in connection with it, are governed by and construed in accordance with English law. Any dispute of any kind whatsoever arising out of or in connection with this Scheme, irrespective of the cause of action, including when based on contract or tort, shall be exclusively submitted to the English courts. The rules of the Code will apply to this Scheme on the basis provided in the Code.

Dated: 28 June 2022

PART FIVE

FINANCIAL INFORMATION

1. Tern financial information by reference

The following sets out the financial information in respect of Tern as required by Rule 24.3 of the Code. The following documents, the contents of which have previously been announced through a Regulatory Information Service, are incorporated by reference into this Document pursuant to Rule 24.15 of the Code. They are available in “read-only” format for printing, reviewing and downloading:

- the audited accounts of Tern for the financial year ended 31 December 2021 are set out on pages 47 to 68 (inclusive) of Tern’s Annual Report 2021 available from Tern’s website at www.ternplc.com/aim-rule-26;
- the audited accounts of Tern for the financial year ended 31 December 2020 are set out on pages 46 to 67 (inclusive) of Tern’s Annual Report 2020 available from Tern’s website at www.ternplc.com/aim-rule-26; and
- the audited accounts of Tern for the financial year ended 31 December 2019 are set out on pages 40 to 61 (inclusive) of Tern’s Annual Report 2019 available from Tern’s website at www.ternplc.com/aim-rule-26.

2. Effect of Scheme becoming effective on Tern

With effect from the Effective Date, the earnings, assets and liabilities of Tern will include the consolidated earnings, assets and liabilities of the Pires Group on the Effective Date.

3. Pires financial information incorporated by reference

The following sets out the financial information in respect of Pires as required by Rule 24.3 of the Code. The following documents, the contents of which have previously been announced through a Regulatory Information Service, are incorporated by reference into this Document pursuant to Rule 24.15 of the Code. They are available in “read-only” format for printing, reviewing and downloading:

- the audited accounts of Pires for the financial year ended 31 December 2021 are set out on pages 27 to 42 (inclusive) of Pires’s Annual Report 2021 available from Pires’s website at www.piresinvestments.com/investors;
- the audited accounts of Pires for the period ended 31 December 2020 are set out on pages 23 to 40 (inclusive) of Pires’s Annual Report 2020 available from Pires’s website at www.piresinvestments.com/investors; and
- the audited accounts of Pires for the financial year ended 30 October 2019 are set out on pages 20 to 36 (inclusive) of Pires’s Annual Report 2019 available from Pires’s website at www.piresinvestments.com/investors.

4. Hard copies

A person who has received this Document may request a hard copy of any documents or information incorporated by reference into this Document.

Recipients of this Document may request hard copies of the above-referenced financial information on Pires by: (i) contacting Pires during business hours on +44 (0) 203 368 8961; or (ii) submitting a request in writing to Pires by email at nick.lee@piresinvestmentsplc.com or by post to Pires Investments plc, 9th Floor, 107 Cheapside, London EC2V 6DN, United Kingdom.

Recipients of this Document may request hard copies of the above-referenced financial information on Tern by: (i) contacting Tern during business hours on +44 (0)203 934 6630; or (ii) submitting a request in writing to Tern by email at tern@investor-focus.co.uk or by post to Tern plc, 27/28 Eastcastle Street, London W1W 8DH, United Kingdom.

Save as expressly referred to in this Document, hard copies of the above-referenced financial information will not be sent to recipients of this Document unless specifically requested.

5. No incorporation of website information

Save as expressly referred to in this Document, neither the content of the Pires website or the Tern website nor the content of any website accessible from hyperlinks on the Pires website or the Tern website is incorporated into, or forms part of, this Document.

PART SIX

ADDITIONAL INFORMATION FOR OVERSEAS SHAREHOLDERS

1. General

This document has been prepared for the purposes of complying with English law, the Code, the rules of the London Stock Exchange and the AIM Rules and the information disclosed may not be the same as that which would have been disclosed if this Document had been prepared in accordance with the laws of jurisdictions outside the UK.

The availability of the Acquisition to holders of Pires Shares who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction to which they are resident. It is the responsibility of any person into whose possession this Document comes to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the Acquisition including the obtaining of any governmental, exchange control or other consents which may be required and/or compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes or levies due in such jurisdiction.

The release, publication or distribution of this Document in certain jurisdictions may be restricted by law. Persons who are not resident in the UK or who are subject to the laws of other relevant jurisdictions should inform themselves of, and observe, any applicable requirements. Failure to comply with the applicable restrictions may constitute a violation of the securities law of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of any such restrictions by any persons.

Unless otherwise determined by Tern or required by the Code and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Acquisition by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Document and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this Document and all documents relating to the Acquisition (including custodians, nominees and trustees) must observe these restrictions and must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction.

This Document does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for shares in any jurisdiction in which such Acquisition or solicitation is unlawful.

Overseas holders of Pires Shares should consult their own legal and tax advisers with respect to the legal and tax consequences of the Scheme.

2. US securities laws

The Acquisition relates to the shares of an English company that is a “foreign private issuer” as defined under Rule 3b-4 under the US Exchange Act and is being effected by means of a scheme of arrangement under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or proxy solicitation rules under the US Exchange Act. Accordingly, the Acquisition is subject to the disclosure requirements and practices applicable in the United Kingdom to schemes of arrangement, which differ from the disclosure requirements of US tender offer or proxy solicitation rules.

If, in the future, Tern exercises the right to implement the Acquisition by way of an Offer and determines to extend such Offer into the United States, the Acquisition will be made in compliance with applicable US Securities laws and regulations, and with the applicable

tender offer rules under the US Exchange Act, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder.

Financial information included in this Document has been or will be prepared in accordance with accounting standards applicable in the United Kingdom that may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

It may be difficult for US holders of Pires Shares to enforce their rights and any claim arising out of the US federal laws, since Pires and Tern are located in a non-US jurisdiction, and some or all of their officers and directors may be residents of a non-US jurisdiction. US holders of Pires Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

Each Pires Shareholder (including US holders of Pires Shares) is urged to consult their independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to them.

The New Tern Shares to be issued pursuant to the Scheme have not been, and will not be, registered under the US Securities Act or under the securities laws of any state, district or other jurisdiction of the United States, may not be offered or sold in the US absent registration or an applicable exemption from the registration requirements of the US Securities Act, and are expected to be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof.

The Shares will not be registered under the securities laws of any state of the United States and will be issued in the United States pursuant to the Scheme in reliance on available exemptions from such state law registration requirements.

For the purposes of qualifying for the exemption from the registration requirements of the US Securities Act afforded by Section 3(a)(10) thereof, Pires will advise the Court through counsel that its sanctioning of the Scheme will be relied upon by Tern as an approval of the Scheme following a hearing on fairness of its terms to Pires Shareholders. All Pires Shareholders are entitled to attend such Court Hearing in person or through counsel (either physically or through a virtual meeting platform) to support or oppose the sanctioning of the Scheme, and such notification of such Court Hearing will be given to all such Pires Shareholders.

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

In accordance with the Code and normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act (were the Acquisition to be implemented by way of an Offer), Tern or its nominees or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of Pires outside the United States, other than pursuant to the Acquisition, until the date on which the Offer and/or Scheme becomes Effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any

information about such purchases will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website.

Neither the SEC nor any US state securities commission has recommended, or approved or disapproved of, the Acquisition, or passed upon the adequacy or accuracy of this Document. Any representation to the contrary is a criminal offence in the US.

PART SEVEN

ADDITIONAL INFORMATION ON PIRES AND TERN

1. Responsibility

- 1.1 The Pires Directors, whose names are set out in paragraph 2.1 below, accept responsibility for the information contained in this Document (including any expressions of opinion) other than the information for which responsibility is taken by others pursuant to paragraph 1.2 of this Part Seven. In addition, the Pires Director who is the Proposed Tern Director accepts responsibility, jointly with the Tern Directors, for the statements of intention of Tern. To the best of the knowledge and belief of the Pires Directors and the Proposed Tern Director (as applicable) (who have taken all reasonable care to ensure that such is the case) the information contained in this Document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The Tern Directors, whose names are set out in paragraph 2.5 below, accept responsibility for (i) the information contained in this Document (including any expressions of opinion) relating to Tern, the Wider Tern Group, the Tern Directors and their respective immediate families and the related trusts of and persons connected with the Tern Directors and the persons deemed to be acting in concert (as such term is defined in the Code) with Tern; (ii) the opinions of the Tern Directors; and (iii) jointly with the Proposed Tern Director, the statements of intention of Tern. To the best of the knowledge and belief of the Tern Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors

- 2.1 The Pires Directors and their respective positions are as follows:

Name	Position
John May	Non-Executive Director
Nicholas Lee	Non-Executive Director
David Palumbo	Non-Executive Director

- 2.2 Pires is a public company limited by shares, incorporated under the Act.
- 2.3 The registered office of Pires and business address of each of the Pires Directors is 9th Floor 107 Cheapside, London EC2V 6DN, United Kingdom.
- 2.4 The company secretary of Pires is Robert Porter.
- 2.5 The Tern Directors and their respective positions are as follows:

Name	Position
Ian Ritchie	Chairman
Albert Sisto	Chief Executive Officer
Sarah Payne	Chief Financial Officer
Bruce Leith	Business Development Director
Matthew Scherba	Investment Director
Alan Howarth	Non-Executive Director

- 2.6 Tern is a public company limited by shares, incorporated under the Act.
- 2.7 The registered office of Tern is 27/28 Eastcastle Street, London W1W 8DH, United Kingdom and the business address of each of the Tern Directors is Gridiron, One Pancras Square, London N1C 4AG.
- 2.8 The company secretary of Tern is Sarah Payne.

3. Disclosures of interests and dealings

3.1 Definitions

For the purposes of this paragraph 3 and paragraphs 4 and 12:

- (a) **“acting in concert”** has the meaning given to it in the Code;
- (b) **“arrangement”** includes indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to securities which may be an inducement to deal or refrain from dealing;
- (c) **“close relative”** has the meaning given to it in the Code;
- (d) **“dealing”** has the meaning given to it in the Code;
- (e) **“derivative”** has the meaning given to it in the Code;
- (f) **“disclosure period”** means the period beginning on 1 June 2021 (being the date that is 12 months before the start of the offer period) and ending on the Latest Practicable Date;
- (g) **“interest”** or **“interests in relevant securities”** shall have the meaning given to it in the Code and references to interests of Tern Directors or interests of Pires Directors in relevant securities shall include all interests of any other person whose interests the Tern Directors or, as the case may be, the Pires Directors, are taken to be interested in pursuant to Part 22 of the Act;
- (h) **“offer period”** means the period starting on 1 June 2022 and ending on the Latest Practicable Date;
- (i) **“relevant Pires securities”** means relevant securities (such term having the meaning given to it in the Code in relation to an offeree) of Pires including the equity share capital of Pires (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof;
- (j) **“relevant Tern securities”** means relevant securities (such term having the meaning given to it in the Code in relation to an offeror) of Tern including the equity share capital of Tern (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof; and
- (k) **“short position”** means any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

3.2 Interests in relevant Pires securities

- (a) As at the Latest Practicable Date, none of the Pires Directors (nor their close relatives or related trusts) held any interests in, or rights to subscribe in respect of, relevant Pires securities.
- (b) As at the Latest Practicable Date, RiverFort Global Opportunities plc, which is acting in concert with the Pires Directors, held 35,728,393 Pires Shares.
- (c) As at the Latest Practicable Date, other than as disclosed in paragraph 3.2(b), no person acting in concert with Pires held any interests in, or rights to subscribe in respect of, relevant Pires securities.
- (d) During the offer period, RiverFort Global Opportunities plc, which is acting in concert with the Pires Directors, dealt with Pires securities by exercising Pires Warrants over 4,814,200 Pires Shares, resulting in the allotment of 4,814,200 Pires Shares which were issued and admitted to trading on AIM on 21 June 2022.
- (e) Save as disclosed in paragraph 3.2(d), during the offer period, neither Pires, the Pires Directors nor any person acting in concert with the foregoing, has dealt in Pires securities.

- (f) As at the Latest Practicable Date, none of the Tern Directors (nor their close relatives or related trusts) nor any person acting in concert with Tern held any interests in, or rights to subscribe in respect of, Pires securities.
- (g) Save as disclosed in this paragraph 3.2, as at the close of business on the Latest Practicable Date, so far as Pires is aware, neither any person acting in concert (within the meaning of the Code) with Pires, nor any person with whom Pires or any person acting in concert with Pires has an arrangement has: (i) any interest in or right to subscribe for any relevant Pires securities; (ii) any short positions in respect of relevant Pires securities (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery; (iii) borrowed or lent any relevant Pires securities (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Code); or (iv) any dealing arrangement, including any indemnity or option arrangement and any agreement or understanding, formal or informal, of whatever nature relating to relevant Pires securities which may be an inducement to deal or refrain from dealing.
- (h) As at the close of business on the Latest Practicable Date, neither Tern, nor any Tern Director, nor, so far as Tern is aware, any person acting in concert (within the meaning of the Code) with Tern nor any person with whom Tern or any person acting in concert with Tern has an arrangement has: (i) any interest in or right to subscribe for any relevant Pires securities; (ii) any short positions in respect of relevant Pires securities (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery; (iii) borrowed or lent any relevant Pires securities (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Code); or (iv) any dealing arrangement, including any indemnity or option arrangement and any agreement or understanding, formal or informal, of whatever nature relating to relevant Pires securities which may be an inducement to deal or refrain from dealing.

3.3 Interests in relevant Tern securities

- (a) As at the Latest Practicable Date, none of the Pires Directors (nor their close relatives or related trusts) held any interests in, or rights to subscribe in respect of, relevant Tern securities.
- (b) As at the Latest Practicable Date, Cairn had a right to receive 322,582 Tern Shares following the Scheme becoming Effective as Pires, Tern and Cairn have agreed that £50,000 of the contingent fees payable by Pires to Cairn in connection with the Acquisition shall be settled by Tern issuing Tern Shares to Cairn, with such number of Tern Shares calculated by dividing £50,000 by the Offer Value and multiplied by the Exchange Ratio.
- (c) As at the Latest Practicable Date, other than as disclosed in paragraph 3.3(b), no person acting in concert with Pires held any interests in, or rights to subscribe in respect of, relevant Tern securities.

- (d) As at the Latest Practicable Date, the Tern Directors (and their close relatives and related trusts) held the following interests in, or rights to subscribe in respect of, relevant Tern securities:

Name	Number of Tern Shares beneficially held ⁽¹⁾	Options over Tern Shares
Albert Sisto	10,416,666	2,500,000 ⁽³⁾
Bruce Leith.....	8,857,233	2,500,000 ⁽³⁾
Ian Ritchie	1,010,333	Nil
Matthew Scherba.....	716,666	2,500,000 ⁽⁴⁾
Sarah Payne	100,000	2,500,000 ⁽³⁾
Alan Howarth	Nil	250,000 ⁽²⁾

(1) As at 27 June 2022, being the Latest Practicable Date.

(2) Options exercisable at 13 pence per share option on or before 22 February 2023.

(3) Options exercisable at 8.5 pence per share option on or before 18 May 2027.

(4) Options exercisable at 9.15 pence per share option on or before 1 December 2029.

- (e) As at the Latest Practicable Date, Allenby Capital held 123,000 Tern Shares. Allenby Capital also has the right to receive additional Tern Shares following the Scheme becoming Effective as Tern and Allenby Capital have agreed that £20,000 of the contingent fees payable by Tern to Allenby Capital in connection with the Acquisition shall be settled in Tern Shares issued at the average closing mid-market price for Tern Shares in the five Business Days prior to completion of the Acquisition.
- (f) As at the Latest Practicable Date, other than as disclosed in paragraph 3.3(e), no person acting in concert with Tern held any interests in, or rights to subscribe in respect of, relevant Tern securities.
- (g) During the offer period, neither Tern, the Tern Directors nor any person acting in concert with the foregoing, has dealt in Tern securities.
- (h) Save as disclosed in this paragraph 3.3 as at the close of business on the Latest Practicable Date, neither Tern, nor any Tern Director, nor, so far as Tern is aware, any person acting in concert (within the meaning of the Code) with Tern nor any person with whom Tern or any person acting in concert with Tern has an arrangement has: (i) any interest in or right to subscribe for any relevant Tern securities; (ii) any short positions in respect of relevant Tern securities (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery; (iii) borrowed or lent any relevant Tern securities (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Code); or (iv) any dealing arrangement, including any indemnity or option arrangement and any agreement or understanding, formal or informal, of whatever nature relating to relevant Tern securities which may be an inducement to deal or refrain from dealing.
- (i) As at the close of business on the Latest Practicable Date, so far as Pires is aware, neither any person acting in concert (within the meaning of the Code) with Pires, nor any person with whom Pires or any person acting in concert with Pires has an arrangement has: (i) any interest in or right to subscribe for any relevant Tern securities; (ii) any short positions in respect of relevant Tern securities (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery; (iii) borrowed or lent any relevant Tern securities (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Code); or (iv) any dealing arrangement, including any indemnity or option arrangement and any agreement or understanding, formal or informal, of whatever nature relating to relevant Tern securities which may be an inducement to deal or refrain from dealing.

4. Interests and Dealings – General

4.1 Save as disclosed in paragraph 3 above, as at the Latest Practicable Date:

- (a) no member of the Wider Tern Group had any interest in, right to subscribe in respect of, or any short position under a derivative in relation to any, or had any delivery obligation or any right to require another person to purchase or take delivery of relevant Pires securities or relevant Tern securities, nor has any member of the Wider Tern Group dealt in any relevant Pires securities or any relevant Tern securities during the disclosure period;
- (b) none of the Tern Directors had any interest in, right to subscribe in respect of, or any short position in relation to any, or had any delivery obligation or any right to require another person to purchase or take delivery of relevant Pires securities or relevant Tern securities, nor has any such person dealt in any relevant Pires securities or any relevant Tern securities during the disclosure period;
- (c) so far as Tern is aware, no person deemed to be acting in concert with Tern had any interest in, right to subscribe in respect of, or any short position in relation to, or had any agreement to sell or had any delivery obligation or any right to require another person to purchase or take delivery of, any relevant Pires securities or any relevant Tern securities, nor has any such person dealt in any relevant Pires securities or any relevant Tern securities during the disclosure period;
- (d) so far as Tern is aware, no person who has an arrangement with Tern had any interest in, right to subscribe in respect of, or any short position in relation to any, or had any agreement to sell or had any delivery obligation or any right to require another person to purchase or take delivery of, any relevant Pires securities or any relevant Tern securities, nor has any such person dealt in any relevant Pires securities or any relevant Tern securities during the disclosure period; and
- (e) neither Tern nor (so far as Tern is aware) any person acting in concert with it, has borrowed or lent any relevant Pires securities or relevant Tern securities (including for these purposes any financial collateral arrangements of the kind referred to in Note 4 of Rule 4.6 of the Code) during the disclosure period, save for any borrowed shares which have been either on-lent or sold.

4.2 Save as disclosed in paragraph 3 above, as at the Latest Practicable Date:

- (a) no member of the Wider Pires Group had any interest in, right to subscribe in respect of, or any short position under a derivative in relation to any, or had any delivery obligation or any right to require another person to purchase or take delivery of relevant Tern securities, nor has any member of the Wider Pires Group dealt in any relevant Pires securities or any relevant Tern securities during the offer period;
- (b) none of the Pires Directors had any interest in, right to subscribe in respect of, or any short position in relation to any, or had any delivery obligation or any right to require another person to purchase or take delivery of relevant Pires securities or relevant Tern securities, nor has any such person dealt in any relevant Pires securities or any relevant Tern securities during the offer period;
- (c) so far as Pires is aware, no person deemed to be acting in concert with Pires had any interest in, right to subscribe in respect of, or any short position in relation to, or had any agreement to sell or had any delivery obligation or any right to require another person to purchase or take delivery of, any relevant Pires securities or any relevant Tern securities, nor has any such person dealt in any relevant Pires securities or relevant Tern securities during the offer period;
- (d) so far as Pires is aware, no person who has an arrangement with Pires had any interest in, right to subscribe in respect of, or any short position in relation to any, or had any agreement to sell or had any delivery obligation or any right to require another person to purchase or take delivery of, any relevant Pires securities or any relevant Tern securities, nor has any such person dealt in any relevant Pires securities or any relevant Tern securities during the offer period; and

- (e) neither Pires nor (so far as Pires is aware) any person acting in concert with Pires has borrowed or lent any relevant Pires securities or relevant Tern securities (including for these purposes any financial collateral arrangements of the kind referred to in Note 4 of Rule 4.6 of the Code) during the offer period, save for any borrowed shares which have been either on-lent or sold.
- 4.3 Save as disclosed in this Document, no persons have given any irrevocable or other commitment to vote in favour of the Scheme or the Special Resolution to be proposed at the General Meeting.
- 4.4 Save as disclosed in this Document, none of: (i) Tern or any person acting in concert with Tern; or (ii) Pires or any person acting in concert with Pires, has, in either case, any arrangement in relation to relevant securities.
- 4.5 Save as disclosed in this Document, no agreement, arrangement or understanding (including any compensation arrangement) exists between Tern or any person acting in concert with Tern and any of the Pires Directors or the recent directors, shareholders or recent shareholders of Pires, or any person interested or recently interested in Pires Shares, having any connection with or dependence upon or which is conditional upon the Acquisition.
- 4.6 Save as disclosed in this Document, there is no agreement, arrangement or understanding whereby the beneficial ownership of any Pires Shares to be acquired by Tern pursuant to the Scheme will be transferred to any other person, however Tern reserves the right to transfer any such shares to any member of the Wider Tern Group.
- 4.7 No relevant Pires securities have been redeemed or purchased by Pires during the disclosure period.
- 4.8 Save as disclosed in this Document, the emoluments of Pires Directors and the Tern Directors will not be affected by the Acquisition or any other associated transaction.

5. Directors' service contracts

5.1 Non-Executive Directors

(a) John May

John May entered into a non-executive director letter of appointment dated 12 June 2020 with Pires in respect of his appointment as a Non-Executive Director of Pires.

Under the terms of the appointment letter, John May is entitled to a fee of £36,000 per annum, paid in monthly instalments in arrears on the last day of each month. John May is not entitled to any pension, benefits or bonuses.

If the shareholders do not re-elect John May as a director after his resignation by rotation or if the Pires Board seeks his resignation or removal (other than for breach of the letter of appointment), John May shall be entitled to a termination fee equivalent to six months of the gross fees (being, £18,000). The termination fee shall be paid as a lump sum by Pires immediately on such resignation or removal becoming effective. In connection with the proposed resignation of John May as a Non-Executive Director on the Effective Date, it has been agreed by Pires and Tern that John May shall be paid an amount equal to £18,000 upon his resignation.

(b) Nicholas Lee

Nicholas Lee entered into a non-executive director letter of appointment dated 10 February 2017 with Pires in respect of his appointment as a Non-Executive Director of Pires, which was later amended with effect from 1 July 2020.

Under the terms of the appointment letter, Nicholas Lee is entitled to a fee of £54,000 per annum, paid in monthly instalments in arrears on the last day of each month. Nicholas Lee is not entitled to any pension, benefits or bonuses.

If the shareholders do not re-elect Nicholas Lee as a director after his resignation by rotation or if the Pires Board seeks his resignation or removal (other than for breach of the letter of appointment), Nicholas Lee shall be entitled to a termination fee equivalent

to six months of the gross fees (being, £27,000). The termination fee shall be paid as a lump sum by Pires immediately on such resignation or removal becoming effective.

Following completion of the Acquisition, Nicholas Lee will join the Tern Board as a non-executive director. No proposals have been made on the terms of any incentive arrangement for Nicholas Lee and there have been no discussions in respect of the terms of these arrangements.

(c) David Palumbo

David Palumbo entered into a non-executive director letter of appointment dated 29 January 2021 with Pires in respect of his appointment as a Non-Executive Director of Pires.

Under the terms of the appointment letter, David Palumbo is entitled to a fee of £12,000 per annum, paid in monthly instalments in arrears. David Palumbo is not entitled to any pension, benefits or bonuses.

David Palumbo shall be entitled to such fees as may have accrued on the date of termination of his appointment, together with reimbursement of expenses properly incurred before that date. In connection with the proposed resignation of David Palumbo as a Non-Executive Director on the Effective Date, it has been agreed by Pires and Tern that David Palumbo shall be paid an amount equal to £1,000 upon his resignation.

5.2 Other service contracts and letters of appointment

Save as disclosed above, there are no service contracts between any director of Pires, any director of the Wider Pires Group or proposed director of the Wider Pires Group and any member of Pires and no such contract has been entered into or amended within the six months preceding the date of this Document.

6. Market quotations

The following table shows the Closing Price for Pires Shares and Tern Shares derived from the London Stock Exchange's website at:

(a) for Pires Shares: www.londonstockexchange.com/stock/PIRI/pires-investments-plc/company-page; and

(b) for Tern Shares: www.londonstockexchange.com/stock/TERN/tern-plc/company-page.

for the first dealing day (being the day on which dealing in domestic securities may take place on, and with the authority of, the London Stock Exchange) of each month from December 2021 to May 2022 inclusive, for 31 May 2022 (being the last Business Day before the commencement of the Offer Period) and for 27 June 2022 (being the Latest Practicable Date):

Date	Pires Share price (pence)	Tern Share price (pence)
27 June 2022 (the Latest Practicable Date)	4.95	12.75
1 June 2022	5.60	13.00
31 May 2022	5.20	15.50
3 May 2022	5.90	13.75
1 April 2022	5.75	12.50
1 March 2022	6.05	10.25
1 February 2022	6.90	11.25
4 January 2022	7.95	12.50

7. Material contracts

7.1 Pires material contracts

Save as disclosed below and for the offer-related arrangements described at paragraph 8 below, no member of the Wider Pires Group has, during the period beginning on 1 June

2020 and ending on the Latest Practicable Date, entered into any material contract otherwise than in the ordinary course of business.

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by members of the Wider Pires Group in the period beginning on 1 June 2020 and ending on the Latest Practicable Date:

(a) *Non-Disclosure Agreement*

See paragraph headed “Non-Disclosure Agreement” at paragraph 8 below for details of the Non-Disclosure Agreement.

(b) *Pires Warrants*

In connection with a placing of Pires Shares announced on 24 April 2020, Pires issued 53,000,000 Pires Warrants pursuant to a warrant instrument constituted by Pires on 30 June 2020.

The Pires Warrants have an exercise price of 4 pence per Pires Share and are exercisable for a period of two years from their date of issue. On 16 June 2022, Pires announced that it had received notifications for the exercise of Pires Warrants over 4,939,200 Pires Shares and on 21 June 2022 announced that such Pires Shares had been issued and admitted to trading on AIM. Therefore, as at the Latest Practicable Date, there remain outstanding Pires Warrants over 20,529,221 Pires Shares.

The Pires Warrants may be exercised in whole or in part by the relevant holder at any time prior to their expiry by the holder giving Pires not less than 10 Business Days’ notice in writing and completing the notice of exercise appended to the certificate issued in respect of the Pires Warrants. On or before completion of the exercise of Pires Warrants, the holder shall remit to Pires the aggregate exercise price payable for the Pires Shares resulting from the exercise of the Pires Warrants.

If any offer or invitation is made to any Pires Shareholders to acquire any of their Pires Shares by way of purchase or pursuant to a scheme of arrangement or if any proposal or arrangement is put to any Pires Shareholders while the Pires Warrants remain to be exercised in full, Pires shall use its reasonable endeavours to procure that such offer, invitation, proposal or arrangement is made or put (as the case may be) to the holders of Pires Warrants and shall notify such persons in writing in sufficient time (being not less than 10 Business Days’ notice of the happening of such event) to enable each holder to fully exercise its Pires Warrants and to enable each holder, at its discretion, to accept such offer or invitation or participate in such proposal or arrangement. The holders of Pires Warrants shall be entitled to exercise the Pires Warrants conditionally following receipt by them of any such offer, invitation, proposal or arrangement or following receipt by such holders of the notice of sale or transfer from Pires by delivering a notice (a “**Conditional Warrant Notice**”) to Pires specifying the number of Pires Shares in respect of which the Pires Warrants may be exercised and indicating that such election to exercise is conditional. In such circumstances, the Pires Warrants shall exercise automatically on or prior to the actual date of sale or transfer, provided that if the sale or transfer does not occur within 60 days of the date of the Conditional Warrant Notice, the Conditional Warrant Notice shall be deemed to be withdrawn and the Pires Warrants shall remain in force and shall be available for subsequent exercise by the holder at any time until such Pires Warrants lapse in accordance with their terms.

(c) *Origen consultancy agreement*

Pires has entered into a consultancy agreement with Origen Capital Partners Limited (“**Origen**”) dated 29 January 2021 (the “**Origen Agreement**”). David Palumbo, a Non-Executive Director, is a director and shareholder of Origen.

Under the Origen Agreement, Origen shall make David Palumbo available to Pires to provide financial and commercial advisory services to Pires and the Pires Board. Pires shall pay Origen fees based on a day rate of £1,000 per day (plus VAT if applicable), to be invoiced by Origen on the last working day of each month. The Origen Agreement envisages that Origen will provide around 2 days of David Palumbo's time

per month. Pires shall reimburse all reasonable expenses properly and necessarily incurred by Origen or David Palumbo in the course of the engagement.

The Origen Agreement can be terminated by either party giving not less than three months' prior written notice.

7.2 Tern material contracts

Save as disclosed below and for the offer-related arrangements described at paragraph 8 below, no member of the Wider Tern Group has, during the period beginning on 1 June 2020 and ending on the Latest Practicable Date, entered into any material contract otherwise than in the ordinary course of business.

The Non-Disclosure Agreement, being a contract not entered into in the ordinary course of business, has been entered into by members of the Wider Tern Group in the period beginning on 1 June 2020 and ending on the Latest Practicable Date. See paragraph headed "Non-Disclosure Agreement" at paragraph 8 below for details of the Non-Disclosure Agreement.

8. Offer-related arrangements

Tern and Pires have entered into the Non-Disclosure Agreement dated 20 April 2022 pursuant to which each of Tern and Pires has undertaken, *inter alia*, to: (a) keep certain information relating to the Acquisition and the other party confidential and not to disclose it to third parties (other than to permitted parties) unless required by law or regulation; and (b) use the confidential information for the sole purpose of evaluating, negotiating, advising on or implementing the Acquisition.

9. Irrevocable undertaking and lock-in agreement

Tern has received an irrevocable undertaking to vote, or procure to vote, in favour of the Scheme at the Court Meeting and the resolutions at the General Meeting (or, if the Acquisition is implemented by way of an Offer to accept, or procure the acceptance, of the Offer) from RiverFort Global Opportunities plc, in respect of an aggregate of 30,914,193 Pires Shares and any further Pires Shares acquired by RiverFort Global Opportunities plc on the exercise of any Pires Warrants. On 21 June 2022, Pires announced that it had received notifications for the exercise of Pires Warrants over 4,939,200 Pires Shares, which included the notification of the exercise of Pires Warrants over 4,814,200 Pires Shares held by RiverFort Global Opportunities plc, and that such new Pires Shares had been issued and admitted to trading on AIM. Following the issue and admission of the 4,939,200 Pires Shares resulting from the warrant exercises, the irrevocable undertaking from RiverFort Global Opportunities plc is in respect of 35,728,393 Pires Shares representing 21.48 per cent. of Pires's issued share capital as at the Latest Practicable Date. This undertaking will remain binding in the event of a competing offer being made unless the value of such competing offer is an improvement of more than 10 per cent. of the value of the consideration under the Acquisition and is not matched or bettered by Tern (where such competing offer has been announced as a firm intention to make an offer in accordance with Rule 2.7 of the Code) or if the Scheme Document is not published within 28 days of the date of the Announcement or the Scheme lapses or is otherwise withdrawn.

The irrevocable undertaking ceases to be binding if:

- (a) Tern announces that it does not intend to proceed with the Acquisition and no new, revised or replacement scheme or offer is announced in accordance with Rule 2.7 of the Code at the same time;
- (b) the Acquisition lapses or is withdrawn; or
- (c) the Acquisition has not become wholly unconditional by the Long Stop Date.

In addition, this irrevocable undertaking also contains a contractual lock-in arrangement with Tern and Allenby Capital in respect of the Locked-In Shares, representing, in aggregate, approximately 4.09 per cent. of the Estimated Enlarged Share Capital. Pursuant to this lock-in agreement, RiverFort Global Opportunities plc has agreed that for the period of one month from Admission it will not, and will use all its reasonable endeavours to procure that

its connected persons will not, directly or indirectly effect or agree to effect a disposal of any legal or beneficial interest in any New Tern Shares issued to it following completion of the Acquisition. Thereafter, for a further two months, RiverFort Global Opportunities plc shall only dispose of any New Tern Shares it holds in an orderly manner as Allenby Capital shall reasonably determine.

10. Acquisition-related fees and expenses

10.1 Wider Tern Group fees and expenses

The aggregate fees and expenses expected to be incurred by the Wider Tern Group in connection with the Acquisition (excluding any applicable VAT) are expected to be:

Category	Amount (£)
Financial and corporate broking advice	200,000
Legal advice	125,000
Accounting and tax advice	Nil
Public relations advice	20,000
Other professional services (including, for example, management consultants, actuaries and specialist valuers)	Nil
Other costs and expenses	20,000
Total	365,000

10.2 Pires fees and expenses

The aggregate fees and expenses expected to be incurred by Pires in connection with the Acquisition (excluding any applicable VAT) have a current value of approximately:

Category	Amount (£)
Financial and corporate broking advice	151,130
Legal advice	190,000
Accounting and tax advice	Nil
Public relations advice	Nil
Other professional services (including, for example, management consultants, actuaries and specialist valuers)	267,339
Other costs and expenses	10,000
Total	618,469

Of the total fees set out above, £174,000 is expected to be paid irrespective of whether the Acquisition completes, with £444,469 of the total amount only being payable on completion of the Acquisition.

Part of the contingent fees payable on completion of the Acquisition will be satisfied by the issue and allotment of New Tern Shares. The number of New Tern Shares to be issued was calculated at the time of the Announcement by reference to the Offer Value, and assuming these Pires Shares were converted into New Tern Shares at the Exchange Ratio. This will result in 2,419,361 New Tern Shares being issued, which have a current value of £308,469 based on the Closing Price of 12.75 pence per Tern Share on the Latest Practicable Date.

11. Ratings

No ratings agency has publicly accorded Pires with any current credit rating or outlook. No ratings agency has publicly accorded Tern with any current credit rating or outlook.

12. Persons acting in concert

12.1 In addition to Tern, the Tern Directors (together with their close relatives and related trusts) and the members of the Wider Tern Group (including Tern's holding companies and their subsidiaries), the persons who, for the purposes of the Code, are acting in concert with Tern in respect of the Acquisition and who are required to be disclosed are:

Name	Registered Office	Relationship with Tern
Allenby Capital Limited	5 St. Helen's Place, London EC3A 6AB, United Kingdom	Financial adviser, nominated adviser and broker

12.2 No Tern Shareholders have been deemed by the Panel to be concert parties for the purposes of the Code.

12.3 In addition to the Pires Directors (together with their close relatives and related trusts) and the members of the Wider Pires Group (including Pires's holding companies and their subsidiaries), the persons who, for the purposes of the Code, are acting in concert with Pires in respect of the Acquisition and who are required to be disclosed are:

Name	Registered Office	Relationship with Pires
Cairn Financial Advisors LLP	9 th Floor, 107 Cheapside, London EC2V 6DN, United Kingdom	Independent financial adviser, nominated adviser and Rule 3 adviser

12.4 In addition, the following Pires Shareholder has been deemed by the Panel to be acting in concert with the Pires Directors for the purposes of the Code:

Name	Registered Office	Relationship with Pires
RiverFort Global Opportunities plc	Suite 39, 18 High Street, High Wycombe, Buckinghamshire HP11 2BE, United Kingdom	Nicholas Lee, a Non-Executive Director and the Proposed Tern Director, is a director of RiverFort Global Opportunities plc

13. No significant change

13.1 Save to the extent disclosed in this Document, there has been no significant change in the financial or trading position of Pires since 31 December 2021, being the date to which the Pires Group's audited annual report and accounts were prepared.

13.2 Save to the extent disclosed in this Document, there has been no significant change in the financial or trading position of Tern since 31 December 2021, being the date to which Tern's audited annual report and accounts were prepared.

14. Consent

14.1 Cairn has given and not withdrawn its written consent to the issue of this Document with the inclusion of references to its name in the form and context in which they are included.

14.2 Allenby Capital has given and not withdrawn its written consent to the issue of this Document with the inclusion of references to its name in the form and context in which they are included.

15. Documents incorporated by reference

Parts of other documents are incorporated by reference into, and form part of, this Document.

Part Five (*Financial Information*) of this Document sets out which sections of certain documents are incorporated by reference into, and form part of, this Document.

A person who has received this Document may request a copy of such documents incorporated by reference. A copy of any such documents or information incorporated by reference will not be sent to such persons unless requested by: (i) contacting Pires during business hours on +44 (0) 203 368 8961; or (ii) submitting a request in writing to Pires by email at nick.lee@piresinvestmentsplc.com or by post to Pires Investments plc, 9th Floor, 107 Cheapside, London EC2V 6DN, United Kingdom, stating your name and the address to which the hard copy should be sent. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable

international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes.

16. Documents published on a website

Copies of the following documents are available for view on Pires's website at www.piresinvestments.com and on Tern's website at www.ternplc.com (subject to, in each case, any applicable restrictions relating to persons resident in Restricted Jurisdictions) up to and including the Effective Date or the date the Scheme lapses or is withdrawn, whichever is earlier:

- 16.1 the irrevocable undertaking from the entity named in paragraph 9 above;
- 16.2 the offer-related arrangements referred to in paragraph 8 above, being the Non-Disclosure Agreement;
- 16.3 the letters of appointment of the Pires Directors referred to in paragraph 5 above;
- 16.4 the written consents referred to in paragraph 14 above;
- 16.5 the Announcement;
- 16.6 this Document and the Forms of Proxy;
- 16.7 Tern's articles of association;
- 16.8 the Articles of Association;
- 16.9 the Articles of Association as proposed to be amended by the Special Resolution at the General Meeting;
- 16.10 the financial information incorporated by reference in relation to Tern referred to in paragraph 1 of Part Five (*Financial Information*) of this Document;
- 16.11 the financial information incorporated by reference in relation to Pires referred to in paragraph 3 of Part Five (*Financial Information*) of this Document;
- 16.12 a presentation on Pires and the rationale for the Acquisition posted to Pires's website on 22 June 2022; and
- 16.13 a presentation on Tern and the rationale for the Acquisition posted to Tern's website on 22 June 2022.

Neither the contents of Pires's or Tern's website, nor those of any other website accessible from hyperlinks on Pires's or Tern's website, are incorporated into or form part of this Document.

17. Sources of information and bases of calculation

- 17.1 The value of the Acquisition at 31 May 2022 (being the last Business Day before the date of the Announcement) is calculated:
 - (a) by reference to the price of 15.5 pence per Tern Share, being the Closing Price on 31 May 2022;
 - (b) using the Exchange Ratio (being 0.51613 New Tern Shares for every Pires Share); and
 - (c) on the basis of the fully diluted share capital of Pires referred to in paragraph 17.5 below.
- 17.2 The value of the Acquisition at the Latest Practicable Date is calculated:
 - (a) by reference to the price of 12.75 pence per Tern Share, being the Closing Price on the Latest Practicable Date;
 - (b) using the Exchange Ratio (being 0.51613 New Tern Shares for every Pires Share); and
 - (c) on the basis of the fully diluted share capital of Pires referred to in paragraph 17.5 below.

- 17.3 The value of the Enlarged Group at 31 May 2022 (being the last Business Day before the date of the Announcement) is calculated:
- (a) by reference to the 352,014,701 Tern Shares in issue as at 31 May 2022;
 - (b) by reference to the price of 15.5 pence per Tern Share, being the Closing Price on 31 May 2022;
 - (c) using the Exchange Ratio (being 0.51613 New Tern Shares for every Pires Share held); and
 - (d) on the basis of the fully diluted share capital of Pires referred to in paragraph 17.5 below.
- 17.4 As at the close of business on the Latest Practicable Date, Pires had in issue 166,334,391 Pires Shares and Tern had in issue 352,014,701 Tern Shares.
- 17.5 The fully diluted share capital of Pires (being 186,863,612 Pires Shares) is calculated on the basis of:
- (a) 166,334,391 issued Pires Shares; and
 - (b) Pires Warrants currently held over, in aggregate, 20,529,221 Pires Shares, being those warrants that are exercisable at prices below the Offer Value.
- 17.6 Tern's Estimated Enlarged Share Capital figure of 450,880,413 comprises the aggregate of:
- (a) the 352,014,701 Tern Shares in issue as at the Latest Practicable Date;
 - (b) 85,850,596 New Tern Shares to be issued to the holders of the issued Pires Shares using the Exchange Ratio based on the holders of Pires Shares at the Latest Practicable Date;
 - (c) 10,595,755 New Tern Shares to be issued to holders of the Pires Warrants using the Exchange Ratio (assuming that all of the Pires Warrants are exercised and the Pires Shares issued to satisfy the exercise of the Pires Warrants are acquired by Tern pursuant to the Acquisition) based on the holders of Pires Warrants as at the Latest Practicable Date;
 - (d) 322,582 New Tern Shares to be issued to Cairn using the Exchange Ratio; and
 - (e) 2,096,779 New Tern Shares to be issued to Riverfort Global Capital Limited in satisfaction of certain fees payable by Pires pursuant to an introducer agreement between Riverfort Global Capital Limited and Pires.
- 17.7 Tern's Estimated Enlarged Share Capital figure in paragraph 17.5 does not include the Tern Shares which may be issued to Allenby Capital in satisfaction of £20,000 of the contingent fees payable by Tern to Allenby Capital (as further detailed in paragraph 3.3(e) of Part Seven) as the number of such Tern Shares is calculated by reference to the average closing mid-market price for Tern Shares in the five Business Days prior to completion Acquisition, and is therefore not ascertainable on the Latest Practicable Date.
- 17.8 Unless otherwise stated, all prices and closing prices for Pires Shares and Tern Shares are closing middle market quotations derived from the AIM Appendix to the Daily Official List on that day.
- 17.9 Unless otherwise stated:
- (a) financial information relating to the Tern Group has been extracted or derived (without any adjustment) from the audited annual report and accounts of the Tern Group for the year ended 31 December 2021; and
 - (b) financial information relating to the Pires Group has been extracted or derived (without any adjustment) from the audited results of the Pires Group for the year ended 31 December 2021.

PART EIGHT

UNITED KINGDOM TAXATION

The comments set out below summarise certain limited aspects of the UK taxation treatment certain categories of Scheme Shareholder under the Scheme and do not purport to be a complete analysis of all tax considerations relating to the Scheme. They are based on current UK legislation and what is understood to be current HMRC practice (which may not be binding on HMRC) as at the date of this Document, both of which are subject to change, possibly with retrospective effect.

The comments are intended as a general guide and do not deal with certain categories of Scheme Shareholder such as including, but not limited to, charities, dealers in securities, persons who have or could be treated for tax purposes as having acquired their Scheme Shares by reason of their employment or as holding their Scheme Shares as carried interest, collective investment schemes, persons subject to UK tax on the remittance basis and insurance companies.

References below to “**UK Holders**” are to Scheme Shareholders who are resident and, in the case of individuals, domiciled or deemed domiciled for the relevant period, solely in the UK for UK tax purposes, who hold their Scheme Shares as a capital investment (other than under a self-invested personal pension plan or individual savings account) and who are the absolute beneficial owners of their Scheme Shares.

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

UK taxation of chargeable gains

Subject to the comments below, the transfer of Scheme Shares by UK Holders in exchange for the issue of New Tern Shares pursuant to the Scheme should be treated as an exchange of securities for the purposes of section 135 of the TCGA). This means that the UK Holder should not be treated as disposing of their Scheme Shares. Instead, the New Tern Shares received by such UK Holders as consideration for their Scheme Shares should be treated for the purposes of UK taxation as the same asset, acquired at the same time as their Scheme Shares.

In the case of UK Holders who individually, or together with persons connected with them, holds more than 5 per cent. of, or of any class of, the shares in or debentures of Pires, such “rollover” treatment will only apply if section 137(1) of the TCGA does not apply to prevent such treatment. Under section 137(1) of the TCGA, the exchange must be for *bona fide* commercial purposes and must not form part of a scheme or arrangement of which the main purpose, or one of the main purposes, is the avoidance of a liability to capital gains tax or corporation tax. If section 137(1) of the TCGA applies to prevent rollover treatment in respect of a UK Holder, that UK Holder would be treated for the purposes of taxation on chargeable gains as having disposed of their Scheme Shares in consideration of the issue to them of New Tern Shares to such UK Holder pursuant to the Scheme.

UK stamp duty and SDRT

No UK stamp duty or SDRT should be payable by Scheme Shareholders on the transfer of their Scheme Shares under the Scheme.

PART NINE

DEFINITIONS

Acquisition	the proposed recommended acquisition by Tern of the entire issued and to be issued ordinary share capital of Pires, to be effected by means of the Scheme on the terms and subject to the satisfaction (or, if applicable, waiver) of the Conditions or, should Tern so elect and subject to the consent of the Panel and Pires, by means of an Offer and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
Act	the Companies Act 2006, as amended, modified, consolidated, re-enacted or replaced from time to time;
Admission	the admission of the New Tern Shares to trading on AIM;
AI	artificial intelligence;
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);
Allenby Capital	Allenby Capital Limited, financial adviser, nominated adviser and broker to Tern in connection with the Acquisition;
Announcement	the announcement of Tern's firm intention to make an offer for the entire issued and to be issued share capital of Pires pursuant to Rule 2.7 of the Code on 1 June 2022;
AR	augmented reality;
Articles of Association	the articles of association of Pires;
Board	as the context requires, the board of directors of Pires or the board of directors of Tern and the terms Pires Board and Tern Board shall be construed accordingly;
Business Day	any day (other than a Saturday, Sunday or public holiday) on which clearing banks in London are generally open for normal business;
Cairn	Cairn Financial Advisers LLP, the independent financial adviser, nominated adviser and Rule 3 adviser to Pires;
certificated or in certificated form	a share or other security which is not in uncertificated form (that is, not in CREST);
close of business	6.00 p.m. on the Business Day in question;
Closing Price	unless otherwise stated, the closing middle market quotation derived from the AIM Appendix to the Daily Official List;
Code	the City Code on Takeovers and Mergers issued from time to time by the Panel;
Conditions	the conditions to the implementation of the Scheme or, if applicable, the conditions to the Offer, as set out in Part Three (<i>Conditions to the implementation of the Scheme and to the Acquisition</i>) of this Document and Condition means any of them;
Court	the High Court of Justice in England and Wales;
Court Hearing	the hearing by the Court to sanction the Scheme and, if such hearing is adjourned, references to the commencement of any such hearing shall mean the commencement of the final adjournment thereof;

Court Meeting	the meeting (or any adjournment, postponement or reconvention thereof) of the Scheme Shareholders (or the relevant class or classes thereof) to be convened by order of the Court pursuant to section 896 of the Act to consider and, if thought fit, approve the Scheme (with or without modification);
Court Order	the order of the Court sanctioning the Scheme under Part 26 of the Act;
CREST	the relevant system (as defined in the Regulations) in respect of which Euroclear is the Operator (as defined in the Regulations) for the paperless settlement of trades in securities and the holding of uncertificated securities;
CREST Manual	the CREST Manual published by Euroclear, as amended from time to time;
CREST Proxy Instruction	the appropriate CREST message to validly appoint a proxy using the CREST service;
Daily Official List	the daily official list of the London Stock Exchange;
Disclosed	the information fairly disclosed in sufficient detail to enable a reasonably prudent investor to identify the nature and scope of the fact, matter or circumstance so disclosed by, or on behalf of Pires: (i) in its published annual report and accounts for the financial year ended 31 December 2020; (ii) in its published annual report and accounts for the financial year ended 31 December 2021; (iii) in the Announcement and this Document; (iv) in the documents in the online data room made available to Tern and its advisers in relation to the Acquisition; (v) in any other public announcement made by Pires in accordance with UK MAR, the AIM Rules, and/or the Disclosure Guidance and Transparency Rules before the publication of the Announcement; or (vi) as disclosed in writing before the publication of the Announcement by or on behalf of Pires to Tern (or its respective officers, employees, agents or advisers in their capacity as such);
Disclosure Guidance and Transparency Rules or DTRs	the Disclosure Guidance and Transparency Rules of the FCA made in accordance with section 73A of FSMA, as amended or updated from time to time;
Effective	in the context of the Acquisition: (i) the Scheme having become effective pursuant to its terms, upon the delivery of the Court Order to the Registrar of Companies; or (ii) if the Acquisition is implemented by way of an Offer, such Offer having been declared and become unconditional in all respects in accordance with the requirements of the Code;
Effective Date	the date upon which: (i) the Scheme becomes Effective; or (ii) if Tern elects and the Takeover Panel consents to implement the Acquisition by way of an Offer, the Offer becomes or is declared unconditional in all respects;
Enlarged Group	the Tern Group as enlarged by the Acquisition following the Scheme becoming Effective;
Estimated Enlarged Share Capital	450,880,413 Tern Shares, being the estimated issued share capital of Tern upon: (a) the Scheme becoming Effective in respect of all the issued and to be issued Pires Shares, based on the holdings of Pires Shares at the Latest Practicable Date and assuming that all of the Pires Warrants are exercised and the Pires Shares issued to satisfy the exercise of the Pires Warrants are acquired by Tern pursuant to the Acquisition; and (b) the issue of

	Tern Shares to Cairn and RiverFort Global Capital Limited in satisfaction of certain fees payable by Pires in connection with the Acquisition;
Euroclear	Euroclear UK & International Limited, a company incorporated in England and Wales with company number 02878738, being the operator of CREST;
Exchange Ratio	0.51613 New Tern Shares in exchange for one Pires Share;
Explanatory Statement	the explanatory statement (in compliance with section 897 of the Act) relating to the Scheme, as set out in Part Two (<i>Explanatory Statement</i>) of this Document;
FCA	the UK Financial Conduct Authority, or its successor from time to time;
Form(s) of Proxy	either or both (as the context demands) of the BLUE Form of Proxy in relation to the Court Meeting and the YELLOW Form of Proxy in relation to the General Meeting;
FSMA	the Financial Services and Markets Act 2000;
General Meeting	the general meeting of Pires Shareholder (or any adjournment, postponement or reconvention thereof) to be convened by the notice set out in Part Eleven (<i>Notice of General Meeting</i>) of this Document;
HMRC	HM Revenue and Customs;
holder	a registered holder and includes any person entitled by transmission;
IoT	the Internet of Things;
ISIN	International Securities Identification Number;
Latest Practicable Date	27 June 2022 (being the latest practicable date prior to the date of this Document);
Locked-In Shares	up to 18,440,496 New Tern Shares which will be issued to RiverFort Global Opportunities plc should the Acquisition be completed which will be subject to the lock-in provisions set out in the irrevocable undertaking given by RiverFort Global Opportunities plc in respect of the Acquisition;
London Stock Exchange	London Stock Exchange plc;
Long Stop Date	11.59 p.m. on 30 September 2022, or such other date (if any) as Tern may, with the consent of Pires or with the consent of the Panel, specify;
Meetings	the Court Meeting and the General Meeting, and Meeting means either of them;
NASDAQ First North	the NASDAQ First North Growth Market;
New SVV Fund	Sure Valley Ventures UK Software Technology Fund;
New Tern Shares	the new Tern Shares to be issued fully paid to the Scheme Shareholders pursuant to the Scheme (and any other Pires Shares which are issued after the Scheme becomes Effective);
Non-Disclosure Agreement	the mutual non-disclosure agreement entered into by Tern and Pires on 22 April 2022;
Non-Executive Directors	the non-executive directors of Pires on the date of this Document, being John May, Nicholas Lee and David Palumbo;

Offer	should the Acquisition be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the Act, the recommended offer to be made by or on behalf of Tern to acquire the entire issued and to be issued ordinary share capital of Pires and, where the context admits, any subsequent revision, variation, extension or renewal of such offer;
Offer Period	the offer period (as defined by the Code) relating to Pires, which commenced on 1 June 2022 (being the date of the Announcement) and will end on (i) the earlier of the Effective Date or the date on which the Offer lapses or is withdrawn (or such other date that the Panel shall decide); or (ii) if the Acquisition is implemented by way of an Offer, the date on which such Offer is declared and becomes unconditional in all respects;
Offer Value	the value of the offer, based on the Exchange Ratio (being 0.51613 New Tern Shares for every Pires Share) and the price of 15.5 pence per Tern Share, being the Closing Price on 31 May 2022 (being the last Business Day before the date of the Announcement), which implied a value of 8 pence per Pires Share at that date;
Opening Position Disclosure Panel	has the meaning given to it in Rule 8 of the Code;
Pires or the Company	the UK Panel on Takeovers and Mergers;
Pires Directors	Pires Investments plc (incorporated in England and Wales with company number 02929801 with its registered office at 9 th Floor, 107 Cheapside, London EC2V 6DN, United Kingdom);
Pires Group	the persons whose names are set out in paragraph 2.1 of Part Seven (<i>Additional information on Pires and Tern</i>) of this Document or, where the context so requires, the directors of Pires from time to time;
Pires Share(s)	Pires and its subsidiaries and subsidiary undertakings from time to time;
Pires Shareholder(s)	ordinary shares with a nominal value of 0.25 pence each in the capital of Pires;
Pires Warrants	the registered holder(s) of Pires Shares from time to time
Proposed Tern Director	the warrants over 20,529,221 Pires Shares at the Latest Practicable Date;
Registrar	Nicholas Lee;
Registrar of Companies	Computershare Investor Services PLC (incorporated in England and Wales with company number 03498808 with its registered office at The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom);
Regulations	the registrar of companies in England and Wales;
Regulatory Information Service	the Uncertificated Securities Regulations 2001 (<i>SI 2001/3755</i>);
Resolution	a primary information provider which has been approved by the FCA to disseminate regulated information;
Restricted Jurisdiction	the ordinary resolution to be proposed by Tern at the Tern General Meeting;
	any jurisdiction where the relevant action would constitute a violation of the relevant laws and regulations of such jurisdiction or would result in a requirement to comply with any governmental or other consent or any registration, filing or other formality which Tern or Pires regards as unduly onerous;

Restricted Persons	Pires Shareholders resident in, or nationals or citizens of, a Restricted Jurisdiction or who are nominees or custodians, trustees or guardians for, citizens, residents or nationals of a Restricted Jurisdiction;
Scheme	the proposed scheme of arrangement under Part 26 of the Act between Pires and the Scheme Shareholders (the full terms of which are set out in the Scheme Document), with or subject to any modification, addition or condition which Tern and Pires may agree, and if required, the Court may approve or impose;
Scheme Document	this Document dated 28 June 2022 sent by Pires to Pires Shareholders containing and setting out, <i>inter alia</i> , the full terms and conditions of the Scheme and containing the notices convening the Court Meeting and the General Meeting;
Scheme Record Time	close of business on the date of the Court Hearing, or such later time as Tern and Pires may agree;
Scheme Shareholders	holder(s) of Scheme Shares at any relevant date or time;
Scheme Shares	means the Pires Shares: <ul style="list-style-type: none"> (i) in issue at the date of this Document; (ii) (if any) issued after the date of this Document and before the Voting Record Time; and (iii) (if any) issued at or after the Voting Record Time and before the Scheme Record Time, in respect of which the original or any subsequent holders thereof will be bound by the Scheme or in respect of which their holders are, or shall have agreed in writing to be, bound by the Scheme, in each case, remaining in issue at the Scheme Record Time but excluding any Pires Shares held in treasury at any relevant date or time and any Pires Shares registered in the name of or beneficially owned by any member of the Wider Tern Group, its nominees or any person acting in concert with Tern for purposes of the Code at any relevant date or time;
SDRT	stamp duty reserve tax;
SEC	US Securities and Exchange Commission;
significant interest	in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Act) or the relevant partnership interest in such undertaking;
Special Resolution	the special resolution set out in the notice of the General Meeting at Part Eleven (<i>Notice of General Meeting</i>) of this Document;
SV	Sure Ventures PLC, a listed vehicle that aims to achieve a diversified exposure to early stage technology companies, in which Pires holds a direct 24.9 per cent. shareholding;
SVV1	Sure Valley Ventures Fund 1, a venture capital fund focused on investing in the software technology sector, specifically focused on the high growth AI, AR/VR and IoT sectors, in which Pires holds a direct interest of 13 per cent.;
TCGA	Taxation of Chargeable Gains Act 1992;
Third Party	each of the following: central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court,

	trade agency, association, institution, employee representative body or any other equivalent or analogous body or person in any jurisdiction;
Tern	Tern plc (incorporated in England and Wales with company number 05131386 with its registered office at Tern plc, 27/28 Eastcastle Street, London W1W 8DH, United Kingdom);
Tern Directors	the persons whose names are set out in paragraph 2.5 of Part Seven (<i>Additional information on Pires and Tern</i>) of this Document or, where the context so requires, the directors of Tern from time to time;
Tern General Meeting	the meeting of Tern Shareholders to be convened for the purposes of considering and, if thought fit, passing the Resolutions and any adjournment thereof;
Tern Group	Tern and its subsidiaries and subsidiary undertakings (as defined in the Act);
Tern Shareholders	holders of Tern Shares from time to time;
Tern Shares	ordinary share(s) with a nominal value of 0.02 pence each in the capital of Tern;
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland;
UK MAR	Regulation ((EU) No 596/2014), which is part of UK domestic law by virtue of the Market Abuse (Amendment) (EU Exit) Regulations (<i>SI 2019/310</i>);
uncertificated or in uncertificated form	recorded on the relevant register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST;
US Exchange Act	the US Securities Exchange Act of 1934, as amended;
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 and all other areas subject to its jurisdiction and any political subdivision thereof;
US Securities Act	the US Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;
Voting Record Time	the close of business on the day which is two days before the date of the Court Meeting or, if the Court Meeting is adjourned, close of business on the day which is two days before the date of such adjourned meeting, in each case excluding any day that is not a Business Day;
VR	virtual reality;
Wider Pires Group	Pires and its subsidiaries, subsidiary undertakings, associated undertakings and any other body corporate, partnership, joint venture or person in which Pires and/or all such undertakings (aggregating their interests) have a significant interest; and
Wider Tern Group	Tern and its subsidiaries, subsidiary undertakings, associated undertakings and any other body corporate, partnership, joint venture or person in which Pires and/or all such undertakings (aggregating their interests) have a significant interest.

For the purposes of this Document, “**subsidiary**”, “**subsidiary undertaking**”, “**undertaking**” and “**associated undertaking**” have the respective meanings given thereto by the Act.

All references to “**pounds**”, “**pounds Sterling**”, “**Sterling**”, “**£**”, “**pence**”, “**penny**” and “**p**” are to the lawful currency of the United Kingdom.

All the times referred to in this Document are London times unless otherwise stated. References to the singular include the plural and vice versa.

PART TEN

NOTICE OF COURT MEETING

CR-2022-001654

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

IN THE MATTER OF PIRES INVESTMENTS PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS GIVEN that, by an order dated 14 June 2022 made in the above matters, the Court has given permission for Pires Investments plc (the “**Company**”) to convene a meeting (the “**Court Meeting**”) of the holders of Scheme Shares (as defined in the Scheme of Arrangement referred to below) (“**Scheme Shareholders**”) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement (the “**Scheme**”) proposed to be made pursuant to Part 26 of the Companies Act 2006 (the “**Act**”) between the Company and the holders of Scheme Shares and that such meeting will be held through a virtual meeting platform on 21 July 2022 at 11.00 a.m..

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

To make the Court Meeting as efficient as possible, the Company will be holding the Court Meeting as a virtual meeting in accordance with the powers in its articles of association. Therefore, Scheme Shareholders will be able to participate and vote in the Court Meeting electronically through a virtual meeting platform.

Voting on the resolution to approve the Scheme will be taken by a poll and each member voting at the virtual meeting or by proxy will be entitled to one vote for each Pires Share held at the Voting Record Time (each as defined in the Scheme referred to below).

To join the Court Meeting at the appointed time, type (or copy and paste) the following web address into your web browser:

<https://mmitc-collab.webex.com/mmitc-collab/onstage/g.php?MTID=eeb32340382ee0bc4ea0e16f9e5a911bd>

You will be asked to enter a password to gain access to the Court Meeting. This password can be found on the bottom section of the BLUE Form of Proxy. Please detach and keep this portion of the BLUE Form of Proxy before returning it.

When the Court Meeting opens at the appointed time, you will be able to see and hear the chairperson of the Court Meeting. The chairperson will open the Court Meeting and address any questions that have been submitted in advance. All attendees will remain muted by the host unless and until they are invited to speak by the chairperson of the Court Meeting.

The chairperson will then formally put the resolution to approve the Scheme to the Court Meeting, and you will have an option to submit an electronic poll card to record your vote. If you (a) have already submitted a Form of Proxy or appointed a CREST proxy; or (b) do not wish to vote, you do not need to download and submit a poll card.

Once voting at the Court Meeting has concluded, the chairperson will formally close the Court Meeting.

Scheme Shareholders entitled to participate in and vote at the Court Meeting may appoint another person or persons, whether a member of the Company or not, as their proxy or proxies, to exercise all or any of their rights to participate in and vote at the Court Meeting. A BLUE Form of Proxy for use at the Court Meeting is enclosed with this notice. Scheme

Shareholders who hold their shares in uncertificated form (i.e.in CREST) may complete CREST proxy instructions in accordance with the procedures described in the CREST Manual, which can be viewed at www.euroclear.com/CREST.

A BLUE Form of Proxy, for use at the Court Meeting, has been provided with this notice. Instructions for its use are set out on the form. It is requested that the BLUE Form of Proxy (together with any power of attorney or other authority, if any, under which it is signed, or a duly certified copy thereof) be returned to the Company's registrars, Computershare Investor Services PLC (the "Registrars" or "Computershare") at The Pavilions, Bridgewater Road, Bristol BS13 8AE, United Kingdom either: (i) by post; or (ii) (during normal business hours only) by hand, to be received not later than 11.00 a.m. on 19 July 2022 or, in the case of an adjournment of the Court Meeting, 48 hours before the time appointed for the adjourned meeting. However, if not so lodged, BLUE Forms of Proxy (together with any such authority, if applicable) may be sent by email to externalproxyqueries@computershare.co.uk before the start of the Court Meeting.

Scheme Shareholders are entitled to appoint a proxy in respect of some or all of their Scheme Shares. Scheme Shareholders are also entitled to appoint more than one proxy. Scheme Shareholders may specify the number of shares in respect of which the proxy is appointed by writing the number of shares next to the proxy's name on the BLUE Form of Proxy. Scheme Shareholders who return the BLUE Form of Proxy duly executed but do not specify the number of shares in respect of which the proxy is appointed will be deemed to have appointed the proxy in respect of all of their Scheme Shares.

Scheme Shareholders who wish to appoint more than one proxy in respect of their shareholding should contact the Registrar for further BLUE Forms of Proxy or photocopy forms of proxy as required. A Scheme Shareholder may appoint more than one proxy in relation to the Court Meeting provided that each proxy is entitled to exercise the rights attaching to a different share or shares held by that member.

Members who hold their shares in uncertificated form through CREST who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (which can be viewed at www.euroclear.com).

In order for a proxy appointment or instruction made using CREST to be valid, the appropriate CREST message must be properly authenticated in accordance with Euroclear's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Computershare (CREST Participant ID 3RA50) by no later than 11.00 a.m. on 19 July 2022 (or if the Court Meeting is adjourned, 48 hours before the time fixed for the adjourned Court Meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST applications host) from which Computershare Investor Services is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

Voting Record Time

Entitlement to participate in and vote at the Court Meeting or any adjournment thereof, and the number of votes which may be cast at the Court Meeting, will be determined by reference to the register of members of the Company at 6.00 p.m. on 19 July 2022 or, if the Court Meeting is adjourned, 6.00 p.m. on the date which is two days before the date fixed for the adjourned meeting. Changes to the register of members after the relevant time shall be disregarded in determining the rights of any person to participate in and vote at the Court Meeting.

Joint holders

In the case of joint holders of Scheme Shares, the vote of the senior joint holder who tenders a vote, whether at the virtual meeting or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.

Corporate representatives

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

Nominated Persons

Any person to whom this notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a “**Nominated Person**”) does not, in that capacity, have a right to appoint a proxy, such right only being exercisable by shareholders of the Company. However, Nominated Persons may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Court Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

By the said order, the Court has appointed John May or, in his absence, Nicholas Lee, or, in his absence, David Palumbo to act as chairperson of the meeting and has directed the chairperson to report the result of the meeting to the Court.

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

Dated 28 June 2022

ORRICK, HERRINGTON & SUTCLIFFE (UK) LLP

9th Floor

107 Cheapside

London EC2V 6DM

United Kingdom

Solicitors for the Company

PART ELEVEN

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting of Pires Investments plc (the “**Company**”) will be held through a virtual meeting platform on 21 July 2022 at 11.10 a.m. (or as soon thereafter as the Court Meeting (as defined in Part Nine (*Definitions*) of the Scheme Document which this notice forms part (the “**Document**”)) is concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolutions, which will be proposed as a special resolution of the shareholders of the Company. Unless defined in this notice, capitalised terms used in this notice shall have the meaning given to them in Part Nine (*Definitions*) of the Document.

SPECIAL RESOLUTION

THAT for the purpose of giving effect to the scheme of arrangement dated 28 June 2022 (as amended or supplemented) between the Company and the holders of Scheme Shares (as defined in such scheme of arrangement), a print of which has been produced to this meeting and for the purposes of identification signed by the chairperson of this meeting, in its original form or subject to such modification, addition, or condition as may be agreed between the Company and Tern plc and (if required) approved or imposed by the Court (the Scheme):

- (a) the directors of the Company (or a duly authorised committee of the directors) be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect; and
- (b) with effect from the passing of this resolution, the articles of association of the Company be and are amended by the adoption and inclusion of the following new article 154:

“154. Scheme of Arrangement

- 154.1 In this Article 154, references to the “**Scheme**” are to the Scheme of Arrangement under Part 26 of the Companies Act 2006 between the Company and the holders of Scheme Shares (as defined in the Scheme dated 28 June 2022 (as amended or supplemented)) and as approved by the holders of the Scheme Shares at the meeting convened by the Court (as defined in the Scheme) and as may be modified or amended in accordance with its terms, and expressions defined in the Scheme shall have the same meanings in this Article 154.
- 154.2 Notwithstanding either any other provision of these Articles or the terms of any resolution whether ordinary or special passed by the Company in general meeting, if the Company issues any Pires Shares (other than to Tern plc (“**Tern**”) or its nominee(s)) on or after the adoption of this Article and before the Scheme Record Time, such Pires Shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes of the Scheme) and the original or any subsequent holder or holders of such Pires Shares shall be bound by the Scheme accordingly.
- 154.3 Notwithstanding any other provision of these Articles, if any Pires Shares are issued to, transferred to or held by any person or his nominee (other than Tern or its nominee(s)) (the “**New Member**”) at or after the Scheme Record Time, such New Member (or any subsequent holder or any nominee of such subsequent holder) will, provided the Scheme shall have become effective, be obliged to transfer immediately all the Pires Shares held by the New Member (or any subsequent holder or any nominee of such subsequent holder) (the “**Disposal Shares**”) to Tern (or as Tern may otherwise direct) who shall be obliged to acquire all of the Disposal Shares in consideration of (subject as hereinafter provided) the allotment and issue or transfer to the New Member of such number of New Tern Shares (the “**Consideration Shares**”) that the New Member would have been entitled to under the Scheme had each Disposal Share been a Scheme Share, provided that if, in respect of any New Member who is resident, located or has a registered address in a jurisdiction outside the United Kingdom or whom Tern reasonably believes to be a citizen, resident or national of a jurisdiction outside the United Kingdom and the law of such jurisdiction outside the United Kingdom: (i) precludes the allotment, issue

and/or delivery to that New Member of Consideration Shares; or (ii) precludes the matters referred to in (i) except after compliance by the Company or Tern (as the case may be) with any governmental or other consent or any registration, filing or other formality with which the Company and/or Tern is unable to comply or compliance with which the Company and/or Tern (as the case may be) regards as unduly onerous, then Tern may, in its sole discretion determine that such Consideration Shares shall not be allotted, issued and delivered to such New Member, but shall instead be allotted, issued and delivered to a person appointed by Tern for such New Member on terms that such person shall, as soon as practicable following the allotment and issue of such New Tern Shares, sell the New Tern Shares so issued. In the event that the Consideration Shares are to be sold pursuant to the preceding sentence, the Company shall appoint a person to act, and who shall be authorised, as attorney or agent for the New Member pursuant to this Article and such person shall be authorised on behalf of such New Member to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer on behalf of the New Member and to give such instructions and to do all other things which they may consider necessary or expedient in connection with such sale. The net proceeds of such sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of sale) shall be paid to the persons entitled thereto in due proportion as soon as practicable following such sale, save that there will be no credit for fractional entitlements.

- 154.4 The Consideration Shares allotted and issued or transferred to a New Member pursuant to Article 154.3 shall be credited as fully paid and shall rank *pari passu* in all respects with the Tern Shares in issue at that time (other than as regards any dividend or other distribution payable by reference to a record date preceding the date of allotment or transfer).
- 154.5 On any reorganisation of, or material alteration to, the share capital of the Company or Tern (including, without limitation, any subdivision and/or consolidation) carried out after the Effective Date, the number of Consideration Shares to be allotted and issued or transferred to a New Member for each Disposal Share under Article 154.3 shall be adjusted in such manner as the auditors of the Company or Tern or an independent investment bank selected by the Company or Tern may determine to be fair and reasonable to reflect such reorganisation or alteration. References in this article to ordinary shares, Consideration Shares and Disposal Shares shall, following such adjustment, be construed accordingly.
- 154.6 No fraction of a Consideration Share shall be allotted, issued or transferred to a New Member pursuant to this Article, and in the event of a fractional entitlement to Consideration Shares, the number of Consideration Shares shall be rounded up to the nearest whole Consideration Share.
- 154.7 To give effect to the transfer of Disposal Shares required by this Article, the Company may appoint any person as attorney and/or agent for the New Member to execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) in favour of Tern (or its nominee(s), if applicable) and do all such other things and execute and deliver all such documents as may in the opinion of the attorney or agent be necessary or desirable to vest the Disposal Shares in Tern (or its nominee(s), if applicable) and pending such vesting to exercise all such rights to the Disposal Shares as Tern may direct. If an attorney or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney fails to act in accordance with the directions of Tern) be entitled to exercise any rights attaching to the Disposal Shares unless so agreed by Tern. The Company may give good receipt for the purchase price of the Disposal Shares and may register Tern (or its nominee(s), if applicable) as holder of the Disposal Shares and issue to it certificates for the same. The attorney or agent shall be empowered to execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder). The Company shall not be obliged to issue a certificate to the New Member for

any Disposal Shares. Tern shall, subject to paragraph (iii) of this Article, allot and issue or transfer the Consideration Shares to the New Member within 10 Business Days of the issue of the Disposal Shares to the New Member.

- 154.8 If the Scheme shall not have become Effective by the date referred to in clause 8.2 of the Scheme (or such later date, if any, as Tern and the Company may agree and the Court and the Panel on Takeovers and Mergers may allow, if such consent is required), this Article 154 shall be of no effect.
- 154.9 Notwithstanding any other provision of these Articles, both the Company and the directors may refuse to register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date of the Scheme, other than to Tern or its nominee(s) pursuant to the Scheme. “; and
- (c) subject to and conditional upon (i) the Scheme having become Effective by the applicable date referred to in (or otherwise set in accordance with) clause 8.2 of the Scheme and (ii) the cancellation of trading of the Pires Shares on AIM being effected, the Company be re-registered as a private company with the name “Pires Investments Limited”.

Dated: 28 June 2022

By Order of the Board
Robert Porter
Company Secretary

Registered Office:
9th Floor
107 Cheapside
London EC2V 6DN
United Kingdom

Registered in England and
Wales No. 02929801

Notes:

1. Only holders of ordinary shares of 0.25 pence each in the capital of the Company are entitled to participate in and vote at the virtual meeting or by proxy. A shareholder of the Company may appoint more than one proxy in relation to the general meeting provided that each proxy is entitled to exercise the rights attaching to a different share or shares held by that member. A proxy need not be a member of the Company.
2. As at 27 June 2022, being the Latest Practicable Date prior to the publication of this notice, the Company's issued share capital consists of 166,334,391 ordinary shares, carrying one vote each. There is no other class of shares in the Company and the Company does not hold any shares in treasury. Therefore, the total voting rights in the Company as at 27 June 2022 are 166,334,391.
3. A YELLOW Form of proxy is enclosed for use at this meeting. To be valid, completed forms of proxy must be returned so as to arrive at the offices of the Company's registrar, Computershare Investor Services PLC at The Pavilions, Bridgewater Road, Bristol BS13 8AE, United Kingdom not later than 11.10 a.m. on 19 July 2022, or if the meeting is adjourned, at least 48 hours before the start of the adjourned meeting. Shareholders of the Company who wish to appoint more than one proxy in respect of their holdings of shares in the Company should contact Computershare Investor Services PLC for further forms of proxy or photocopy the YELLOW Forms of Proxy as required.
4. Shareholders of the Company who hold shares through CREST and who wish to appoint a proxy or proxies for the General Meeting or any adjournment(s) by using the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual, which can be viewed at www.euroclear.com. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service providers, who will be able to take the appropriate action on their behalf.
5. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Company's registrars, Computershare Investor Services PLC (CREST Participant ID 3RA50) not later than 11.10 a.m. on 19 July 2022, or if the meeting is adjourned, at least 48 hours before the start of the adjourned meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
6. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or if the CREST member is a CREST personal member or sponsored member, or has appointed a voting service provider, to procure that their CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, the CREST sponsor or voting service provider are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
7. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

8. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of such company or an attorney for such company.
9. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
10. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at their discretion. Your proxy will vote (or abstain from voting) as they think fit in relation to any other matter which is put before the general meeting.
11. Completion and return of a form of proxy, or the appointment of proxies through CREST, will not preclude shareholder from participating and voting at the virtual meeting if they are entitled to and wish to do so.
12. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, entitlement to attend and vote at the meeting and the number of votes that may be cast thereat will be determined by reference to the register of members of the Company at 6.00 p.m. on the day which is two days before the date of the meeting. Changes to entries on the register of members after that time shall be disregarded in determining the rights of any person participate in and vote at the meeting.
13. In the case of joint holders of ordinary shares the vote of the senior who tenders a vote by proxy, will be accepted to the exclusion of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding (the first-named being the most senior).
14. The statement of rights of shareholders of the Company in relation to the appointment of proxies described in these notes does not apply to nominated persons. Such rights can only be exercised by shareholders of the Company.
15. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a “**nominated person**”) may, under an agreement between them and the member by whom they were nominated have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a nominated person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.
16. If you submit more than one valid proxy appointment, and the appointments would give those proxies the apparent right to exercise votes on your behalf at the General Meeting over more shares than you hold, then each of those appointments will be invalid and none of the proxies so appointed will be entitled to attend, speak or vote at the General Meeting.
17. Any member participating in the meeting (by the virtual meeting platform or by proxy) shall be permitted to ask questions of the chairperson of the meeting. Questions may also be submitted in advance to nick.lee@piresinvestmentsplc.com. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if:
 - (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information,
 - (b) the answer has already been given on a website in the form of an answer to a question; or
 - (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
18. As an alternative to appointing a proxy, any corporation which is a member may appoint one or more corporate representatives who may exercise on its behalf all its powers as a member, provided that if two or more corporate representatives purport to vote in respect of the same shares, if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way, and in other cases the power is treated as not exercised.
19. A copy of this notice and other information required by section 311A of the Companies Act 2006 can be found on the Company’s website at www.piresinvestments.com.
20. The resolution to be put to the meeting will be voted on by poll and not by show of hands. A poll reflects the number of voting rights exercisable by each member and so the board considers it a more democratic method of voting. Members and proxies participating at the virtual meeting will be asked to indicate how they wish to cast their votes by way of an electronic poll card. The results of the poll will be published on the Company’s website and notified to the National Storage Mechanism once the votes have been counted and verified.
21. Except as provided above, members who have general queries about the General Meeting should contact Computershare Investor Services PLC on +44 370 889 3207. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition or the Scheme nor give any financial, legal or tax advice.
22. You may not use any electronic address provided in either this Notice of Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.

