

# LIFESAFE™

HOLDINGS PLC



**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA"), who specialises in advising on the acquisition of shares and other securities if you are resident in the UK or, if not, from another appropriately authorised independent adviser.

This document, which comprises an AIM admission document prepared in accordance with the AIM Rules for Companies, has been issued in connection with the application for admission to trading of the entire issued and to be issued ordinary share capital of the Company to trading on AIM. This document contains no offer of transferable securities to the public within the meaning of sections 85 and 102B of the FSMA, the Companies Act 2006 or otherwise. Accordingly, this document does not constitute a prospectus within the meaning of section 85 of the FSMA and has not been drawn up in accordance with the Prospectus Regulation Rules or approved by, or filed with, the Financial Conduct Authority ("FCA") or any other competent authority.

**Application has been made for the ordinary share capital of the Company, issued and to be issued pursuant to the Placing, to be admitted to trading on AIM. No application has been, or is currently intended to be, made for the Ordinary Shares to be admitted to listing or trading on any other stock exchange. It is expected that Admission will become effective and that dealings will commence in the Ordinary Shares on 6 July 2022. The New Ordinary Shares to be issued pursuant to the Placing will, on Admission, rank pari passu in all respects with the Existing Ordinary Shares, and will rank in full for all dividends and other distributions declared, made or paid on Ordinary Shares after Admission.**

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

The directors of the Company (the "Directors") (whose names, addresses and functions appear on page 8 of this document) and the Company (whose registered office appears on page 8 of this document) accept responsibility, both collectively and individually, for the information contained in this document and compliance with the AIM Rules for Companies. To the best of the knowledge and belief of the Directors and the Company, the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

**Prospective investors should read this document in its entirety. An investment in the Company includes a significant degree of risk and prospective investors should consider carefully the risk factors set out in Part II of this document.**



## LifeSafe Holdings plc

*(Incorporated under the Companies Act 2006 and registered in England and Wales  
with registered number 09770600)*

**Placing of 4,000,000 Ordinary Shares of 1 penny each at 75 pence  
per share and**

**Admission to trading on AIM**

**WH IRELAND**

CAPITAL MARKETS

*Nominated Adviser and Broker*

**WH Ireland Limited**

**Share capital immediately  
following Admission**

Ordinary shares of 1p each

<i>Issued and fully paid</i>	
<i>Amount</i>	<i>Number</i>
£221,080.50	22,108,050

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

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

A copy of this document is available, subject to certain restrictions relating to persons resident in certain overseas jurisdictions, at the Company's website [www.lifesafeholdingsplc.com](http://www.lifesafeholdingsplc.com).

# PRESENTATION OF INFORMATION

## 1. General

Prospective investors should only rely on the information contained in this document. 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 representation must not be relied upon as having been so authorised by the Company, the Directors or the Broker. No representation or warranty, express or implied, is made by the Broker as to the accuracy or completeness of such information, and nothing contained in this document is, or shall be relied upon as, a promise or representation by the Broker as to the past, present or future. No person has been authorised to give any information or make any representation other than those contained in this document and, if given or made, such information or representation must not be relied upon as having been so authorised. Without prejudice to any legal or regulatory obligation on the Company to publish a supplementary admission document pursuant to the AIM Rules for Companies, neither the delivery of this document nor any subscription or sale made pursuant to this document shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Group (as defined below) taken as a whole since the date of this document or that the information in it is correct as of any time after the date of this document.

The Company will update the information provided in this document by means of a supplement to it if a significant new factor, material mistake or inaccuracy arises or is noted relating to the information included in this document. Any supplementary admission document will be made public in accordance with the AIM Rules for Companies.

The contents of this document are not to be construed as legal, financial or tax advice. Each prospective investor should consult a legal adviser, an independent financial adviser duly authorised under the FSMA or a tax adviser for legal, financial or tax advice in relation to any investment in or holding of Ordinary Shares (as defined below). Each prospective investor should consult with such advisers as needed to make its investment decision and to determine whether it is legally permitted to hold shares under applicable legal investment or similar laws or regulations. Prospective investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

Investing in and holding the Ordinary Shares involves financial risk. Prior to investing in the Ordinary Shares, prospective investors should carefully consider all of the information contained in this document, paying particular attention to the section entitled Risk Factors in Part II of this document. Prospective investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in light of the information contained in this document and their personal circumstances.

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

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

In connection with the Placing, the Broker and any of its affiliates, acting as investors for their own accounts, may acquire Ordinary Shares, and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Ordinary Shares and other securities of the Company or related investments in connection with the Placing or otherwise. Accordingly, references in this



document to the Ordinary Shares being offered, subscribed, acquired, placed or otherwise dealt with should be read as including any offer to, or subscription, acquisition, dealing or placing by, the Broker and any of its affiliates acting as investors for their own accounts. The Broker does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

The Broker and its affiliates may have in the past engaged, and may in the future, from time to time, engage in transactions with, and provide various commercial banking, investment banking, financial advisory and other ancillary activities in the ordinary course of their business with the Company, in respect of which they have received, and may in the future receive, customary fees and commissions. As a result of these transactions, these parties may have interests that may not be aligned, or could possibly conflict, with the interests of investors.

## **2. Notice to UK and EEA persons**

This document is being distributed only to and is only directed at: (i) in the United Kingdom, persons who are “qualified investors” (within the meaning of Article 2(1)(e) of the Prospectus Regulation as it forms part of domestic UK law by virtue of the European Union (Withdrawal) Act 2018); and (ii) in member states of the European Economic Area, persons who are “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Regulation (in each case, “**Qualified Investors**”). In addition, in the United Kingdom, this document is being distributed only to and is only directed at Qualified Investors: (a) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”) (investment professionals); or (b) who fall within Article 49(2)(a) to (d) of the Order (high net worth companies, unincorporated associations etc.), (all such persons referred to above being “**Relevant Persons**”). The term “**Prospectus Regulation**” means Regulation (EU) 2017/1129. Any investment or investment activity to which this document relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. By accepting receipt of this document, each recipient is deemed to confirm, represent and warrant to the Company.

## **3. Notice to overseas persons**

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

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

The Ordinary Shares have not been approved or disapproved by the United States Securities and Exchange Commission, or any other securities commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Placing Shares nor have they approved this document or confirmed the accuracy or adequacy of the

information contained in this document. Any representation to the contrary is a criminal offence in the United States.

#### **4. Presentation of financial information**

The report on historical financial information included in Part III of this document has been prepared in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom and the related consent to its inclusion in this document appearing in Part VI of this document has been included as required by the AIM Rules for Companies and solely for that purpose.

Unless otherwise indicated, financial information in this document, including the Group's audited consolidated financial statements for the year ended 30 September 2019, 15 months ended 31 December 2020 and the year ended 31 December 2021 and the notes to those financial statements, has been prepared in accordance with IFRS (as defined below).

#### **5. Rounding**

Certain data in this document, including financial, statistical and operational information has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data. Percentages in tables have been rounded and, accordingly, may not add up to 100 per cent.

#### **6. Currency presentation**

In the document, references to "pounds sterling", "£", "pence", "penny" and "p" are to the lawful currency of the United Kingdom and references to "US dollars", "\$" and "cents" are to the lawful currency of the United States. Unless otherwise stated, the basis of translation of pounds sterling into US dollars for the purposes of inclusion in this document is \$1.22/£1.00 (being the exchange rate prevailing on 30 June 2022 (being the latest practicable date prior to the publication of this document)).

Unless otherwise indicated, the financial information contained in this document has been expressed in pounds sterling. The Group presents its financial statements in sterling.

#### **7. Cautionary note regarding forward-looking statements**

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

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements. Factors that might cause such a difference, include, but are not limited to, the risk factors set out in Part II of this document.

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

## 8. Presentation of market, economic and industry data

This document contains information regarding the Group's business and the industry in which it operates and competes, which the Company has obtained from various third party sources. Where information contained in this document originates from a third party source, it is identified where it appears in this document together with the name of its source. Such third party information has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## 9. No incorporation of website information

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

## 10. Interpretation

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

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

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

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

## 11. Information to distributors

### **UK Product Governance Requirements**

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**") and/or any equivalent requirements elsewhere to the extent determined to be applicable, and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK Product Governance Requirements and/or any equivalent requirements elsewhere to the extent determined to be applicable) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that such Placing Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in Chapter 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Broker will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares.

Each distributor (including each Intermediary) is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

### ***EU Product Governance Requirements***

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

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

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

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## DIRECTORS, SECRETARY AND ADVISERS

<b>Directors</b>	Dominic Peter Clive Berger ( <i>Executive Chairman</i> ) Neil Christopher Smith ( <i>Chief Executive Officer</i> ) Michael James Stilwell ( <i>Chief Financial Officer</i> ) The Rt. Hon. Mark Christopher Field ( <i>Senior Independent Non-Executive Director</i> ) Emma Elizabeth Hynes ( <i>Non-Executive Director</i> )
<b>Company secretary</b>	Alan Brading FCA <i>Each of whose business address is at the Company's head office</i>
<b>Registered and head office</b>	1 Sopwith Crescent Wickford Essex SS11 8YU
<b>Company website</b>	<a href="http://www.lifesafeholdingsplc.com">www.lifesafeholdingsplc.com</a>
<b>Nominated Adviser and Broker</b>	WH Ireland Limited 24 Martin Lane London EC4R 0DR
<b>Legal advisers to the Company in respect of Admission</b>	Marriott Harrison LLP 80 Cheapside London EC2V 6EE
<b>Legal advisers to WH Ireland</b>	Haynes and Boone CDG LLP 1 New Fetter Lane London EC4A 1AN
<b>Legal advisers to the Directors</b>	Leathes Prior Limited 74 The Close Norwich NR1 4DR
<b>Reporting accountants and auditors</b>	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
<b>Financial public relations advisers</b>	Buchanan Communications Limited 107 Cheapside London EC2V 6DN
<b>Registrars</b>	Neville Registrars Limited Neville House Steelpark Road Halesowen B62 8HD
<b>Intellectual property attorney</b>	Mewburn Ellis LLP City Tower 40 Basinghall Street London EC2V 5DE

**IFRS consultants**

ONE Advisory Limited  
201 Temple Chambers  
3-7 Temple Avenue  
London  
EC4Y 0DT

## DEFINITIONS

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

<b>“Act”</b>	the Companies Act 2006 (as amended from time to time)
<b>“Admission”</b>	the admission of the Ordinary Shares, issued and to be issued pursuant to the Placing and the CLA Shares, to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules for Companies
<b>“AIM”</b>	AIM, a market operated by the London Stock Exchange
<b>“AIM Rules for Companies”</b>	the AIM rules for companies published by the London Stock Exchange from time to time
<b>“AIM Rules for Nominated Advisers”</b>	the AIM rules for nominated advisers published by the London Stock Exchange from time to time
<b>“Amazon”</b>	Amazon.com, Inc.
<b>“Articles of Association” or “Articles”</b>	the articles of association of the Company (as amended from time to time)
<b>“Broker”</b>	WH Ireland Limited, in its role as broker to the Company
<b>“Board” or “Directors”</b>	the directors of the Company, whose names are set out on page 8 of this document, or any duly authorised committee thereof
<b>“Company” or “LifeSafe”</b>	LifeSafe Holdings plc, a company incorporated under the laws of England and Wales
<b>“Concert Party”</b>	for the purposes of the Takeover Code, Gavin Cornelius, Dipesh Subba, Lee Ashwood, Jarrod Hubbard, Bikram Thapa, Justin Wilson, Michael Hoddy, Michiko Suzuki, Sushma Limbu Subba, Sharmila Khanal, Connor Hubbard, Bhim Gurung, Gary and Lilian Walsh, Indira Suzuki, Teishiro Okitsu, Alfie Cornelius, Stuart Bushby, Matthew Ashby, Christopher Cornelius, Susan Cornelius and Tyrone Ashby
<b>“Convertible Loan”</b>	convertible loans provided to the Company under the Convertible Loan Agreements
<b>“Convertible Loan Agreements”</b>	the convertible loan agreements entered into by the Company as more particularly described in paragraph 2.7 of Part VI of this document
<b>“Convertible Loan Agreement Shares” or “CLA Shares”</b>	the 2,716,550 Ordinary Shares to be issued upon conversion of the Convertible Loan as more particularly described in paragraph 2.7 in Part VI of this document
<b>“Covenantors”</b>	together, Active Win Marketing Ltd, AJW Ventures Limited, AJW Ventures Gibraltar Ltd, Lee Ashwood, Dominic Berger, Alan Brading, Capital Plus Partners, Coenda Health and Food Company Limited, Gavin Cornelius, EA-RS Firescape Ltd, Derek Ferguson, H Morris & Company Limited, Harwood Capital Nominees Limited, Michael Hoddy, Jarrod Hubbard, Neil Smith, Mr and Mrs Dipesh Subba, Dave Watson, Alan Wheal, Mark Wheeler, Justin Wilson
<b>“Covid”</b>	a strain of coronavirus that has resulted in a global pandemic (also known as “2019 novel coronavirus” “Covid-19” or “2019-nCoV”)

<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and holding shares in uncertificated form which is administered by Euroclear
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended from time to time)
<b>“DTRs”</b>	the Disclosure Guidance and Transparency Rules made by the FCA pursuant to section 73A of the FSMA from time to time
<b>“EEA”</b>	the European Economic Area
<b>“EIS”</b>	Enterprise Investment Scheme, as defined in Part 5 of the ITA
<b>“EIS Legislation”</b>	Part 5 of the ITA and any provision of UK law referred to therein
<b>“EMI”</b>	enterprise management incentives, under the terms of the EMI code as defined in section 527 of the Income Tax (Earnings and Pensions) Act 2003
<b>“Enlarged Share Capital”</b>	the issued Ordinary Shares upon Admission, comprising the Existing Ordinary Shares, the CLA Shares and the New Ordinary Shares
<b>“EU”</b>	the European Union
<b>“Euroclear”</b>	Euroclear UK & International Limited, a company incorporated under the laws of England and Wales
<b>“European Union”</b>	has the meaning given to it in Article 299(1) of the Establishing the European Economic Community Treaty as amended by, among others, the Treaty on European Unity (the Maastricht Treaty), the Treaty of Amsterdam and the Treaty of Lisbon
<b>“EUWA”</b>	the European Union (Withdrawal) Act 2018, as amended
<b>“Executive Directors”</b>	each of Dominic Berger, Neil Smith and Michael Stilwell
<b>“Existing Ordinary Shares”</b>	the 15,391,500 Ordinary Shares in issue immediately prior to Admission
<b>“Existing Share Option Plans”</b>	the First Share Option Plan and the Second Share Option Plan
<b>“First Share Option Plan”</b>	the Group’s existing EMI-qualifying and non-EMI qualifying share option plan established in September 2021 as more particularly described in paragraph 8 of Part VI of this document
<b>“FCA”</b>	the Financial Conduct Authority
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended)
<b>“Group”</b>	the Company and its subsidiary undertakings and “Group Company” should be interpreted accordingly
<b>“HMRC”</b>	Her Majesty’s Revenue and Customs
<b>“IFRS”</b>	International Financial Reporting Standards
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“MAR”</b>	the retained EU law version of the Market Abuse Regulation (2014/596/EU)
<b>“New Ordinary Shares”</b>	the 4,000,000 new Ordinary Shares to be issued by the Company pursuant to the Placing
<b>“New Share Option Plan”</b>	the Group’s EMI-qualifying and non-EMI qualifying share option plan to be established on Admission as more particularly described in paragraph 10 of Part VI of this document

<b>“Nominated Adviser” or “Nomad”</b>	WH Ireland Limited, in its role as nominated adviser to the Company
<b>“Non-executive Directors”</b>	each of the Rt. Hon. Mark Field and Emma Hynes
<b>“Official List”</b>	the Official List of the FCA
<b>“Ordinary Shares”</b>	ordinary shares of £0.01 each in the capital of the Company
<b>“Panel” or “Takeover Panel”</b>	the Panel on Takeovers and Mergers
<b>“Placing”</b>	the conditional placing of the Placing Shares by WH Ireland as agent for and on behalf of the Company pursuant to the terms of the Placing Agreement
<b>“Placing Agreement”</b>	the conditional agreement dated 1 July 2022 and made between the (1) Company (2) WH Ireland and (3) the Directors relating to the Placing, further details of which are set out in paragraph 12(a) of Part VI of this document
<b>“Placing Price”</b>	75 pence per Placing Share
<b>“Placing Shares”</b>	the New Ordinary Shares to be issued at the Placing Price by the Company pursuant to the Placing
<b>“Prospectus Regulation Rules”</b>	the prospectus regulation rules made by the FCA pursuant to section 73A of the FSMA from time to time
<b>“QCA Code”</b>	the corporate governance code for small and mid-size quoted companies published by the Quoted Companies Alliance from time to time
<b>“Recognised Investment Exchange”</b>	has the meaning given to it in section 285 of the FSMA
<b>“Register”</b>	the register of members of the Company
<b>“Regulatory Information Service” or “RIS”</b>	one of the regulatory information services authorised by the London Stock Exchange to receive, process and disseminate regulatory information in respect of AIM listed companies
<b>“Remuneration Committee”</b>	the remuneration committee of the Board, as constituted from time to time
<b>“Second Share Option Plan”</b>	the Group’s existing non-EMI qualifying share option plan established in March 2022 as more particularly described in paragraph 9 of Part VI of this document
<b>“Shareholder”</b>	a holder of Ordinary Shares
<b>“Share Option Plans”</b>	means the First Share Option Plan, the Second Share Option Plan and the New Share Option Plan
<b>“Subsidiaries”</b>	the subsidiaries and subsidiary undertakings of the Company (in each case as defined in the Act) (each “a Subsidiary”) as set out in paragraph 1.6 of Part VI of this Document
<b>“Takeover Code”</b>	the Takeover Code on Takeovers and Mergers (as published by the Panel)
<b>“United Kingdom” or “UK”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“uncertificated” or “in uncertificated form”</b>	recorded on the register of Ordinary Shares as being held in uncertificated form in CREST, entitlement to which, by virtue of the CREST Regulations, may be transferred by means of CREST
<b>“US”, “USA” or “United States”</b>	the United States of America, each state thereof, its territories and possessions and the District of Columbia and all other areas subject to its jurisdiction



<b>“VAT”</b>	UK value added tax
<b>“WH Ireland”</b>	WH Ireland Limited, the Company’s nominated adviser and broker
<b>“£” and “p”</b>	United Kingdom pounds and pence sterling, respectively
<b>“\$”</b>	United States dollar

## PLACING STATISTICS

Placing Price	75p
Number of Existing Ordinary Shares	15,391,500
Number of CLA Shares being issued to providers of Convertible Loans on Admission	2,716,550
Number of New Ordinary Shares (Placing Shares) being issued by the Company pursuant to the Placing	4,000,000
Number of Ordinary Shares in issue on Admission	22,108,050
Percentage of Enlarged Share Capital represented by the New Ordinary Shares	18.09 per cent.
Market capitalisation of the Company at the Placing Price on Admission	£16.58 million
Total proceeds of the Placing	£3.0 million
Estimated expenses of the Placing	£0.96 million
Estimated net proceeds of the Placing receivable by the Company	£2.04 million
ISIN number	GB00BP83Y473
SEDOL number	BP83Y47
AIM TIDM	LIFS
LEI number	2138004KSXCPNWGSL119

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	<b>2022</b>
Publication of this document	1 July
Date of Admission and dealings commence in the Ordinary Shares on AIM	8.00 a.m. on 6 July
CREST accounts credited by	6 July
Despatch of definitive share certificates, where applicable, by	by 19 July

**Notes:**

Save for the date of publication of this document, each of the dates and times above are subject to change. Any such change, including any consequential change in the Placing statistics above, will be notified to Shareholders by an announcement on a Regulatory Information Service.

## PART I

### INFORMATION ON THE GROUP

#### 1. INTRODUCTION

LifeSafe Holdings plc is the holding company of the Group which operates a fire safety technology business with innovative fire safety products, and has developed what the Board believes to be a market disrupting, eco-friendly fluid that extinguishes five types of fire. The Board believes that the Group's fluid technology has an international addressable market that can save many lives and protect properties and belongings.

The Directors believe that Admission will enable the Group to accelerate its development through enhancing its profile and standing in its target markets. The Directors believe that the Group's growth will be driven by the innovative nature of its StaySafe 5-in-1 product, which extinguishes five types of fire, and its new fluid derivatives and product launches expected in 2023.

The Directors believe that the Group has the following key competitive strengths:

- it has a highly experienced management team which is seeking to apply innovative new technologies to create new markets for the Group in fire safety;
- its StaySafe 5-in-1 fire extinguisher, a compact, fully recyclable, lightweight, maintenance-free, easy-to-use, fire extinguisher, which contains its FER1000 fire extinguishing fluid, which is both non-toxic and eco-friendly, and extinguishes five types of fire;
- its digital marketing strategy and expertise has enabled it to grow sales strongly, achieving a high return on advertising spend;
- its service-led culture which is reflected in the high levels of customer satisfaction as seen through its Trustpilot rating of "Excellent";
- it has established relationships internationally with Amazon, and in the UK with the Screwfix Direct Ltd retail group ("Screwfix"), and increasingly with other wholesale customers, such as Bunzl and various UK housing associations and home insurance companies;
- its App enables it to market its products directly to interested customers and provide useful tutorials; and
- it has a strong pipeline of innovative new products and fluid derivatives expected to be launched in the first half of 2023.

The Group will leverage the Board's and Senior Management's expertise, experience and contacts in the fire safety industry to drive value creation in the Group.

#### 2. THE GROUP'S HISTORY

The Company was founded as Firescue UK LTD in 2015, in order to develop an innovative, novel and eco-friendly fluid capable of extinguishing multiple types of fire.

Following a successful testing programme, an initial patent application was submitted in April 2017 directed to the Company's FER1000 fluid. At that time, the Company was focused on selling the fluid to the traditional fire safety industry as a replacement for traditional extinguishing media. The Company received in June 2022 a notice of intention to grant the patent in July 2022 from the UK Intellectual Property Office.

In April 2019, Dominic Berger joined the management team as Executive Chairman. Subsequently, in 2020, Neil Smith, previously chief executive officer of FireAngel Safety Technology Group plc ("FireAngel"), was contracted as a consultant, and was appointed Chief Executive Officer in October 2021. Most recently, in January 2022, Mike Stilwell, who had worked with Neil Smith at FireAngel, joined as Chief Financial Officer.

Following a strategic review, the Board re-focused the sale of the Company's products towards end-user consumers and rebranded under the StaySafe brand. In July 2021, the Board re-named the Company LifeSafe Holdings Limited.

The Group's best-selling product, the StaySafe 5-in-1, which is verified to extinguish five types of fire, was launched in the UK in August 2021, in selected European countries in October 2021, in the US in February 2022, in each case on Amazon, and, most recently, in Canada in April 2022. The StaySafe 5-in-1 became Amazon Prime's top selling fire extinguisher in the UK within the same month of its launch in August 2021.

The StaySafe 5-in-1 and the PanSafe pan fire extinguisher were launched in Screwfix in Spring 2022 with the StaySafe range of smoke, heat and carbon monoxide detectors also now available on [www.screwfix.com](http://www.screwfix.com).

LifeSafe is developing new fluid derivatives and products for launch in 2023.

### **3. MARKET BACKGROUND**

The Board believes that the innovative ability of the Group's StaySafe extinguisher to extinguish five types of fire has the potential to open up new markets outside the traditional fire protection market, having seen revenues grow month-on-month since the launch of the StaySafe 5-in-1 on Amazon Prime in August 2021. The Board understands that there were 23.5 million households in England in 2021, while other historic data (Source: English Housing Survey ONS, 2017), showed that only 17 per cent. of households in England are equipped with an extinguisher. In the Board's opinion, this indicates an addressable market in England of approximately 19 million homes without an extinguisher, in addition to the other possible uses in vehicles, caravans, boats and garages. The Board also believes that there are consumer markets for the Group's products elsewhere, including in particular North America and Europe.

In addition to demand from these consumer markets, the Board anticipates creating demand for the Group's products from wholesale customers, such as retail outlets, hotels and restaurants, in addition to customers in industry.

The Board is therefore confident that the Group can establish new markets for the Group's StaySafe products.

### **4. THE GROUP'S PURPOSE AND STRATEGY**

The LifeSafe purpose is to generate significant returns for its Shareholders through establishing and serving new markets for its innovative fire extinguishing products.

The Company, led by its highly experienced management team, has developed a business strategy which has been designed to achieve this purpose based upon five core pillars:

- **Innovative products**

The LifeSafe business has been built around the Group's highly innovative and eco-friendly StaySafe 5-in-1 extinguisher product which extinguishes five types of fire. It is the Board's intention that the Group will develop further innovative and accessible fire safety products. The new product pipeline includes new fluid derivatives.

- **High level services**

The provision of a high level of digital customer service focused on education, satisfaction and retention, which is monitored consistently, and reflected, in the Board's opinion, in the Group's Trustpilot rating of "Excellent".

- **Digital expertise**

Since the re-launch of its business, the Board has adopted a "Digital First" approach, utilising digital sales and distribution channels to commercialise and generate demand for the Group's products, including, importantly, Amazon and the Amazon Launchpad platform, described below



in the section entitled “Sales and Marketing”, and via the Subsidiary’s website, [www.lifesafetechnologies.co.uk](http://www.lifesafetechnologies.co.uk) and equivalent sites outside the UK.

- **International expansion**

Having established increasing demand for the Group’s products in the UK, the Company has already started building demand for its products in Europe, the US and Canada, in a cost-effective manner through its “Digital First” strategy.

- **Multi-channel sales**

As demand for and awareness of the Group’s products increases in the consumer market, it is the Board’s intention to leverage that awareness to stimulate demand in other sales channels such as the wholesale and industrial markets, including, for example, through the Screwfix and various housing associations, and for the fluids in industrial applications.

## 5. THE GROUP’S PRODUCTS

### ***Extinguishing fluids***

- *FER1000 extinguishing fluid*

At the centre of the Group’s existing product range is the FER1000 extinguishing fluid, which has been developed by the Group to extinguish five types of fire:

- electrical;
- paper;
- textiles;
- cooking oil; and
- petrol and diesel.

The FER1000 fluid, for which a UK patent application was filed on 21 April 2017, is environmentally friendly and both non-toxic and non-hazardous. It has been tested and verified by the British Standards Institute in the UK and by Apragaz in Europe to extinguish, in an environmentally safe manner, each of the aforementioned types of fire, albeit verified for diesel only in Europe. The Company has subsequently received a notice of intention to grant the patent in July 2022 from the UK Intellectual Property Office.

- *PAN 3000 extinguishing fluid*

The PAN 3000 is an extinguishing fluid which, when released, expands, thereby smothering fires associated with cooking oil.

### ***Protection products***

- *StaySafe 5-in-1 fire extinguisher*



The StaySafe 5-in-1 fire extinguisher, the Company’s best-selling product, is a lightweight, easy-to-use, maintenance-free, fully recyclable PET aerosol fire bottle, containing the Company’s FER1000 eco-friendly extinguishing fluid.

The fluid is contained within a bag-on-valve system, which consists of an aerosol valve with a crimped bag, with a pressurised air propellant in the space between the bag and the PET bottle.

- *StaySafe PanSafe cooking oil fire extinguisher*



The StaySafe PanSafe is a sachet containing the PAN 3000 fluid variant of the FER1000 targeted specifically at cooking oil fires. The sachet contains a strengthener so that it can be placed by hand into a pan fire, which causes the fluid to be released, so expanding and smothering cooking oil fires, thereby extinguishing them and preventing re-ignition.

### **Detection products**

- *StaySafe carbon monoxide detector*



The StaySafe carbon monoxide detector uses a sensor to warn occupants of the presence of high levels of carbon monoxide, a highly toxic gas, which is produced when fuel burns inefficiently.

The StaySafe carbon monoxide detector conforms to the EN 50291-1:2018 standard.

- *StaySafe smoke detector*



The StaySafe smoke detector, which is certified to the EN 14604:2005/AC:2008 standard, is designed to provide an early warning of a fire, by detecting smoldering fires.

- *StaySafe heat detector*



The StaySafe heat detector, which is compliant with the BS 5446-2:2003 standard, has been designed to detect changes in temperature in environments where a smoke detector may sound false alarms due to the occasional presence of smoke.

### **Safety product and pack range extensions**

In addition to each of the individual products summarised above, the Group also sells a number of product bundles comprising different combinations of its extinguishers and detectors for specific applications, so broadening the addressable market:

		
<p><b>StaySafe Home Extinguisher Pack</b></p>	<p><b>StaySafe Motoring Safety Pack</b></p>	<p><b>StaySafe Kitchen Safety Pack</b></p>
		
<p><b>StaySafe Home Safety Pack</b></p>	<p><b>StaySafe Kitchen Safety Pack Plus</b></p>	<p><b>StaySafe Home Safety Pack Plus</b></p>

In addition to each of the bundles being available on [www.lifesafetechnologies.co.uk](http://www.lifesafetechnologies.co.uk), the Kitchen Safety and Home Safety Plus bundles are also available on [www.screwfix.com](http://www.screwfix.com).

The Company has intellectual property in respect of the FER1000 extinguishing fluid which is the subject of the intellectual property report in Part V of this Document.

### ***The LifeSafe App***

As a key element of its strategy, the Group has also developed the LifeSafe App, which is available on both Apple and Android platforms.

The App, which is subject to continuing development and enhancement, is intended to drive additional revenues by building a direct relationship with customers through:

- educating and informing them as to how to avoid fires in the home;
- enabling customers to purchase products from the StaySafe range; and
- demonstrating the innovative features and ease-of-use of the StaySafe 5-in-1 range of products.

The Directors intend that the LifeSafe App will be subject to continuing development to increase its functionality and its ability to further enhance revenues.

## 6. SALES AND MARKETING

### Sales strategy

The Board has adopted an international, multi-channel, sales strategy for the Group in the consumer, wholesale and industrial markets.

In each country in which it plans to sell products, LifeSafe intends initially to focus on the consumer market via digital channels, the Group's "Digital First" strategy, with the goal of building consumer demand for its products, so promoting awareness of the brand and products in order to open up wholesale and industrial opportunities and other sales channels.

### Consumer sales channels

Under its "Digital First" strategy, the Company has commenced selling selected StaySafe products on both its own website and also via Amazon in the following countries on the listed dates:

	UK	France & Germany	USA	Canada
LifeSafe websites	December 2020	October 2021	February 2022	April 2022
Amazon	August 2021	March to April 2022 (France and Germany)	February 2022	To be confirmed

Amazon Launchpad is designed to support high growth businesses which Amazon identifies as being innovative and sustainable. Amazon Launchpad allows such businesses to enhance their use of the various international Amazon platforms, by providing in-country account management and hosting digital content, including videos, on the Amazon marketplace.

The success of the Group's "Digital First" approach to the consumer markets has, in the Board's opinion, already been demonstrated in the UK, where, in the month of launch on Amazon Prime (giving it access to 15 million Amazon Prime members) the StaySafe 5-in-1 extinguisher became Amazon Prime's top selling fire extinguisher in the UK.

Furthermore, the Group's online marketing campaigns have generated gross revenue in the UK averaging at least 3 times each month's digital advertising spend since the fourth quarter of 2021.

Digital sales have now also commenced in the US with Fulfilment By Amazon, which offers free next day delivery and gives the Group access to 148 million Amazon Prime members, and in Canada currently through its LifeSafe US website.

The Board intends that the "Digital First" sales model will also be extended, in due course, to other countries.

### Wholesale sales channels

Having established consumer demand via digital channels, the Group has, to date in the UK, leveraged this demand through the following wholesale arrangements:

- with Screwfix, where StaySafe 5-in-1 and PanSafe products are listed on the Screwfix website and in its product catalogue, and are now stocked in over 700 of its retail outlets;
- with a number of housing associations, which, in the Board's opinion, evidences the potential demand in circa 4 million social housing residential properties;
- in trials of the StaySafe extinguishing products by a number of Fire & Rescue Services, including Humberside and South Yorkshire;
- with large, established brands such as Travis Perkins Managed Services and Bunzl, to further promote the Group's products within their sales channels in wholesale markets; and
- with Locket, a digital home insurance company which encourages its members to use technology to reduce their home insurance costs.

The Board believes that the easy-to-use, low cost, maintenance-free features of the Group's StaySafe fire extinguishing products will also have broad appeal in other wider wholesale channels, including the hotel and private letting sectors and the leisure, automotive and marine sectors.

### **Industrial sales channels**

The development of the next generation fluid is expected by the Board to offer the Group the opportunity to supply LifeSafe fluids for various industrial applications.

### **Marketing strategy**

As a multi-channel, international business selling through consumer, wholesale and industrial channels, the Board believes that it is fundamentally important to refine the Group's messaging and communication platforms accordingly.

To date, the Board has primarily focused the Group's marketing resources on consumer digital channels, its LifeSafe websites and Amazon, which, in its opinion, has resulted in significant sales growth.

In the first five months of 2022 (based on unaudited management accounts) the Group has generated gross revenue in the UK, its most established market, of £560,303 on digital advertising expenditure of £165,833, representing a Return On Advertising Spend ("ROAS") of 3.4 times. The Board attributes this high return to the high quality, engaging and relevant content targeted digitally by the Group to consumers. The Group's digital platform logs customer behaviours and thereby builds up target customer profiles, which allows management to refine its communication and marketing strategy by progressively focusing advertising and content messaging on consumer groups with similar profiles and greater likelihood to buy StaySafe products.

The Group's consumer digital strategy involves advertising through TikTok, Google and Meta Platforms Inc.'s Facebook and Instagram.

## **7. MANUFACTURING AND SUPPLY**

The Group's manufacturing and supply strategy is to work with established experienced suppliers with reputations for high quality products and services. The Board believes that using such suppliers will facilitate rapid expansion, whilst maintaining a consistent supply of high-quality products with minimal capital outlay for the Group.

The Board recognises the importance of corporate social responsibility in society, the community and the environment, and, as such, actively ensures its supply chain partners comply with the Group's stringent policies and procedures to ensure it maintains the highest levels of corporate and social responsibility.

In addition, the Group is a member of Sedex Advance ("**Sedex**"), a leading online platform for companies to manage and improve working conditions in global supply chains. The Group works with Sedex to ensure its supply chain partners operate in an ethical and sustainable manner.

## **8. FULFILMENT**

The Group's fulfilment chain is structured in such a way that its products sold in the UK and Europe are filled and stored in territory and therefore in close proximity to the customers in order to reduce both shipping costs and stock holding requirements. Products sold in the US and Canada are currently being produced in the UK.

Orders placed by Amazon Prime members are typically fulfilled by Fulfilment by Amazon and orders placed through the LifeSafe websites are fulfilled by James and James Fulfilment Limited or its local in-country businesses.

Wholesale and industrial orders are processed by a fulfilment centre and bulk storage facility, respectively.



## **9. RESEARCH AND DEVELOPMENT**

The Board is committed to developing new and improved products and services in order to maintain what the Directors believe to be the Group's competitive advantage in its existing markets and also to enter new markets, whilst maintaining international compliance.

The Group's research and development team is currently focused on:

- developing derivatives of FER1000, including a derivative in advanced development to extinguish lithium-ion battery cell fires, in order to extend its functionality and performance whilst retaining ease-of-use and sustainability, so increasing its value to customers;
- developing new products and services to access new markets and territories;
- continuing development of the delivery of media focusing on both ease-of-use and sustainability;
- developing its core service propositions including the further development of the LifeSafe App; and
- ensuring that the StaySafe products comply with existing international regulations and are "future-proofed" in anticipation of any legislative changes, by maintaining close industry and supplier collaborations.

## **10. COMPETITIVE STRENGTHS**

The LifeSafe purpose is to generate significant returns for Shareholders through establishing new markets for its innovative fire extinguisher products.

The Directors believe that the Group has the following key competitive strengths:

- it has a highly experienced management team which is seeking to apply innovative new technologies to create new markets for the Group in fire safety;
- its StaySafe 5-in-1 fire extinguisher, a compact, fully recyclable, lightweight, maintenance-free, easy-to-use, fire extinguisher, which contains its FER1000 fire extinguishing fluid, which is both non-toxic and eco-friendly, and extinguishes five types of fire;
- its digital marketing strategy and expertise has enabled it to grow sales strongly, achieving a high return on advertising spend;
- its service-led culture is reflected in the high levels of customer satisfaction as seen through its Trustpilot rating of "Excellent";
- it has established relationships internationally with Amazon, and in the UK with Screwfix, and increasingly with other wholesale customers, such as Bunzl and various UK housing associations and home insurance companies;
- its App enables it to market its products directly to interested customers and provide useful tutorials; and
- it has a strong pipeline of innovative new products and fluid derivatives expected to be launched in the first half of 2023.

## **11. TECHNOLOGY AND INTELLECTUAL PROPERTY**

The Company recognises the importance of identifying, capturing and appropriately protecting intellectual property that arises out of its innovation. It retains a qualified UK and European Patent Attorney, who advises the management on intellectual property matters and an intellectual property law firm, Mewburn Ellis LLP, which acts in the filing of patent and trade mark applications and other related matters.

An Intellectual Property Attorney's Report from Mewburn Ellis LLP, which summarises the FER1000 and derivative fluid patent applications, is set out in Part V of this document. The following table of the Group's principal patent applications is extracted from that report:

Applicant name	Jurisdiction	Status	Title	Application Number	Application Date	Priority claim	Publication date
LifeSafe Technologies Limited	GB	Allowed*	FIRE EXTINGUISHING LIQUID	1706371.0	21/04/2017	None	24/10/2018
LifeSafe Technologies Limited	GB	Pending	FIRE EXTINGUISHING LIQUID	2116728.3	19/11/2021	None	
LifeSafe Technologies Limited	Int'l	Pending	FIRE EXTINGUISHING LIQUID	PCT/EP2019/078933	23/10/2019	None	29/04/2021
LifeSafe Technologies Limited	US	Pending	FIRE EXTINGUISHING LIQUID	US 17/771,065	23/10/2019	None	N/A

\*The Group has received notice from the UK Intellectual Property Office of intention to grant patent application number 1706371.0 in July 2022.

The Group's general approach to intellectual property protection for its technical innovations is to apply for patent protection, where, in the Board's opinion, the commercial benefit justifies the costs, and to use trade secrets where confidentiality can be maintained and patents are not possible or disclosure in a patent application is commercially undesirable.

Registered trade mark protection is used to preserve the value in the Company's key brands as well as to help protect brand-related reputation and retain control over the brands when used by distributors of the Company's products.

## 12. REGULATORY ENVIRONMENT

The Directors believe that ever more stringent regulations and growing demand for improved fire safety products, services and systems have been driven by recent human and property loss around the world as a result of fire. One of the Company's Non-Executive Directors, Emma Hynes, is at the forefront of the changing regulatory environment in the UK through her ongoing involvement as junior counsel on the Grenfell Tower Inquiry.

The Group's StaySafe 5-in-1 and PanSafe products' performance claims have been verified by independent fire testing authorities and its range of detectors has been tested and received the necessary approvals for sale.

Finally, the Directors are committed to anticipating regulatory change and to the Group adapting products to meet new requirements.

## 13. ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

The Directors have implemented stringent policies and procedures to ensure that the Group maintains the highest levels of environmental and social responsibility.

The Board acknowledges the importance of the Group being a good corporate citizen and so in order to monitor its supply chain, the Company is a member of Sedex. This organisation is the largest collaborative platform in the world for buyers, suppliers and auditors to store, share and report on information quickly and most importantly to easily monitor suppliers' ethical, environmental and social practices in order to manage risk and protect the Group's reputation. Sedex engagement practices are focused on assessing the supply chain beyond tier 1 suppliers, which is essential for maintaining supply chain integrity. Suppliers provide their supply chain information by completing audit questions and providing policy and procedure information, which ensures that the Group has sight of its suppliers and can monitor that the correct standards are met on an ongoing basis. The Group has clear audit requirements for suppliers, outlined more fully in its Ethical Business Policy and monitored in business review meetings by management. This approach aligns with industry standards for supply chain monitoring.

The Directors believe that the need for environmentally safe products has never been greater with the global focus towards achieving net zero carbon emissions, protecting biodiversity and cutting down on the use of harmful chemicals. This presents a substantial opportunity as governments around the world are pushing for more environmentally friendly structures in all sectors and are offering numerous grants to further this initiative. The Group's expertise in innovation and research and development brings to the market firefighting solutions that are non-toxic, eco-friendly and recyclable.

#### **14. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES**

The Board comprises three Executive Directors and two Non-Executive Directors, who are considered to be independent for the purposes of the QCA Code.

Brief biographies of the Directors and the senior managers of the Group are set out below. Paragraph 5.4 of Part VI of this document contains further details of current and past directorships and other important information regarding the Directors.

##### ***Directors***

##### ***Dominic Peter Clive Berger (Executive Chairman) – aged 52 years***

Dominic has over 25 years' experience in various fast-growing private and public businesses, with expertise in building, developing and listing or selling companies, including numerous turnaround situations. His extensive experience includes leading a diverse group of listed and private businesses, including Sportsio / Umbro.com backed by Doughty Hanson, Blackstar, Venue Solutions Holdings Plc and, until recently, being chairman of Happy Drinks Co. Ltd. He was also previously managing director of Umbro.com. An FCA approved person, Dominic is also chief executive officer of Capital Plus Partners, a regulated Corporate Finance business. Recently he has also advised businesses such as SimplyPayMe, an award-winning fintech business, The Rockster, a business producing superfood for dogs, and TECs Group, a critical services facilities management business. Dominic has been Chairman of LifeSafe since April 2019.

##### ***Neil Christopher Smith (Chief Executive Officer) – aged 51 years***

Neil has diverse experience within multi-channel retailers, technology and e-commerce businesses, including as a commercial director at B&Q (part of the Kingfisher Group) and Halfords Group plc. Most recently, from February 2015 until July 2019, Neil was the group chief executive officer of AIM-quoted FireAngel Safety Technology Group plc, a European supplier of smoke, heat and carbon monoxide detectors. Having joined the Group as a consultant in 2020, Neil became CEO of LifeSafe in October 2021.

##### ***Michael James Stilwell (Chief Financial Officer) – aged 46 years***

Mike is an experienced CFO who has over six years' experience of executive positions with publicly traded companies. He is a Chartered Accountant, having trained with KPMG which he joined in 1997. Mike was, from December 2018 to January 2021, CFO of AIM-quoted FireAngel Safety Technology Group plc having joined the group from his role as CFO of AIM-quoted Synectics plc. Prior to this he held senior finance roles with the Saint-Gobain Group, Coventry Building Society and the Caparo Group. Mike, who has a first-class degree in Accounting and Financial Analysis from the University of Warwick, joined LifeSafe in September 2021. He is also a part-time executive director of Visum Technologies plc.

##### ***The Rt. Hon. Mark Christopher Field (Senior Independent Non-Executive Director) – aged 57 years***

Mark is a former MP and Minister of State for Asia & Pacific at the Foreign and Commonwealth Office who represented the Central London constituency of the Cities of London and Westminster in the UK Parliament between June 2001 and November 2019. A graduate of St Edmund Hall, Oxford, he practised as a solicitor with Freshfields in the early 1990s and then founded, managed and sold two businesses before embarking upon public service. During this time he developed expertise of the City and financial and professional services. As the Minister of State for Asia & Pacific, he travelled extensively in the region and was responsible for bilateral relationships with China and India, developing future UK strategy and co-operation with ASEAN, and promoting security and trade partnerships with Australia and New Zealand. Since leaving Parliament he has embarked upon a portfolio career, which includes roles as the non-executive chairman of the Isle of Man based Capital

International Bank; senior adviser to the Cayman Islands Government Office in London; and consultant to turnaround/corporate restructuring specialists, Buchler Phillips. He is also a non-executive director of AIM-quoted Frenkel Topping Group PLC.

***Emma Elizabeth Hynes (Independent Non-Executive Director) – aged 46 years***

Emma is a barrister who specialises in construction and commercial matters including professional negligence claims. She has developed a specific focus in the arena of fire safety and legislation, and is currently instructed as junior counsel to the Grenfell Tower Inquiry. Before coming to the Bar in 2015, Emma had a successful career in business communications with Serco, the Carbon Trust and Microsoft.

***Senior management***

The Directors are supported by the following key senior managers:

***Alan Jeffrey Brading (Company Accountant) – aged 53 years***

Alan is a Chartered Accountant (FCA) having trained in small practice and qualified in 1994. He became a Fellow member of the Institute of Chartered Accountants in 2010 and holds the qualification of Responsible Individual for the purposes of undertaking Statutory Audit Assignments. Alan is the Managing Partner of Sygma Chartered Accountants, having previously been the Managing Partner of Hamilton Brading Chartered Accountants until that firm was merged into Sygma Chartered Accountants in 2017. Alan, a consultant, has been the Company Accountant for LifeSafe, on a part-time basis, since it was founded in 2015.

***Gavin Christopher Cornelius (Chief Innovation Officer) – aged 53 years***

Gavin is a qualified lithographic printer. He specialised in litho chemistry and set up his first print company in 1996. Gavin left the printing industry to begin developing products for the renewables sector, and solutions for the motoring and fire safety industries. In 2015, he became one of the founding members of Firescue Global Limited, the entity which was later renamed LifeSafe Technologies Limited, initially as the Managing Director and then, as the Chief Innovation Officer.

***Paul Nicholas Jameson (Chief Operating Officer) – aged 48 years***

Paul has over 25 years' senior management procurement and supply chain experience working in numerous private and public sector organisations, from a leading multi-national agrochemical business, Syngenta, to some of the leading Council and Housing Associations in London, such as Westminster City Council and Genesis Housing Association. He has used his time and experience to create solutions and supplier strategies to improve the customer and supplier experience. Paul, who has extensive knowledge and experience in developing policies and procedures and enhancing corporate responsibility and sustainability, joined the Group in October 2018 as a consultant and is expected to become an employee shortly.

***James Michael King (Commercial Director) – aged 38 years***

James is an experienced senior leader in sales, marketing and commercial roles with over 13 years' experience within the fire sector and a demonstrable history of success across various international markets. He is skilled in commercial strategy, brand strategy, new product development and leadership, and has worked for the last 15 years in fast-growing businesses. James, who has a Master's degree in Economic Science from Aberdeen University, joined LifeSafe in September 2021.

***William John Lunn (Supply Chain Manager) – aged 64 years***

William has 30 years' experience in the packaging industry, predominately in the personal care/aerosol sector, in senior positions working with major brands including P&G, Unilever, Reckitt Benckiser, SC Johnson, PZ Cussons and various multiple retailers. William joined the Group in August 2020 as a consultant but having worked with the Group since August 2015 whilst employed at one of its key suppliers. He became an employee in June 2022.

**Dipesh Subba (Director of Product Testing & Compliance) – aged 41 years**

Dipesh served in the Queen's Own Gurkha Logistics Regiment. Upon leaving the forces in 2013, Dipesh founded a number of businesses including Firescue Global Limited, the entity which eventually became LifeSafe Technologies Limited. Dipesh oversees product testing and quality assurance procedures.

**Employees**

The Directors believe that the recruitment, motivation and retention of highly skilled, high quality personnel is fundamental to its ability to continue to meet the requirements of its customers and to its continuing success.

As at 30 June 2022 (being the latest practicable date prior to the publication of this document), the Group had a total of nine employees as follows:

Central management	5
Sales and marketing	1
Technical	3
<b>TOTAL</b>	<b>9</b>

The Group has also engaged four consultants deployed within areas including marketing, intellectual property, finance and product testing.

**15. SUMMARY FINANCIAL INFORMATION**

The following summary of financial information relating to the Group's activities for the three periods to 31 December 2021 has been extracted without material adjustment from the financial information on the Group set out in Part III of this document. **In order to make a proper assessment of the financial performance of the Group's business, prospective investors should read this document as a whole and not rely solely on the key or summarised information in this section.**

	<b>12 months ended 31 December 2021 £'000</b>	<b>15 months ended 31 December 2020 £'000</b>	<b>12 months ended 30 September 2019 £'000</b>
Revenue	670	95	36
Gross profit/(loss)	312	7	(8)
Operating loss	(1,510)	(694)	(760)
Loss on ordinary activities before taxation	(1,545)	(693)	(718)

In the first two financial periods summarised above, the Group incurred costs in running the business and developing sales channels which were not supported by the first sales of products into the market. This is reflected in sales of £36,000 and £95,000 for the year ended 30 September 2019 and the 15 months ended 31 December 2020, respectively.

In late 2020, the Board implemented a "Digital First" consumer marketing strategy. Thereafter, in the year ended 31 December 2021, turnover increased to £670,000.

The administrative expenses for the year ended 30 September 2019 of £752,000 included a non-underlying charge of £345,000 in settlement of costs incurred in establishing a sales channel which was not ultimately successful. Administrative costs increased to £748,000 and £1,793,000 in the 15 months ended 31 December 2020 and year ended 31 December 2021, respectively, as the Company recruited new management and increased marketing spend in line with its new focus on a "Digital First" strategy, and, for 2021, the increased volume of sales.

The financial result for 2021 was also impacted by a non-underlying amount of £75,000 required to impair the cost of stock intended to be supplied to a customer in the sales channel which was not successful.



## 16. CURRENT TRADING, OPERATIONAL TRENDS AND PROSPECTS

Since 31 December 2021, the Group has continued to market its products in the UK and selected European countries and launched them in the US in February 2022 and in Canada in April 2022.

With sales having increased in each territory, and weekly sales in the US tracking ahead of those in the UK, the Board believes that the Group has excellent prospects.

## 17. REASONS FOR ADMISSION AND USE OF PROCEEDS

The Directors believe that Admission will enable the Group to accelerate its development through enhancing its profile and standing in its target markets. Furthermore, Admission is intended to provide access to capital should additional financing be required in the future to further expand the business and should the Group seek to issue new Ordinary Shares as consideration in connection with acquisition opportunities. The Group will also be better positioned to attract, recruit and retain key employees who may be further incentivised through the Share Option Schemes.

The net proceeds of the Placing receivable by the Company of approximately £2.04 million will be applied principally as follows:

- to finance an increasing level of marketing to drive order growth;
- to finance greater inventory levels to enable the Group to meet the increasing product orders;
- to finance ongoing research and development; and
- to fund the general working capital requirements of the Group.

## 18. DETAILS OF THE PLACING AND ADMISSION

The Company, the Directors and WH Ireland have entered into the Placing Agreement relating to the Placing pursuant to which, subject to certain conditions, WH Ireland has conditionally agreed to use its reasonable endeavours to procure subscribers for the New Ordinary Shares to be issued by the Company under the Placing. The Placing has not been underwritten. The Placing Shares represent approximately 18.09 per cent. of the Enlarged Share Capital.

The Placing will raise approximately £3.0 million (before expenses) for the Company.

The New Ordinary Shares will be issued credited as fully paid and will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared paid or made after Admission.

The Placing Agreement conditional, *inter alia*, upon Admission having become effective by not later than 8.00 a.m. on 6 July 2022 or such later time and date, being not later than 8.00 a.m. on 31 July 2022, as the Company and WH Ireland shall agree.

Further details of the Placing Agreement are set out in paragraph 12(a) of Part VI of this document.

## 19. LOCK-IN ARRANGEMENTS

Certain Covenantors (the “**Full Covenantors**”) holding, in aggregate, 35.7 per cent. of the Existing Ordinary Shares and 24.8 per cent. of the Enlarged Share Capital, have each undertaken to the Company and WH Ireland (subject to certain limited exceptions including transfers to family members or to trustees for their benefit and disposals by way of acceptance of a recommended takeover offer of the entire issued share capital of the Company) not to dispose of the Ordinary Shares held by each of them (and their connected persons (within the meaning of section 252 of the Act)) (each such share being a “**Restricted Share**”) following Admission or any other securities issued in exchange for or convertible into, or substantially similar to, Ordinary Shares (or any interest in them or in respect of them) at any time prior to the first anniversary of Admission (the “**Lock-in Period**”).

Certain other Covenantors (the “**Partial Covenantors**”), have each undertaken to the Company and WH Ireland (subject to certain limited exceptions including transfers to family members or to trustees for their benefit and disposals by way of acceptance of a recommended takeover offer of the entire issued share capital of the Company) not to dispose of 3,169,819 Ordinary Shares held by them (and



their connected persons (within the meaning of section 252 of the Act)) (each such share being a Restricted Share), representing, in aggregate, at least 20.6 per cent. of the Existing Ordinary Shares and 14.3 per cent. of the Enlarged Share Capital following Admission, during the Lock-in Period.

Finally certain Covenants (the “**Convertible Loan Covenants**”) holding, in aggregate, 9.1 per cent. of the Existing Ordinary Shares and 6.4 per cent. of the Enlarged Share Capital, have each undertaken to the Company and WH Ireland (subject to certain limited exceptions including transfers to family members or to trustees for their benefit and disposals by way of acceptance of a recommended takeover offer of the entire issued share capital of the Company) not to dispose of the Ordinary Shares held by each of them (and their connected persons (within the meaning of section 252 of the Act)) (each such share being a Restricted Share) following Admission or any other securities issued in exchange for or convertible into, or substantially similar to, Ordinary Shares (or any interest in them or in respect of them) at any time in the nine months following Admission (the Lock-in Period).

Furthermore, each of the aforementioned covenants (the “**Covenants**”) has also undertaken to the Company and WH Ireland not to dispose of the Restricted Shares (subject to limited exceptions) before the second anniversary of Admission otherwise than through WH Ireland, for such time as it shall remain broker to the Company.

Further details of these arrangements are set out in paragraph 12(b) of Part VI of this document.

## **20. CORPORATE GOVERNANCE**

AIM quoted companies are required to state which recognised corporate governance code they will follow from admission, and how they comply with such code and to explain reasons for any non-compliance. The Directors recognise the value and importance of high standards of corporate governance and intend, given the Company’s size and the constitution of the Board, to comply with the recommendations set out in the QCA Code. Details as to how the Company complies with this Code is set out below and on the Company’s website: [www.lifesafeholdingsplc.com](http://www.lifesafeholdingsplc.com).

### ***The Board***

The Board will be responsible for the overall management of the Group including the formulation and approval of the Group’s long-term objectives and strategy, the approval of budgets, the oversight of Group operations, the maintenance of sound internal control and risk management systems and the implementation of Group strategy, policies and plans. While the Board may delegate specific responsibilities, there will be a formal schedule of matters specifically reserved for decision by the Board. Such reserved matters will include, amongst other things, approval of significant capital expenditure, material business contracts and major corporate transactions. The Board will meet regularly to review performance.

The QCA Code recommends that at least two members of the Board comprise non-executive directors determined by the Board to be independent. The Board currently comprises five Directors, of whom three are executive and two are non-executive. The Board considers both of the non-executives, being Mark Field and Emma Hynes, to be independent and, as such, the Company complies with the requirements of the QCA Code.

The QCA Code recommends that the Board should appoint one of its independent non-executive Directors to be the Senior Independent Director. The Senior Independent Director should be available to Shareholders if they have concerns over an issue that the normal channels of communication (through the Chairman, the Chief Executive Officer or the Chief Financial Officer) have failed to resolve or for which such channels of communication are inappropriate. The Company’s Senior Independent Director is Mark Field.

A culture based on ethical values and behaviours is promoted. The Board has prepared a Code of Ethics to embed into the Company’s culture and intends to train all future staff members in its use. The Board is confident that it can adequately assess the corporate culture within the Company.

The Board has delegated specific responsibilities to the committees referred to below, each of which has written terms of reference and formally delegated duties.

With effect from Admission, the Board has established an audit committee (the “**Audit Committee**”) and a remuneration committee (the “**Remuneration Committee**”). Given the size of the Board, it does

not intend to establish a separate nominations committee and recommendations for appointments to the Board will be considered by the Board as a whole after due evaluation.

### ***The Audit Committee***

The Audit Committee will be chaired by Mark Field. Its other member will be Emma Hynes. The Audit Committee will have primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Company is properly measured and reported on. It will receive and review reports from the Company's management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group.

Further, the Audit Committee will advise the Board on the Group's overall risk appetite and strategy including, inter alia, regularly reviewing and updating (if appropriate) the risk assessment processes in place, including in relation to remuneration and compliance functions, and assisting in overseeing implementation of the adopted strategy. The Audit Committee will meet at least twice a year and will have unrestricted access to the Company's auditors.

### ***The Remuneration Committee***

The Remuneration Committee will be chaired by Mark Field. Its other member will be Emma Hynes. The Remuneration Committee will review the performance of the Executive Directors and make recommendations to the Board on matters relating to their remuneration and terms of employment. The Remuneration Committee will also make recommendations to the Board on proposals for the granting of share options and other equity incentives pursuant to any share option scheme or equity incentive scheme in operation from time to time. The remuneration and terms and conditions of appointment of the non-executive directors of the Company will be set by the Board.

### ***Share dealings***

The Company has adopted a share dealing code, with effect from Admission, for Directors and applicable employees (as defined in the AIM Rules for Companies) of the Group for the purpose of ensuring compliance by such persons with the provisions of Rule 21 of the AIM Rules for Companies and MAR relating to dealings in the Company's securities. The Directors consider that this share dealing code is appropriate for a company whose shares are admitted to trading on AIM.

The Company will take proper steps to ensure compliance by the Directors and applicable employees with the terms of the share dealing code and the relevant provisions of MAR.

## **21. DIVIDEND POLICY**

The declaration and payment by the Group of any future dividends on the Ordinary Shares and the amount will depend on the results of the Group's operations, its financial condition, cash requirements, future prospects, profits available for distribution and other factors deemed to be relevant at the time. However, given the Company's early stage of development, the Directors do not envisage that the Company will pay dividends in the foreseeable future and intend to re-invest surplus funds in the development of the Group's business.

## **22. SHARE OPTION PLANS**

The Directors believe that the success of the Group will depend to a significant degree on the future performance of the management team. The Directors also recognise the importance of ensuring that all employees are well motivated and identify closely with the success of the Group and will upon Admission adopt the New Share Option Plan.

As at the date of this document, the Company has in place the Existing Share Option Plans, which have been applied by the Company to enable certain grants of options to subscribe for new Ordinary Shares to be made. It is intended that no further grants of options be made under the Existing Share Option Plans and that, instead, future option grants will be made under the New Share Option Plan which will be adopted by the Company on Admission. The New Share Option Plan enables the grant (where relevant) of tax-advantaged, EMI-qualifying share options, as well as non tax-advantaged share options.

Further details of the Share Option Plans including a summary of the New Share Option Plan, are set out in paragraphs 8, 9 and 10 of Part VI of this document. Details of options currently held by the Directors are set out in paragraph 6.2 of Part VI of this document.

With effect from Admission, the Company will grant options on terms that reflect market practice for AIM quoted companies of an equivalent size operating in comparable industries and comply with the guidance set out in the Investment Committee Principles of Remuneration published in November 2021.

## **23. TAXATION**

Your attention is drawn to the further information regarding taxation set out in paragraph 11 of Part VI of this document. These details are, however, intended only as a general guide to the current tax position for UK resident shareholders under UK taxation law and you should seek independent advice if you are in any doubt as to your tax position and/or if you are subject to tax in a jurisdiction other than in the UK. HMRC has given clearance that the Company should be a qualifying company for the purposes of the Enterprise Investment Scheme (“EIS”). However, prospective investors should note that the Company does not make any representations as to whether any investment in the Company will be one in respect of which tax relief under EIS or VCT rules will be available or that any such tax relief will not subsequently be withdrawn by virtue of the Company’s future actions.

## **24. THE TAKEOVER CODE**

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

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

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

The Company has agreed with the Panel that the following persons, representing the founders of the Group and their close associates, are acting in concert in relation to the Company: Gavin Cornelius, Dipesh Subba, Lee Ashwood, Jarrod Hubbard, Bikram Thapa, Justin Wilson, Michael Hoddy, Michiko Suzuki, Sushma Limbu Subba, Sharmila Khanal, Connor Hubbard, Bhim Gurung, Gary and Lillian Walsh, Indira Suzuki, Teishiro Okitsu, Alfie Cornelius, Stuart Bushby, Matthew Ashby, Christopher Cornelius, Susan Cornelius and Tyrone Ashby.

Following Admission, the members of the concert party will be interested in 6,303,850 Ordinary Shares, representing 28.5 per cent. of the voting rights of the Company. Assuming exercise in full by the members of the concert party of their options over new Ordinary Shares (and assuming that no other person converts any convertible securities or exercises any options or any other right to subscribe for shares in the Company), the members of the concert party would be interested in 6,663,750 shares, representing approximately 29.7 per cent. of the enlarged voting rights of the Company. A table showing the respective individual interests in shares of the members of the concert party on Admission and following the exercise of the options is set out below.

		<b>Assuming conversion of CP options only</b>			
	<b>Immediately following Admission Number of Ordinary Shares</b>	<b>Percentage of Enlarged Share Capital</b>	<b>Number of Ordinary Shares under option (“CP options”)</b>	<b>Number of Ordinary Shares</b>	<b>Percentage of Enlarged Ordinary Shares</b>
Gavin Cornelius	1,892,500	8.56%	217,450	2,109,950	9.39%
Dipesh Subba	1,292,750	5.85%	142,450	1,435,200	6.39%
Lee Ashwood	1,123,500	5.08%	–	1,123,500	5.00%
Jarrold Hubbard	352,600	1.59%	–	352,600	1.57%
Bikram Thapa	271,200	1.23%	–	271,200	1.21%
Justin Wilson	271,200	1.23%	–	271,200	1.21%
Michael Hoddy	271,200	1.23%	–	271,200	1.21%
Michiko Suzuki	271,200	1.23%	–	271,200	1.21%
Sushma Limbu Subba	271,200	1.23%	–	271,200	1.21%
Sharmila Khanal	108,500	0.49%	–	108,500	0.48%
Connor Hubbard	57,700	0.26%	–	57,700	0.26%
Bhim Gurung	33,900	0.15%	–	33,900	0.15%
Gary and Lilian Walsh	22,600	0.10%	–	22,600	0.10%
Indira Suzuki	22,300	0.10%	–	22,300	0.10%
Teishiro Okitsu	13,850	0.06%	–	13,850	0.06%
Alfie Cornelius	10,850	0.05%	–	10,850	0.05%
Stuart Bushby	7,200	0.03%	–	7,200	0.03%
Matthew Ashby	2,700	0.01%	–	2,700	0.01%
Christopher Cornelius	2,300	0.01%	–	2,300	0.01%
Susan Cornelius	2,300	0.01%	–	2,300	0.01%
Tyrone Ashby	2,300	0.01%	–	2,300	0.01%
	<b>6,303,850</b>	<b>28.51%</b>	<b>359,900</b>	<b>6,663,750</b>	<b>29.66%</b>

## 25. ADMISSION, SETTLEMENT AND DEALINGS

Application has been made to the London Stock Exchange for all of the Ordinary Shares, issued and to be issued pursuant to the Placing, to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings will commence in the Ordinary Shares at 8.00 a.m. on 6 July 2022.

No temporary documents of title will be issued. All documents sent by or to a placee, or at his direction, will be sent through the post at the placee’s risk. Pending the despatch of definitive share certificates, instruments of transfer will be certified against the register of members of the Company.

The Company has applied for the Ordinary Shares to be admitted to CREST and it is expected that the Ordinary Shares will be so admitted and accordingly enabled for settlement in CREST on the date of Admission. Accordingly, settlement of transactions in Ordinary Shares following Admission may take place within the CREST system if any individual Shareholder so wishes provided such person is a “system member” (as defined in the CREST Regulations) in relation to CREST. Dealings in advance of crediting of the relevant CREST account(s) shall be at the sole risk of the persons concerned.

CREST is a paperless settlement system enabling securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument in accordance with the CREST Regulations. The Articles permit the holding of Ordinary Shares in uncertificated form in accordance with the CREST Regulations. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

## 26. FURTHER INFORMATION

Your attention is drawn to the further information set out in Parts III, IV, V and VI of this Document, and the “Risk Factors” set out in Part II. You are advised to read the whole of this Document before making any decision to invest in the Company.

## PART II

### RISK FACTORS

*Investing in and holding Ordinary Shares involves financial risk. Prospective investors in the Ordinary Shares should carefully review all of the information contained in this document and should pay particular attention to the following risks associated with an investment in the Ordinary Shares, the Group's business and the industry in which it participates.*

*The risk factors set out below apply to the Company and Group as at the date of this document. The risk factors which are most material, in the assessment of the Directors, are set out first.*

*The risks and uncertainties described below are not an exhaustive list and do not necessarily comprise all, or explain all, of the risks associated with the Group and the industry in which it participates or an investment in the Ordinary Shares. They comprise the material risks and uncertainties in this regard that are known to the Company and should be used as guidance only. Additional risks and uncertainties relating to the Group and/or the Ordinary Shares that are not currently known to the Company, or which the Company currently deems immaterial, may arise or become (individually or collectively) material in the future, and may have a material adverse effect on the Group's business, results of operations, financial condition and prospects. If any such risk or risks should occur, the price of the Ordinary Shares may decline and investors could lose part or all of their investment.*

*Prospective investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in the light of the information in this document and their personal circumstances. Prospective investors should consult a legal adviser, an independent financial adviser or a tax adviser for legal, financial or tax advice if they do not understand any part of this document.*

#### RISKS RELATING TO THE BUSINESS AND OPERATIONS OF THE GROUP

##### 1. Early-stage of operations

The Group has a relatively limited operating history on which to assess its business and has incurred losses over the last several years and the Directors anticipate that it will continue to incur losses whilst its sales generate sufficient margins to cover overheads and other costs. Consequently, the Group has limited commercial operations upon which to evaluate its business. Predictions about the Group's future success or viability may not be as accurate as they could be if it had a history of successfully selling its products at scale.

To date, the Group has financed its operations primarily through private placements of equity or debt securities. The amount of its future net losses will be significantly influenced by the level of revenues generated from its products. The level of losses incurred by the Group will also depend, in part, on the rate of its future expenditures and its ability to obtain funding through equity or debt financings.

Moreover, if the Group incurs substantial losses, it could be liquidated, wound-up or enter administration, and the value of the Ordinary Shares would be significantly reduced or be of no value.

##### 2. Dependence on manufacturers, suppliers and service providers

The Group does not carry out its own manufacturing or fulfilment activities. Instead, the Group has a limited number of manufacturers, suppliers and service providers involved in the production and shipping of its products. Accordingly, the Group is heavily dependent on the capacity of these manufacturers, suppliers and service providers, which the Directors believe to be sufficient in the first two years from Admission, however this is not guaranteed. In the event that capacity is not sufficient, there may be delays to the Group's revenue whilst capacity is expanded or an additional manufacturer, supplier or service provider is sought.

Moreover, the Group may be exposed to changes in the pricing of these companies. This could have an adverse impact on the Group's profit margins or force it to increase its selling price, both of which may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.



### **3. Product development**

Although the Group has successfully completed the initial development of several products, continued development of additional products will be required. There can be no assurance that any of the Group's product candidates will be successfully developed or commercialised. The Group may encounter delays and incur additional development and production costs and expenses, over and above those expected by the Directors, in order to develop products of sufficient quality and at low enough cost. Furthermore, there can be no assurance that any of the Group's developed products will successfully complete any applicable regulatory certification or testing process or that they will meet the regulatory and production requirements necessary for commercial distribution. If the Group's development programme is curtailed due to any of the above issues, this may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Any failure to anticipate technological changes, to develop, use or procure new technologies, or to react to changes in existing technologies could materially delay its development of new products or enhancements, which could result in product obsolescence, loss of revenue opportunities, and customer migration, and may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

### **4. Reliance on licences**

The Group has two licences for the use of certain technologies used in connection with a material part of its business. The Group's business is dependent on its ability to retain these licences. One of the licence agreements includes certain volume obligations that the Group must meet in order to retain licence rights. Although the Directors believe that the Group has a good working relationship with the licensor and will meet these obligations, the Group may not be able to meet these obligations, and the licensor may terminate the licence agreement. In addition, the licences are for a fixed term, which is extendable by negotiation. The failure or inability to retain the licence rights may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

### **5. Intellectual property and know-how**

The success of the Group and its ability to compete effectively with other companies partly depends upon its ability to protect its intellectual property in its key geographic markets and exploitation of its products in these markets.

The Group relies on contractual arrangements or claimed entitlements to its invention rights by virtue of section 7(4) and section 39(1) of the Patents Act 1977. In addition, there can be no assurance that third parties will not secure priority intellectual property rights protection that impact the Group's freedom to operate and/or technology development, or is otherwise material to any of the Group's existing or future product development or commercial programmes. This may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

There can be no assurance that the Group's pending patent applications or future patent rights will afford adequate protection to the Group against unauthorised use of its product by others or that others may have or obtain rights that may prevent or impede the exploitation of the Group's intellectual property.

Furthermore, there can be no assurance that the patent applications that the Group has made, but which are pending, or which the Group will make, will be granted or that intellectual property rights of the Group will not be successfully challenged, whether due to the existence of prior art or otherwise. In particular, the Group's application for a patent protecting its FER1000 in the US is likely to fail if it is unsuccessful in applying for a grace period in respect of its own prior art preceding its US application. This may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group may incur substantial costs, and diversion of effort, if required to enforce its intellectual property rights or defend against third party claims of infringement in relation to which there can be no guarantee of success. The Group recognises that there are certain jurisdictions where the Group has not obtained intellectual property rights protection and where no intellectual property rights protection may be available.



Even if intellectual property rights protection is obtained, no assurance can be given that the Group will successfully commercialise such product or technology prior to expiry of that protection. Even if competitors do not successfully challenge such intellectual property rights, there can be no assurance that they will not be able to design around the inventions claimed in such patents (by, for example, reverse engineering) or develop alternative technologies or products providing similar or superior performance to the performance of the Group's products, which may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group's attempts to obtain patent or other protection for its products may also be subject to opposition, which the Group may need to incur substantial costs to overcome, with no guarantee of success. The Group may also feel it necessary to engage in costly opposition or interference proceedings to prevent third parties obtaining relevant patent or other protection, again with no guarantee of success.

The Group's methods and policies for protecting unpatented confidential information, including concepts, proprietary know-how and documentation of its proprietary products may not afford the Group complete protection, and there can be no assurance that others will not obtain access to that confidential information.

Failure to protect the Group's intellectual property rights may result in another party copying or otherwise obtaining and using the Group's trademarks or other non-registered intellectual property without permission. The Group's rights in its trademarks are currently protected by a number of registrations held by the Group, but no assurance can be given that these registrations will be effective. In addition, the Group has been unable to register certain of its trademarks in certain locations, including the StaySafe mark in the EU and Australia, so, in some cases, it is now seeking protection for logos incorporating the trademarks which it was unable to register. Policing unauthorised use of trademarks can be difficult and expensive. Furthermore, the Group may need to take legal action to enforce its intellectual property rights and any such litigation may result in substantial costs and the diversion of resources and management attention. In addition, there can be no guarantee as to the outcome of any such litigation.

## **6. Intellectual property infringement risks**

There is a risk that the Group may unknowingly, today or in the future, infringe the proprietary rights of third parties. Others might have been the first to make the inventions covered by each of the Group's pending patent applications and might have been the first to file patent applications for inventions. In addition, because the patent application process can take several years to complete, there may be currently pending applications, unknown to the Group, that may later result in issued patents that cover the production, manufacture, commercialisation or use of products.

The Group may become subject to lawsuits in which it is alleged that the Group has infringed the intellectual property rights of others or commence lawsuits against others who the Group believes are infringing its rights. Defending the Group against third party claims, including litigation in particular, would be costly and time consuming and would divert management's attention from the Group's business, which could lead to delays in product development or commercialisation efforts. If third parties are successful in their claims, the Group might have to pay substantial damages or take other actions that are adverse to the Group's business. As a result of intellectual property infringement claims, or to avoid potential claims, the Group might:

- be prohibited from selling or licensing any product that it may develop unless the patent holder licenses the patent to the Group, which the patent holder is not required to do;
- be required to pay substantial royalties or grant a cross licence of the Group's patents to another patent holder; or
- be required to redesign the formulation of its products so the products do not infringe, which may not be possible or could require substantial funds and time, or provide some other remedy or restitution.

There is no assurance that the Group would be successful in any development or acquisition of non-infringing intellectual property or that licences to the infringed intellectual property would be available upon reasonable terms. Any such development, acquisition or licence could require the expenditure of

substantial time and other resources and could delay the commercialisation of the Group's technology and products using the Group's technology and may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

## **7. Dependence on strategic partner arrangements**

The Group has entered into and intends to enter into further strategic partnering and distribution arrangements with third parties. The Group may in future decide to enter into partner arrangements with third parties. Partnering or distribution arrangements may place the marketing or distribution of product programmes outside the Group's control, may require it to relinquish important rights or may otherwise be on terms unfavourable to it.

The Group may be unable to locate, and enter into favourable agreements with suitable third parties, which could delay or impair its ability to develop and commercialise products and could increase its costs of development and commercialisation. Dependence on partnering arrangements will subject the Group to a number of risks, including the risks that:

- it may not be able to control the amount or timing of resources that its collaborators/partners/distributors devote to a study or programme;
- its partners/distributors may experience financial difficulties;
- it may be required to relinquish important rights such as certain marketing and distribution rights;
- significant changes in a partner's/distributor's business strategy may also adversely affect a partner's/distributor's willingness or ability to complete its obligations under any arrangement;
- a partner/distributor could move forward with a competing product developed either independently or in collaboration with others, including the Group's competitors; or
- partnering/distribution arrangements may be terminated or allowed to expire, which would delay the development or marketing or distribution or sales and may increase the cost of developing, marketing, distribution or sale of the Group's products.

The occurrence of any of these risks may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

## **8. Use of contracted staff**

The Group has on occasion entered into agreements with specialist staff to provide their expertise on a contract basis to the Group as is common for companies at the Group's stage of development. It is possible that the UK tax authorities might conclude that such arrangements represented employment, rather than contracting of services, in which case additional taxation liabilities may arise or be imposed. Notwithstanding arrangements indemnifying the Group, other than with respect to employer's national insurance contributions, entered in to in each such case, such liabilities may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

## **9. The Group faces competition in a rapidly evolving market**

Although the Directors believe that significant barriers to entry exist in the markets in which the Group operates, including for example its intellectual property, exclusive supply arrangements and the technical skill and expertise required to produce its products, the Group may face an increasing amount of competition. Competitors may seek to develop products which more successfully compete with the Group's current products. This may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

## **10. Risks of technological change and technological obsolescence**

The Company's products could be adversely impacted by the development of alternative technology. There can be no assurance that the Group's products will not be rendered obsolete. In addition, there is no guarantee that the Group will be able to adapt existing technology for future use cases. This may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

## **11. Competition risks**

The Directors consider that the fire safety industry is likely to become more competitive over the coming years. There is a risk that smaller companies may enter the market and gain market share by offering products with similar or greater functionality at lower prices. The results of increased competition from new and existing competitors, along with the potential of aggressive pricing, may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

## **12. Changes in applicable laws and regulations**

Whilst the Group's products currently comply with the appropriate laws and regulations in its targeted jurisdictions, these laws and regulations are likely to undergo change at some stage in the Group's future. In the event of changes to laws and/or regulations, the Group's products may need to be retested or re-verified and in an extreme case redeveloped. This will bear a cost burden on the Group, which could be significant, and which could also lead to delays in revenue, each of which may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

## **13. Foreign currency risk and overseas activities**

The Group will present its financial information in pounds sterling although part of its business will be conducted overseas in currencies other than pounds sterling. As a result, it will be subject to foreign currency exchange risk due to exchange rate movements which will affect the Group's transaction costs and the translation of its results. The Directors intend to minimise such risks, where appropriate, through the use of hedging or other financial instruments, although no such hedging or other facilities are currently in place. However, there can be no guarantee that suitable arrangements will be available to the Group at an appropriate cost.

Foreign revenues are also subject to special risks that may disrupt markets, including the risk of war, terrorism, civil disturbances, embargo and government activities. Revenue generating activities in certain foreign countries may require prior governmental approval in the form of an export licence and otherwise be subject to tariffs and import/ export restrictions. There can be no assurance that the Group will not experience difficulties in connection with future foreign revenues and, in particular, adverse effects from foreign currency fluctuations.

Conducting business in most countries will require the Group to become familiar with and to comply with foreign laws, rules, regulations and customs. The Group has limited experience in conducting foreign business, and the Group cannot assure investors that it will be successful. Moreover the Group's failure to comply with foreign laws, rules and regulations of which the Group is not aware may harm the development of the Group's business. Further risks are inherent in international operations, including the following:

- customer's agreements may be difficult to enforce and receivables difficult to collect through foreign countries' legal systems;
- foreign customers may have longer payment cycles;
- foreign countries may tax foreign income and tax rates in certain foreign countries may exceed those of the UK and foreign earnings may be subject to withholding requirements or the imposition of tariffs, exchange controls or other restrictions;
- intellectual property rights may be more difficult to enforce in foreign countries; and
- general economic conditions in the countries in which the Group seeks to trade may deteriorate.

The occurrence of any of these risks may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

## **14. Unfavourable contract terms**

The Group has several contractual relationships which include warranties, indemnities, provided in some cases on an uncapped basis, and termination rights. Such warranties and indemnities create an inherent risk that any liability on the Company's part for any breach could be material, given the

uncapped basis. A successful claim under such warranties or indemnities or the exercise of the termination rights may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

#### **15. The Group must effectively manage the growth of its operations and organisation**

The Group's ability to manage its growth effectively will require it to continue to improve its operations, financial and management controls, reporting systems and procedures, and to train, motivate and manage its employees, and, as required, to install new management information and control systems. The Group will require additional management and systems as it seeks to establish sales and marketing infrastructure throughout its key international markets. There can be no assurance that the Group will be able to implement improvements to its management information and control systems in an efficient and timely manner or that, if implemented, such improvements will be adequate to support the Group's operations. Any inability of the Group to manage its expansion successfully may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

#### **16. The Group's success depends on retaining and attracting capable management**

The Group's success and ability to effectively execute its business plan depend in large part on its ability to attract and retain senior management. The Group's business plan was developed by its senior management, who have acquired specialised knowledge and skills regarding the Group, the markets it serves and the business generally. The Group may not be able to find effective replacements in a timely manner or at all. The loss of any of these members of senior management, or any delay in replacing a departed member, may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

#### **17. Market risks**

The Group may be affected by general market trends which are unrelated to the performance of the Group itself. The Group's success depends on market acceptance of the Group's products and services and there can be no guarantee that this acceptance will continue to be forthcoming. Market opportunities targeted by the Group may change and this may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

#### **18. Product performance**

The Group's products have been verified by independent testing providers, however the actual performance of the Group's products in real world situations may vary due to environmental factors and circumstances. This may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

#### **19. Testing and verification**

The Group ensures that all products are independently tested and/or verified to prove the Group's product's performance. The tests and verifications are based on British and International testing standards. There is no guarantee that these tests will be accepted by end customers, which may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

#### **20. Improper use of product**

The Group provides user instructions on all of its products. Some users may improperly use the Group's products which may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

#### **21. Product recalls might be necessary**

The Group may be faced with the necessity of recalling one or more products or batches of products. This may occur even if no product default is evidenced, but rather if a defect is suspected of being present. A recall of the Group's products may result in loss of revenue and damage to the Group's reputation. Products no longer being able to be sold may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

## **22. COVID-19 UK Government support schemes**

The Group has benefited from a number of the UK Government's fiscal policy measures in response to the COVID-19 pandemic. If amounts paid to the Group under such measures were successfully challenged, it may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

## **23. Tax**

The Group has historically been eligible for, and claimed, tax relief for qualifying research and development expenditure in the United Kingdom. It is anticipated that it will, where available, continue to claim such relief. However, the tax laws and regulations in the United Kingdom (including treaties, legislation, regulations and case law), or the interpretation, application or enforcement of such laws and regulations by the courts, tribunals or tax authorities, may be subject to change (in each case possibly with retroactive effect). As a result, the Group may not, or may not in the future, be eligible for research and development tax relief in the United Kingdom, which may have a material adverse effect on its business, results of operations, financial condition and prospects.

## **GENERAL RISKS RELATING TO AN INVESTMENT IN THE ORDINARY SHARES**

### **1. General**

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

### **2. Tax**

This document has been prepared on the basis of current legislation, regulation, rules and practices and the Directors' interpretation thereof. Such interpretation may not be correct and it is always possible that legislation, rules and practice may change. Any change in legislation and in particular in tax status or tax residence of the Group or in tax legislation or practice may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

### **3. EIS status**

The Company has obtained advance assurance from HMRC that it should be a qualifying company for EIS purposes provided that the funds raised under the EIS rules are deployed in the manner set out in the Company's advance assurance submission to HMRC. However, investors should be aware that, whilst advance assurance has been obtained from HMRC, the Directors cannot guarantee that the Placing Shares or the Company will satisfy, and will continue to satisfy, the requirements for tax relief under EIS rules.

The continuing status of the Placing Shares as qualifying for EIS purposes will be conditional on the qualifying conditions being satisfied throughout the relevant period of ownership.

Neither the Company nor the Directors give any warranty, representation or undertaking that any investment in the Company by way of Placing Shares will be or will continue to be a qualifying investment for EIS purposes. EIS eligibility is also dependent on a Shareholder's own position and not just that of the Company. Accordingly, investors should take their own advice in this regard.

### **4. General economic climate**

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



material adverse effect on the Group's business, results of operations, financial condition and prospects.

#### **5. Economic, political, judicial, administrative, taxation, environmental or other regulatory matters**

In addition to the impact of the downturn of the world's economies, the Group may be adversely affected by other changes in economic, political, judicial, administrative, taxation or other regulatory or other unforeseen matters. The Group may not have been and may not be at all times in complete compliance with environmental laws, regulations and permits, and the nature of the Group's operations expose it to the risk of liabilities or claims with respect to environmental, regulatory and worker health and safety matters. If the Group violates or fails to comply with environmental laws, regulations and permits, it could be subject to penalties, fines, restrictions on operations or other sanctions, which may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

#### **6. No prior market for the Ordinary Shares**

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

#### **7. Share price volatility and liquidity**

Following Admission, the market price of the Ordinary Shares may be subject to wide fluctuations in response to many factors, including stock market fluctuations and general economic conditions or changes in political sentiment. This may substantially affect the market price of the Ordinary Shares irrespective of the progress the Group may make in terms of developing and expanding its products or its actual financial, trading or operational performance. These factors could include the performance of the Group, purchases or sales of the Ordinary Shares (or the perception that the same may occur, as, for example in the period leading up to the expiration of the restrictions contained in certain lock-in and orderly marketing arrangements), legislative changes and market, economic, political or regulatory conditions or price distortions resulting from limited liquidity in the Company's shares. The share price for publicly traded companies, particularly those at an early stage of development, such as the Company, can be highly volatile. Admission to AIM should not be taken as implying that a liquid market for the Ordinary Shares will either exist, develop or be sustained following Admission. Active, liquid trading markets generally result in lower price volatility and more efficient execution of buy and sell orders for investors. The liquidity of a securities market is often a function of the volume of the underlying shares that are publicly held by unrelated parties. If a liquid trading market for the Ordinary Shares does not develop, the price of the Ordinary Shares may become more volatile and it may be more difficult to complete a buy or sell order even for a relatively small number of such Ordinary Shares.

#### **8. Substantial sales of Ordinary Shares**

There can be no assurance that certain Directors or other Shareholders will not elect to sell their Ordinary Shares following the expiry of the lock-in and orderly marketing arrangements, details of which are set out in paragraph 19 of Part I of this document, or otherwise. The market price of Ordinary Shares could decline as a result of any such sales of Ordinary Shares or as a result of the perception that these sales may occur. In addition, if these or any other sales were to occur, the Company may in the future have difficulty in offering Ordinary Shares at a time or at a price it deems appropriate.

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

The Company cannot assure investors that the Ordinary Shares will always continue to be traded on AIM or on any other exchange. If such trading were to cease, certain investors may decide to sell their shares, which could have an adverse impact on the price of the Ordinary Shares. Additionally, if in the future the Company decides to obtain a listing on another exchange in addition or as an alternative to AIM, the level of liquidity of the Ordinary Shares traded on AIM could decline.



## **10. Investment in AIM traded securities**

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

## **11. Issue of additional Ordinary Shares**

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

## **12. Dividends**

Dividend growth in the Ordinary Shares will rely on underlying growth in the Group's business and, in particular, the dividend policy mentioned in Part I of this document should not be construed as a dividend forecast. Any change in the tax treatment of dividends by the Company may reduce the level of yield received by Shareholders.

## PART III

### SECTION A: ACCOUNTANTS' REPORT ON THE COMPANY

haysmacintyre



10 Queen Street Place, London EC4R 1AG  
T 020 7969 5500 F 020 7969 5600

E [service@haysmacintyre.com](mailto:service@haysmacintyre.com)

DX 307453 CHEAPSIDE

W [www.haysmacintyre.com](http://www.haysmacintyre.com)

Follow us on twitter @haysmacintyre

The Directors  
LifeSafe Holdings plc  
1 Sopwith Crescent  
Wickford  
Essex  
SS11 8YU

The Directors  
WH Ireland Limited  
24 Martin Lane  
London  
EC4R 0DR

1 July 2022

Dear Sirs

#### LifeSafe Holdings plc (“LifeSafe”)

We report on the historical financial information set out in Part III of the Admission Document for the period ended 31 December 2021 (“Admission Document”).

#### Opinion

In our opinion, the historical financial information gives, for the purposes of the Admission Document dated 1 July 2022, a true and fair view of the state of affairs of LifeSafe as at 31 December 2021, and of its results, cash flows and changes in equity for the period ended 31 December 2021 in accordance with International Financial Reporting Standards.

#### Responsibilities

The LifeSafe directors (“Directors”) are responsible for preparing the historical financial information in accordance with International Financial Reporting Standards.

It is our responsibility to form an opinion on the historical financial information and to report our opinion to you.

Save for any responsibility arising under Paragraph (a) of Schedule Two of the AIM Rules for Companies to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person other than the addressees of this letter for any loss suffered by any such other person as a result of, arising out of, or

in connection with this report or our statement, required by and given solely for the purposes of complying with Schedule Two of the AIM Rules for Companies.

### **Basis of opinion**

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

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

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

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

### **Conclusions relating to going concern**

We have not identified any material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the ability of LifeSafe to continue as a going concern for a period of at least twelve months from the date of the Admission Document. Accordingly the use by the Directors of the going concern basis of accounting in the preparation of the historical financial information is appropriate.

### **Declaration**

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

Yours faithfully

**Haysmacintyre LLP**  
*Chartered accountants*  
10 Queen Street Place  
London  
EC4R 1AG

## SECTION B: HISTORICAL FINANCIAL INFORMATION OF THE COMPANY

### CONSOLIDATED HISTORICAL FINANCIAL INFORMATION OF LIFESAFE HOLDINGS PLC FOR THE THREE PERIODS ENDED 31 December 2021

#### Consolidated statements of profit or loss and other comprehensive income

	Note	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
<b>Revenue</b>	4	36	95	670
Cost of sales		(44)	(88)	(358)
<b>Gross profit/(loss)</b>		(8)	7	312
Other operating income	5	–	47	46
Administrative expenses		(752)	(748)	(1,793)
Inventory write off		–	–	(75)
<b>Operating profit/(loss)</b>	7	(760)	(694)	(1,510)
Finance expense	10	(100)	(5)	(49)
Other gains/losses	11	142	6	14
<b>Loss before taxation</b>		(718)	(693)	(1,545)
Taxation	12	78	26	24
<b>Loss for the period</b>		(640)	(667)	(1,521)
<b>Other comprehensive income</b>				
Total other comprehensive income		–	–	–
<b>Total other comprehensive expense</b>		(640)	(667)	(1,521)
<b>Earnings per share for profit attributable to the owners</b>				
Basic and diluted loss per share (£')	13	5.36	2.89	5.32

All amounts relate to continuing operations.

## Consolidated statements of financial position

	Note	As at 30 September 2019 £'000	As at 31 December 2020 £'000	As at 31 December 2021 £'000
<b>Assets</b>				
<b>Current assets</b>				
Inventories	18	–	–	190
Trade and other receivables	19	363	116	132
Cash and cash equivalents	20	12	75	64
<b>Total current assets</b>		<b>375</b>	<b>191</b>	<b>386</b>
<b>Non-current assets</b>				
Intangibles	14	–	94	165
Property, plant and equipment	16	4	3	11
<b>Total non-current assets</b>		<b>4</b>	<b>97</b>	<b>176</b>
<b>Total assets</b>		<b>379</b>	<b>288</b>	<b>562</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade and other payables	21	537	567	262
Convertible loans	22	–	40	562
Borrowings	24	–	–	7
Derivative	23	–	14	–
Other provisions	25	–	–	31
<b>Total current liabilities</b>		<b>537</b>	<b>621</b>	<b>862</b>
<b>Non-current liabilities</b>				
Borrowings	24	–	38	26
<b>Total non-current liabilities</b>		<b>–</b>	<b>38</b>	<b>26</b>
<b>Total liabilities</b>		<b>537</b>	<b>659</b>	<b>888</b>
<b>Net Liabilities</b>		<b>(158)</b>	<b>(371)</b>	<b>(326)</b>
<b>Equity</b>				
Called up share capital	26	2	2	3
Share premium	27	2,894	3,347	4,627
Share based payment reserve	27	–	–	114
Convertible loan note reserve	27	–	–	171
Retained earnings		(3,054)	(3,720)	(5,241)
<b>Total equity</b>		<b>(158)</b>	<b>(371)</b>	<b>(326)</b>

## Consolidated statements of changes in equity

	Share Capital £'000	Share Premium £'000	Share based payment reserve £'000	Convertible loan note reserve £'000	Retained earnings £'000	Total equity £'000
<b>Balance as 01 October 2018</b>	1	1,403	–	–	(2,414)	(1,010)
<b>Comprehensive Income</b>						
Loss for the year	–	–	–	–	(640)	(640)
<b>Transactions with owners</b>						
Shares issued for cash	–	405	–	–	–	405
Shares issued in lieu of expenses	1	902	–	–	–	903
Convertible loan notes exercised	–	184	–	–	–	184
<b>Balance at 30 September 2019</b>	2	2,894	–	–	(3,054)	(158)
<b>Balance at 01 October 2019</b>	2	2,894	–	–	(3,054)	(158)
<b>Comprehensive Income</b>						
Loss for the period	–	–	–	–	(666)	(666)
<b>Transactions with owners</b>						
Shares issued for cash	–	246	–	–	–	246
Shares in lieu of expenses	–	207	–	–	–	207
<b>Balance at 31 December 2020</b>	2	3,347	–	–	(3,720)	(371)
<b>Balance at 01 January 2021</b>	2	3,347	–	–	(3,720)	(371)
<b>Comprehensive Income</b>						
Loss for the year	–	–	–	–	(1,521)	(1,521)
Share based payments	–	–	114	–	–	114
<b>Transactions with owners</b>						
Shares issued for cash	–	436	–	–	–	436
Shares issued in lieu of expenses	1	656	–	–	–	657
Convertible loan notes exercised	–	188	–	–	–	188
Convertible loan notes issued	–	–	–	171	–	171
<b>Balance at 31 December 2021</b>	3	4,627	114	171	(5,241)	(326)



## Consolidated statements of cash flows

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
<b>Cash flows from operating activities</b>			
Loss before taxation from continuing activities		(718)	(1,545)
Adjustments for non-cash/non-operating items:			
Depreciation of property, plant and equipment	16	1	2
Amortisation of intangibles	14	–	52
Equity settled expenses		911	655
Gain on debt extinguishment	11	(142)	(14)
Fair value gain	11	–	
Equity settled share-based payments	25	–	114
Finance expense	10	100	49
<b>Operating cash flows before movements in working capital</b>		152	(687)
(Increase)/decrease in trade and other receivables	19	(78)	(18)
Increase/(decrease) in trade and other payables	21	(107)	(273)
(Decrease) in inventory	18	–	(190)
<b>Cash from operations</b>		(33)	(1,168)
Corporation tax (paid)/received		78	24
<b>Net cash generated from operating activities</b>		45	(1,144)
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	16	–	(10)
Purchase of intangibles	14	–	(123)
<b>Net cash used in investing activities</b>		–	(133)
<b>Cash flows from financing activities</b>			
Shares issued for cash		132	438
Proceeds from borrowings		–	(5)
Proceeds from convertible loans	22	(136)	833
Other interest paid	10	(29)	–
<b>Net cash used in financing activities</b>		(33)	1,266
Net increase/(decrease) in cash and cash equivalents		12	(11)
Cash and cash equivalents at beginning of period	20	–	75
<b>Cash and cash equivalents at end of period</b>	20	12	64

## Notes to the historical financial information

### 1 General information

LifeSafe Holdings Plc (the “Company”) is a publicly limited company by shares and registered and incorporated in England and Wales. The registered office is 1 Sopwith Crescent, Wickford, Essex, England, SS11 8YU.

The principal activity of the Company together with its subsidiary undertakings (the “Group”) throughout the period is that of the provision of fire suppressant and related products.

The information for the periods covered by the historical financial information does not constitute statutory accounts as defined in section 434 of the Companies Act 2006.

### 2 Accounting policies

#### 2.1 Basis of preparation

The historical financial information provided presents the financial track record of the Group for the year ended 30 September 2019, fifteen months to 31 December 2020 and year ended 31 December 2021 and is prepared for the purposes of admission of LifeSafe Holdings Plc to AIM, a market operated by the London Stock Exchange.

For all periods up to and including the year ended 31 December 2021, the Group prepared its financial statements in accordance with UK generally accepted accounting principles (UK GAAP). As part of the historical financial information, the Group have prepared the financial information in accordance with UK adopted International Financial Reporting Standards (“IFRS”) as defined by section 474(1) of the Companies Act 2006. The Group’s transition date to IFRS for the purposes of the historical financial information is 1 January 2019. The only transitional adjustments relate to IFRS 2 and IAS 32 which are detailed in the accounting policies below.

The historical financial information is prepared on a going concern basis, under the historical cost convention, except for certain financial assets and liabilities at fair value through profit or loss and fair value through other comprehensive income. The historical financial information is presented in pounds sterling and all values are rounded to the nearest thousand (£’000), except when otherwise indicated.

The principal accounting policies adopted in the preparation of the historical financial information are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. The Group has applied the requirements of IFRS 16 Leases from 1 January 2019, in advance of its effective date of 1 October 2019, to facilitate consistent presentation across the periods shown within the historical financial information. As such, IFRS 16 has been applied at 1 January 2019 which is the start of the historical financial period. The modified retrospective method of adoption was applied and did not result in the recognition of assets (right-of-use assets) by the Group.

#### 2.2 Going concern

The Group has continued to invest in growth throughout the historical financial period, with the Group continuing to trade throughout the historical financial. The Group made a loss after tax throughout the historical financial period and have net current liabilities as at the year ended 31 December 2021.

The Directors have assessed the ability of the Group and Company to continue as a going concern using cash flow forecasts. In light of the positive forecast cash position and current trading results the Directors are satisfied that there are sufficient resources to continue in business for the foreseeable future, being at least 12 months from the date of signing of the historical financial information.

Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt upon the Group’s ability to continue as a going concern. The Director’s remain mindful of the ongoing pandemic but are confident they have appropriate plans in place to mitigate. For

these reasons, they have adopted the going concern basis in preparing the Group's historical financial information.

### 2.3 **Basis of consolidation**

The historical financial information presents the results of the Company and its own subsidiaries as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full. The historical financial information incorporates the results of business combinations using the acquisition method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

The business combinations have been accounted for under IFRS 3 Business Combinations.

The historical financial information of the Group has been prepared under IFRS 10 Consolidated Financial Statements.

### 2.4 **New standards, amendments, and interpretations**

New standards impacting the Group that have been adopted effective 1 January 2019 are as follows:

- Definition of a Business (Amendments to IFRS 3); and
- Interest Rate Benchmark Reform – LIBOR 'phase 2' (Amendments to IFRS 9, IAS 39 and IFRS 7).

Following an assessment, the Group have determined that these standards have no material impact.

#### *New standards, amendments and interpretations not yet adopted*

The following standards are issued but not yet effective. The Group intends to adopt these standards, if applicable, when they become effective. It is not currently expected that these standards will have a material impact on the Group.

<b>Standard</b>	<b>Effective date</b>
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);	1 January 2022
Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41);	1 January 2022
Amendments to IFRS 3: References to Conceptual Framework;	1 January 2022
Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
Disclosure of accounting policies (Amendments to IAS 1)	1 January 2023
Definition of accounting estimates (Amendments to IAS 8)	1 January 2023
IFRS 17 Insurance contracts	1 January 2023
Amendments to IAS 12 Income Taxes: Deferred tax related to assets and liabilities arising from a similar transaction	1 January 2023

### 2.5 **Revenue recognition**

IFRS 15 "Revenue from Contracts with Customers" is a principle-based model of recognising revenue from contracts with customers. It has a five-step model that requires revenue to be recognised when control over goods and services are transferred to the customer.

The Group operates through digital and bulk contract orders. Revenue is recognised at a point in time when the Group delivers a product to a customer. Payment of the transaction price is due

immediately when the customer purchases the product ordering or as determined within the customer contracts.

Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

## 2.6 **Other operating income and grants**

Other operating income represents all other income received by the Group. This includes Government grants for the Job Retention Scheme.

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

In the year ended 31 December 2021, the group utilised the Government's Coronavirus Job Retention Scheme ('CJRS'), which allows for businesses to submit claims for repayment of furlough or flexible furlough employee wages as a result of COVID-19. Additionally in the period ended 31 December 2020, the Group utilised the Government's Coronavirus Bounce Back Loan Scheme (BBLS), which allows businesses to apply for loans with deferred payment and interest terms, as a result of the effects of COVID-19. The grant income received has been accounted for in accordance with IAS 20 'Accounting for Government Grants and Disclosure of Government Assistance' and shown in other operating income in the income statement and personnel costs have been shown gross of grant income.

## 2.7 **Employee benefits: Pension obligations**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

## 2.8 **Net finance costs**

### *Finance expense*

Finance expense comprises of interest payable and lease interest which are expensed in the period in which they are incurred and reported in finance costs. Debt issue costs are capitalised and amortised over the life of the associated facility.

### *Finance income*

Finance income relates to interest on bank deposits.

## 2.9 **Inventories**

Inventory is stated at the lower of cost or net realisable value. Cost is determined on a weighted average cost basis (AVCO) and comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the amount that can be realised from the sale of the inventory in the normal course of business after allowing for the costs of realisation.

Stock in transit at the period end is included within inventory at cost, where transfer of ownership can be readily determined.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventory over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

## 2.10 **Foreign currency translation**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period. All differences are taken to the statement of profit or loss and other comprehensive income.

## 2.11 **Current and deferred taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the UK where the Group operates and generates taxable income.

Deferred tax balances are recognised in respect of all temporary differences that have originated but not reversed by the reporting date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.
- Where timing differences relate to interests in subsidiaries the Group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

## 2.12 **Property plant and equipment**

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the reducing balance method. Depreciation is provided on the following basis:

- Plant and machinery – 15% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. At each reporting period end date, LifeSafe Holdings Plc reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

### 2.13 **Intangible assets**

#### *Other intangible assets*

Other intangible assets are initially at cost. After initial recognition, intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is charged to the administrative expenses in the Statement of Comprehensive Income on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life are systematically tested for impairment at each balance sheet date.

Other intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows on a straight-line basis:

Other intangible assets – 5 years

The estimated useful lives are as estimated based upon management's best estimate of the expected life of the asset. Useful lives are reconsidered if circumstances relating to the asset change or if there is an indication that the initial estimate requires revision.

### 2.14 **Impairment of assets**

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

### 2.15 **Leased assets**

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

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: an identified physically distinct asset can be identified; and the Group has the right to obtain substantially all of the economic benefits from the asset throughout the period of use and has the ability to direct the use of the asset over the lease term being able to restrict the usage of third parties as applicable.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;



- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to access that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of the termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove, or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term. When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the revised discount rate applicable at the date of estimation. An equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

Where the Group leases contain variable payment terms, payments determined as variable are treated as a charge to the income statement and not capitalised. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term.

#### 2.16 **Convertible debt**

The proceeds received on the issue of the Group's convertible debt are allocated into their liability and equity components where the fixed-for-fixed criterion is met. Where this criterion is not met, the conversion feature is accounted for as derivative liability and accounted for separately from the host instrument with the fair value of the embedded derivative liability being calculated first and residual value being assigned to the host instrument, which is accounted for at amortised cost.

#### 2.17 **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short term highly liquid deposits which are subject to an insignificant risk of changes in value.

#### 2.18 **Financial assets**

Financial instruments are all financial assets and financial liabilities that comprise a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity and are detailed in note 30.

Financial assets and financial liabilities are recognised when the Group becomes party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable (other than financial assets or liabilities at fair value through profit or loss) are added to or deducted from the fair value as appropriate, on initial recognition.

##### *Financial assets*

Financial assets are subsequently classified into the following specified categories:

- financial assets at fair value through profit or loss, including held for trading;

- fair value through other comprehensive income; or
- amortised cost.

The classification depends on the nature and purpose of the financial asset (i.e., the Group's business model for managing the financial assets and the contractual terms of the cash flows) and is determined at the time of initial recognition.

They are measured at amortised cost if they are held within a business mode whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets not held at amortised cost or fair value through other comprehensive income are held at fair value through profit or loss.

At present the Group only has financial assets held at amortised cost.

#### *Financial liabilities*

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements.

Equity instruments are any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recognised at proceeds received net of issue costs.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss ("FVTPL") or financial liabilities at amortised cost, which are measured using the effective interest method.

At present the Group only has financial liabilities held at amortised cost.

#### *Impairment of financial assets*

IFRS 9 requires the use of forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Recognition of credit losses is not dependent on LifeSafe Holdings Plc first identifying a credit loss event; instead, the Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

#### *Trade and other receivables*

the Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating this, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics based on grouping debt by days overdue.

### 2.19 **Equity instruments**

Equity comprises the following:

- "Called up share capital" represents the nominal value of equity shares.
- "Share premium" represents any premiums received on issue of share capital. Any transaction costs associated with the timing of shares are deducted from share premium.
- "Retained Earnings" represents retained earnings less retained losses.

## 2.20 **Share based payments**

The Group issues equity-settled share-based incentives to certain employees in the form of share options. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date is expensed in the Group's financial statements on a straight-line basis over the estimated vesting period, based on the estimate of shares that will eventually vest.

Share options that have been issued by the Group have been reviewed under the Black Scholes model to evaluate any provision that may be required to set against the reserves of the Group. All share options that have been issued by the Group include vesting conditions an IPO. An expense has been recognised in the Statement of Comprehensive Income.

## 2.21 **Business combinations**

The Group applies the purchase method to account for business combinations. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill, alternatively any deficit from the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as a gain on bargain purchase.

Acquisition costs are expensed as incurred.

Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

## 2.22 **Provision**

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Group becomes aware of the obligation and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

## 2.23 **Operating segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ('CODM'). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the group. The Group has one reporting segments, being the sale fire suppressant and related products.

## 3 **Critical accounting judgements and estimates**

The preparation of the historical financial information in compliance with IFRS requires the use of certain critical accounting estimates. It also requires the Group's management to exercise judgement and use assumptions in applying the Group's accounting policies. The resulting accounting estimates calculated using these judgements and assumptions will, by definition, seldom equal the related actual results but are based on historical experience and expectations of future events. Management believe that the estimates utilised in preparing the historical financial information are reasonable and prudent.

Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The judgements and key sources of estimation uncertainty that have a significant effect on the amounts recognised in the

historical financial information are discussed below makes certain estimates and assumptions regarding the future.

### ***Key accounting estimates and judgements***

The following are the areas requiring the use of estimates and judgements that may significantly impact the historical financial information.

#### *Control of Fire Safety UK Limited*

Included within the Group Structure is an entity called Fire Safety UK Limited (“FSM”) of which the LifeSafe Technologies Limited (“LTL”) held a 51% shareholding at the commencement of the HFI period and on the 6 May 2021 a settlement was paid via the issue shares for the remaining 49% to be acquired by the Parent of the Group.

In establishing whether LTL had control of the entity, the Directors have considered the whether the LTL had power over FSM as defined by IFRS 10, which includes the rights to direct the relevant activities, and considering only rights that are considered substantive in that the holder has the practical ability to exercise that right. The Directors have assessed the circumstances during the HFI period up to the point of the acquisition of the remaining 49% and have assessed that a significant barrier to practically exercise its substantive rights existed in the sense that information was not available to the Directors for them to exercise control.

At the date of settlement, the underlying investment in FSM was fully impaired.

#### *Useful economic lives of tangible and intangible assets*

The annual depreciation and amortisation charge for tangible and intangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary, to reflect current estimates, based on technological advancement, future investments, economic utilisation, and the physical condition of the assets.

#### *Fair value of intangibles*

The fair value of intangible assets acquired through business combinations involved the use of valuation techniques and the estimation of future cash flows to be generated over a number of years. The estimation of the fair values requires the combination of assumptions including revenue growth, customer attrition rate and discount rates.

#### *Share based-payments*

In order to calculate the value of employee share options as required by IFRS 2, the Group makes estimates principally relating to the assumptions used in its option-pricing model. This is a key estimate used to value the share options in issue at the balance sheet data.

#### *Derivative financial liabilities*

Derivative financial liabilities are recognised at fair value at the date of grant of the convertible debt instrument with which they are associated. The inputs used in establishing the fair value of the derivative component the convertible debt instrument used are not market observable and are based on estimates derived from available data and professional judgement surrounding future events. A significant change in these estimates could have a material impact on the value of the derivative liabilities and corresponding fair value gain or loss recognised in the profit and loss.

## **4 Revenue from contracts with customers**

One customer made up 10% or more of revenue in the year ending 31 December 2021 (2020: 0; 2019: 0). Management considers revenue derives from one business stream being the sale fire suppressant and related products.

### **Revenue from customers**

	<b>Year ended 30 September 2019 £'000</b>	<b>15 Months to 31 December 2020 £'000</b>	<b>Year ended 31 December 2021 £'000</b>
Customer 1	–	–	85
All other customers	36	95	585
	36	95	670

### **Geographical reporting**

	<b>Year ended 30 September 2019 £'000</b>	<b>15 Months to 31 December 2020 £'000</b>	<b>Year ended 31 December 2021 £'000</b>
United Kingdom	36	85	585
Australia	–	–	85
<b>Total revenue</b>	36	85	670

### **Timing of transfer of goods or services**

The Group's revenue is recognised at a point in time for each of the three periods presented.

### **5 Other operating income**

	<b>Year ended 30 September 2019 £'000</b>	<b>15 Months to 31 December 2020 £'000</b>	<b>Year ended 31 December 2021 £'000</b>
Grants received	–	47	43
	–	47	43

The Group received government grants as part of initiatives to provide financial support as a result of the COVID-19 pandemic. There are no future costs in respect of these grants which were received solely as compensation for the impact of the pandemic during the period.

The Coronavirus Bounce Back Loan Scheme (BBLs) incurs interest of 2.5%, whereby the interest on the loan is payable by the UK Government as part of the business interruption payment under the facility. Interest of £521 was accrued on the loan, payable by the UK Government up to 31 December 2021.

### **6 Segmental reporting**

The Chief Operating Decision Maker ("CODM") has been identified as the Directors. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. The CODM has determined that there is one single operating segment being the sale fire suppressant and related products. Information about geographical revenue is disclosed in note 4.

## 7 Expenses by nature

Operating profit is stated after charging:

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
Depreciation of property, plant and equipment	1	1	2
Amortisation of intangibles	–	24	52
Fair value gain/loss on derivatives	–	(6)	–
Debt extinguishment (gain)/loss	(142)	–	(14)
Share based payment	–	–	114
Foreign currency	–	–	6
Inventory write off	–	–	75

During the year ended 31 December 2021, the Group wrote off stock totalling £75k.

## 8 Employee benefit expenses

Employee benefit expenses (including directors) comprise:

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
Wages and salaries	134	153	256
Social security contributions and similar taxes	–	13	27
Pension costs	1	5	11
Share based payment expense	–	–	114
	135	171	408

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

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
Directors and staff	3	3	5
	3	3	5

During the year ended 31 December 2021, the Group capitalised staff costs of £72,446 (2020: £96,813; 2019: £Nil). This amount has been included within intangibles on the Statement of Financial Position.

## 9 Director emoluments

Director emoluments comprise:

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
Remuneration for qualifying services	120	130	200
Social security costs	2	15	25
Pension costs	1	4	9
	123	149	234

Directors participating in money purchase pension schemes as at the year ended 31 December 2021 was 5 (2020: 2; 2019: 2).



Key management personnel include all Directors of LifeSafe Holdings Plc, who together have authority and responsibility for planning, directing, and controlling the activities of the LifeSafe Holdings Plc's business. There are no key management personnel other than the Directors of LifeSafe Holdings Plc.

Remuneration disclosed above include the following amounts paid to the highest paid Director:

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
Wages and salaries	60	65	70
Social security costs	1	7	8
Pension costs	–	2	2
	61	74	80

## 10 Finance income and finance expense

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
Interest on bank loans & overdrafts	–	–	1
Other interest on financial liabilities	29	–	–
Interest on convertible loan notes	71	5	48
<b>Total finance expense</b>	100	5	49

## 11 Other gains and losses

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
Fair value gain on derivative	–	6	–
Gain on debt extinguishment	142	–	14
	142	6	14

## 12 Taxation

The tax credits for the periods presented differ from the standard rate of corporate tax in the UK. The differences are explained below:

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
Profit/(loss) on ordinary activities before tax	(718)	(692)	(1,545)
Tax using LifeSafe Holdings Plc's domestic tax rates	(136)	(132)	(294)
Effects of:			
Expenses not deductible for tax purposes	6	7	–
Adjustments in respect of prior periods	–	–	–
Capital allowances in excess of depreciation	(3)	–	–
Adjustments to tax charge in respect of previous periods	–	–	–
Effect of changes in tax rates on losses carried back	–	–	–
Tax losses utilised	55	99	270
<b>Total tax (credit)/charge</b>	(78)	(26)	(24)

The main rate of UK corporation tax was 19 per cent. For the periods ended 30 September 2019, 31 December 2020 and 31 December 2021.

The main rate of UK corporation tax was 19% for all periods included in the HFI. The UK corporation tax will be set at the main rate of 25% from the financial year 2023, this was substantially enacted on 24 May 2021.

At the year end, the Group had unused tax losses available for offset against suitable future profits of approximately £4,170,989 (2020: £2,626,960, 2019: £2,008,316). A deferred tax asset has not been recognised in respect of such losses due to uncertainty of future profit streams.

### 13 Loss per share

#### *Reconciliation of earnings used in calculating earnings per share*

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
Loss attributable to the ordinary equity holders of the Group	(640)	(667)	(1,521)

	Year ended 30 September 2019 No.	15 Months to 31 December 2020 No.	Year ended 31 December 2021 No.
Weighted average number of ordinary shares	119,270	230,511	285,839

The weighted average number of shares in issue is used as the denominator in the calculating basic earnings per share. As the Company is loss making the effect of instruments that convert into ordinary shares is considered anti-dilutive, hence there is no difference between the diluted and non-diluted loss per share.

### 14 Intangibles

	Other intangible assets £'000	Total £'000
<b>Cost</b>		
At 1 October 2018	–	–
Additions	–	–
At 30 September 2019	–	–
<b>Amortisation</b>		
At 1 October 2018	–	–
Charge for the year	–	–
At 30 September 2019	–	–
<b>Net book amount</b>		
At 30 September 2019	–	–
<b>Cost</b>		
At 1 October 2019	–	–
Additions	118	118
At 31 December 2020	118	118
<b>Amortisation</b>		
At 1 October 2019	–	–
Charge for the period	24	24
At 31 December 2020	24	24
<b>Net book amount</b>		
At 31 December 2020	94	94

	Other intangible assets £'000	Total £'000
<b>Cost</b>		
At 1 January 2021	118	118
Additions	123	123
At 31 December 2021	241	241
<b>Amortisation</b>		
At 1 January 2021	24	24
Charge for the year	52	52
At 31 December 2021	76	76
<b>Net book amount</b>		
At 31 December 2021	165	165

## 15 Investments

LifeSafe Holdings Plc substantially owns directly or indirectly the whole of the issued and fully paid ordinary share capital of its subsidiary undertakings.

The subsidiary undertakings of LifeSafe Holdings Plc are presented below:

Subsidiaries	Principal activity	Country of incorporation	Registered address	Percentage of ordinary shares held by LifeSafe Holdings Plc
LifeSafe Technologies Limited	The provision of fire suppressant and related products.	England & Wales	1 Sopwith Crescent, Wickford, Essex, England, SS11 8YU	100%
LifeSafe Technologies Holdings Limited	Dormant	England & Wales	1 Sopwith Crescent, Wickford, Essex, England, SS11 8YU	100%
Firescape I.P Limited	Dormant	England & Wales	1 Sopwith Crescent, Wickford, Essex, England, SS11 8YU	100%
Firescape U.K Limited	Dormant	England & Wales	1 Sopwith Crescent, Wickford, Essex, England, SS11 8YU	51% (49% held by LifeSafe Technologies Limited)

## 16 Property, plant and equipment

Depreciation charge is recognised in administrative expenses in the Statement of Profit or Loss within operating expenses, throughout the historical financial information period.

	Plant and machinery £'000	Total £'000
<b>Cost</b>		
At 1 October 2018	7	7
Additions	–	–
At 30 September 2019	7	7
<b>Depreciation</b>		
At 1 October 2018	2	2
Charge for the year	1	1
At 30 September 2019	3	3
<b>Net book amount</b>		
At 30 September 2019	4	4
<b>Cost</b>		
At 1 October 2019	7	7
Additions	–	–
At 31 December 2020	7	7
<b>Depreciation</b>		
At 1 October 2019	3	3
Charge for the period	1	1
At 31 December 2020	4	4
<b>Net book amount</b>		
At 31 December 2020	3	3
<b>Cost</b>		
At 1 January 2021	7	7
Additions	10	10
At 31 December 2021	17	17
<b>Depreciation</b>		
At 1 January 2021	4	4
Charge for the year	2	2
At 31 December 2021	6	6
<b>Net book amount</b>		
At 31 December 2021	11	11

## 17 Leases

### *Nature of leasing activities*

	Year ended 30 September 2019	15 Months to 31 December 2020	Year ended 31 December 2021
Number of active leases	–	–	1

The Group's lease includes the leasehold properties for commercial and head office use.

### *Extension, termination, and break options*

The Group sometimes negotiates extension, termination, or break clauses in its leases. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

On a case-by-case basis, the Group will consider whether the absence of a break clause would expose the Group to excessive risk. Typically, factors considered in deciding to negotiate a break clause include:

- The length of the lease term;
- The economic stability of the environment in which the property is located; and
- Whether the location represents a new area of operations for LifeSafe Holdings Plc.

**Short term or low value lease expense**

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
Total short term or low value lease expense	–	–	14
	–	–	14

**18 Inventories**

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
Finished goods and goods for resale	–	–	190
	–	–	190

The cost of Group inventories recognised as an expense in the year ended 31 December 2021 amounted to £503,813, (31 December 2020: £80,816; 30 September 2019: £35,475). This is included in cost of sales.

During the year ended 31 December 2021, the Group write off a total stock value of £74,893. This amount has been recognised separately in the Statement of Comprehensive Income.

**19 Trade and other receivables**

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
<b>Amounts falling due within one year:</b>			
Trade receivables	–	–	24
Other receivables	363	116	108
	363	116	132

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are non-interest bearing. The carrying amount of trade and other receivables approximates fair value.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables. The ECL balance has been determined as £Nil based on historical data available to management in addition to forward looking information utilising management knowledge. Based on the analyses performed there is no material impact on the transition to ECL from previous methods of estimating the provision for doubtful accounts.

## 20 Cash and cash equivalent

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
Cash at bank available on demand	12	75	64
	12	75	64

## 21 Trade and other payables

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
<b>Amounts falling due within one year:</b>			
Trade payables	178	136	206
Other payables	356	404	31
Other taxation and social security	3	27	25
	537	567	262

The Directors consider that the carrying value of trade and other payables approximates to their fair value. Trade payables are non-interest bearing and are normally settled monthly.

## 22 Convertible loans

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
<b>Amounts falling due within one year:</b>			
	–	40	562
	–	40	562

During period ended 31 December 2020 the Company issued £55,000 in convertible notes to Angel Business Services. The loans mature on the 1 August 22, have an annual interest rate of 10%, are unsecured and convert at a 20% discount in the event of a qualifying fundraising. The presence of potential settlement at the discount to an unknown fundraising price means that the fixed for fixed criterion is not met. Please refer note 23. The loan notes are unsecured and are convertible at the lender discretion. These loan notes have converted fully on the 4 March 2021 into 2,857 ordinary shares of 1p issued at £19.25 per share.

Further loan notes of £133,165 were issued to Angel Business Services in the year ended 31 December 2021, under the same provisions of the loans issued above. These were converted on the 4 March 21 and 21 July 21 for £19.25 per ordinary shares of 1p, resulting shares of 2,337 and 4,156 being issued respectively.

In the year to 31 December 21, the Company issued £700,000 notes of with an interest rate of 12.00%, interest accrues to the value of the loan and will convert to equity with principal in the event of a conversion. The loan is unsecured and repayable in 2 years or can be converted at any time into shares at the holder's option. There is an arrangement fee and monitoring fee of 13% of principal and 3% of principal respectively that are added to the loan balance on drawdown. The loan possesses an accelerated interest conversion feature that requires a full year of interest to be converted into equity if the loan is converted part way through a year. The loan value will convert to a fixed value of £34.16.

As the conversion feature results in the conversion of a fixed amount of stated principal into a fixed number of shares, it satisfies the 'fixed for fixed' criterion and, therefore, it is classified as an equity instrument. The value of the liability component and the equity conversion component were determined at the date the instrument was issued. The fair value of the liability component, included in non-current borrowings, at inception was calculated using a market interest rate for an equivalent instrument without conversion option. The discount rate applied was 15%. The transaction costs have been apportioned



between the equity and liability component with the portion attributable to equity have been recognised as a deduction in equity, and the liability component decreasing the amortised cost liability.

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
Opening balance	141	–	14
Fair value at recognition	–	20	–
Derecognition on conversion into shares	(141)	–	(14)
Fair value loss/(gain)	–	(6)	–
	–	14	–

Financial instruments that are measured subsequent to initial recognition at fair value are grouped into three levels based on the degree to which the fair value is observable as defined by IFRS 13:

Level 1 fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 fair value measurements are those derived from inputs, other than quoted prices included within Level 1, that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The derivative financial instruments included in the Statement of financial position, which is classified as a Level 3 derivative financial instrument, is the fair value of the conversion option of the convertible loan notes issued to Angel Business Services.

The fair value has been determined using the Black Scholes model and is determined at the initial recognition of the liability and then at each subsequent reporting date, using an estimated volatility, a risk-free rate, a dividend yield, expected term, exercise price and end of year market price, as follows:

	At inception	As at 31 December 2020
Estimated volatility (%)	65.95	68.26
Risk-free interest rate (%)	0.210	0.25
Dividend yield (%)	0.00	0.00
Expected term (years)	0.6	0.33
Market share price (p)	24.00	34.16

Changes to the fair value are recognised in finance expense in the Consolidated profit or loss and other Comprehensive income statement.

## 24 Borrowings

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
<b>Current:</b>			
Bank loans	–	–	7
	–	–	7
<b>Non-current</b>			
Bank loans	–	38	26
Total borrowings	–	38	33

A maturity analysis of the Group's borrowings is shown below:

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
Less than 1 year	–	5	7
Later than 1 year and less than 5 years	–	30	26
After 5 years	–	3	–

Included in bank loans is a Coronavirus Bounce Back Loan Scheme (BBLs) held with HSBC. The loan was taken out in May 2020 and matures five years after this date. The loan incurs interest of 2.5%, with deferred payment start date as part of the BBLs scheme for the first 12 months. Interest on the loan is payable by the UK Government as part of the business interruption payment under the facility.

## 25 Other provisions

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
<b>Amounts falling within one year:</b>			
Other provisions	–	–	31
	–	–	31
			<b>Other provisions £'000</b>
At 1 October 2018			–
Additions			–
At 30 September 2019			–
At 1 October 2019			–
Additions			–
At 31 December 2020			–
At 1 January 2021			–
Additions			31
At 31 December 2021			31

The Company is providing for Coronavirus Job Retention Scheme (“CJRS”) claims that may become repayable as a result of furloughed employees continuing to act in some capacity for the Company. At 31 December 2021, management estimated that £31,000 could become repayable to HMRC for incorrect CJRS claims.

## 26 Share capital

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
<b>Allotted, called up and fully paid</b>			
Ordinary shares of £0.01 each	2	2	3
	2	2	2

All classes of shares have full voting, dividends, and capital distribution rights.

The group operates two equity-settled share-based remuneration schemes for employees, under Enterprise Management Incentive Share Schemes. The options will lapse if the individual leaves within

10 years from the date of grant if all vesting conditions had not been met earlier. The terms and conditions of the grants are detailed below:

<b>Date of grant</b>	<b>No. of options</b>	<b>Exercise price</b>	<b>Vesting conditions</b>	<b>Contractual life of options</b>
30 September 2021	29,913	24.06	IPO	10 years
10 October 2021	32,904	24.06	IPO/Revenue target	10 years
	62,817			

Details of the number of share options granted, exercised, lapsed and outstanding at the end of each period as well as the weighted average exercise prices in £ ("WAEP") are as follows:

	<b>As at 30 September 2019</b>	<b>WAEP</b>	<b>As at 31 December 2020</b>	<b>WAEP</b>	<b>As at 31 December 2021</b>	<b>WAEP</b>
Outstanding at beginning of period	–	–	–	–	–	–
Granted during the period	–	–	–	–	62,817	24.06
Forfeited/lapsed during the period	–	–	–	–	–	–
Exercised during the period	–	–	–	–	–	–
Outstanding at period end	–	–	–	–	62,817	24.06
Exercisable at end of period	–	–	–	–	–	–

The fair values of the options granted during the year were calculated using the Black Scholes Model with the following assumptions:

Risk free interest rate	0.81% & 1.100%
Expected volatility	65.72%
Expected dividend yield	0.00%
Life of the option	10 years
Share price at measurement date	£24.0600

All options valid at the end of the year presented had the same exercise condition based on IPO, with the additional revenue target for the October 2021 options. An expense of £113,598 was recognised in the statement of comprehensive income for the options outstanding as in the opinion of the Directors of the Group it was highly probable that the IPO and revenue target criteria of the share option awards would be met in the foreseeable future at the balance sheet date.

## **27 Reserves**

### ***Called up share capital***

Called up share capital represents the nominal value of shares that have been issued.

### ***Share premium***

The share premium comprises the excess value recognised from the issue of ordinary shares above par value.

### ***Retained earnings***

Retained earnings relate to cumulative net gains and losses less distributions made.

### ***Convertible loan note reserve***

Amount of proceeds on issue of convertible debt relating to the equity component (i.e. option to convert the debt into share capital).

### **Share based payment reserve**

Cumulative fair value of options charged to the consolidated income statement net of the transfers to the profit and loss reserve on exercised and cancelled/lapsed options.

## **28 Retirement benefit scheme**

	<b>Year ended 30 September 2019 £'000</b>	<b>15 Months to 31 December 2020 £'000</b>	<b>Year ended 31 December 2021 £'000</b>
<b>Defined contribution schemes:</b>			
Charge to income statement	1	5	11

The Group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Group in an independently administered fund. The outstanding pension contributions was £3,330 at the year ended 31 December 2021. (2020: £821, 2019; £1,150).

## **29 Capital and contingencies**

### **Capital and financial commitments**

The Group held no capital, financial and or other commitments at the year ended of 31 December 2021.

## **30 Financial Instruments**

### **Financial assets**

Financial assets are not measured at fair value and due to short-term nature, the carrying value approximates their fair value. They comprise trade receivables, other receivables, and cash. It does not include current tax receivable and prepayments.

	<b>Year ended 30 September 2019 £'000</b>	<b>15 Months to 31 December 2020 £'000</b>	<b>Year ended 31 December 2021 £'000</b>
Trade receivables	–	–	24
Other receivables	363	116	108
Cash at bank and on hand	12	75	64
	375	191	196

### **Financial liabilities**

Financial liabilities measured at amortised cost comprise trade payables, other payables and borrowings. It does not include deferred income and other taxation and social security.

	<b>Year ended 30 September 2019 £'000</b>	<b>15 Months to 31 December 2020 £'000</b>	<b>Year ended 31 December 2021 £'000</b>
Trade payables	178	137	206
Other payables	356	404	30
Convertible loans	–	40	562
Borrowings	–	38	33
	534	619	831

Financial assets measured at fair value include derivative financial assets, as follows:

	Year ended 30 September 2019 £'000	15 Months to 31 December 2020 £'000	Year ended 31 December 2021 £'000
Derivatives	–	14	–
	–	14	–

Derivatives are included within the balance sheet under trade and other payables and are recognised under level 3 of the fair value hierarchy, refer note 23.

### **Financial risk management**

The Group is exposed through its operation to the following financial risks: credit risk, interest rate risk, foreign exchange risk and liquidity risk. Risk management is carried out by the Directors of the Group. The Group uses financial instruments to provide flexibility regarding its working capital requirements and to enable it to manage specific financial risks to which it is exposed.

The Group finances its operations through a mixture of debt finance, cash and liquid resources and various items such as trade debtors and trade payables which arise directly from the Group's operations.

#### ***Credit risk***

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. In order to minimise the risk, the Group endeavours only to deal with companies which are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored. The maximum exposure to credit risk is the carrying value of its financial receivables, trade and other receivables and cash and cash equivalents as disclosed in the notes to the historical financial information.

The receivables' age analysis is evaluated on a regular basis for potential doubtful debts, considering historic, current and forward-looking information. No impairments to trade receivables, have been made to date. Further disclosures regarding trade and other receivables are provided within the notes to historical financial information.

Credit risk also arises on cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating "B+" are accepted. Currently all financial institutions whereby the Group holds significant levels of cash are rated from AA- to A+.

#### ***Interest rate risk***

As at 31 December 2021, the Group's current borrowings include a BBLs loan with a fixed interest rate of the 2.5%, the balance of this loan being £33,363 as at 31 December 2021. Therefore, interest rate risk exposure for the Group is minimal. The Group's policy aims to manage the interest cost of the group within the constraints of its financial borrowings.

#### ***Foreign exchange risk***

Foreign exchange risk arises when the Group enter into transactions in a currency other than their functional currency. The Group's policy is, where possible, to settle liabilities denominated in a currency other than its functional currency with cash already denominated in that currency.

### **Liquidity risk**

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

A maturity analysis of the Group's total liabilities is shown below:

	<b>Year ended 30 September 2019 £'000</b>	<b>15 Months to 31 December 2020 £'000</b>	<b>Year ended 31 December 2021 £'000</b>
<i>Less than 1 year:</i>			
Trade and other payables	534	541	236
Convertible loans	–	40	562
Borrowings	–	–	7
	534	581	805
<i>Between 1-5 years:</i>			
Borrowings	–	38	26
	534	619	831

### **Capital Disclosures**

Equity comprises share capital, share premium and retained losses and is equal to the amount shown as 'Equity' in the balance sheet.

The Group's current objectives when maintaining capital are to:

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

The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust the capital structure, The Group may issue new shares or sell assets. During the periods ended 30 September 2019, 31 December 2020, and 31 December 2021 The Groups' business strategy remained unchanged.

### **31 Related party transactions**

In addition to matters reported in note 9, the following related party transactions took place during the period:

Dominic Berger, a director who served during the period is also a director of Jester Media Ltd. The total fees invoiced for consultancy services provided to the Group for the year ended 31 December 2021 was £30,000 (2020:£Nil; 2019:£Nil) of which £Nil was outstanding at the year end.

Dominic Berger, is also a director of Capital Plus Ltd. The total fees invoiced for consultancy services provided to the Group for the year ended 31 December 2021 was £Nil (2020:£7,500; 2019:£Nil) of which Nil was outstanding at the year end. Total expenses recharged for the year ended 31 December 2021 was £7,708 (2020:£656; 2019:£Nil), of which £Nil was outstanding at the year end.

Neil Smith, a director who served during the period is also a director of NCS Business Transformations Ltd. The total fees invoiced for consultancy services provided to the Group for the year ended 31 December 2021 was £133,764 (2020:£68,972; 2019:£Nil) of which £Nil was outstanding at the year end.



Gavin Cornelius, a director of LTL who served during the period, invoiced the Group, in relation to rent expenses, £61,470 for the year ended 31 December 2021 (2020: £Nil; 2019: £Nil) of which £Nil was outstanding at the year end.

Family members of Gavin Cornelius received remuneration of £6,091 (2020: £24,137; 2019: £1,752) during the year ended 31 December 2021 of which £Nil was outstanding at the year end.

The D A Phillips & Co Ltd Pension Scheme, a pension scheme whereby the trustee Gavin Cornelius is also a Director the Group, owns a property leased by the Group. In total the Group paid D A Phillips & Co Ltd Pension Scheme as at 31 December 2021 £9,310 (2020: £Nil, 2019: £Nil) in lease payments of which £Nil was outstanding at the year end.

Alan Brading, a director of LTL who served during the period is also a director of Sygma Accountants Ltd. The total fees invoiced for consultancy services provided to the Group for the year ended 31 December 2021 was £9,000 (2020: £12,000; 2019: £Nil) of which £Nil was outstanding at the year end.

Paul Jameson, a director who served during the period is also a director of Stonebeach Consulting Ltd. The total fees invoiced for consultancy services provided to the Group for the year ended 31 December 2021 was £94,478 (2020:£59,883; 2019:£Nil) of which £Nil was outstanding at the year end.

Michael Stilwell, a director who served during the period is also a director of Ambleside 1976 Ltd. The total fees invoiced for consultancy services provided to the Group for the year ended 31 December 2021 was £21,175 (2020: £Nil; 2019: £Nil) of which £6,227 (2020: £Nil; 2019: £Nil) was outstanding at the year end.

Oliver Sheehan, a director of LTL who served during the period is also a director of Sea Horse Ventures Ltd. The total fees invoiced to the Group for the year ended 31 December 2021 was £30,000 (2020: £Nil; 2019: £Nil) of which £Nil was outstanding at the year end.

Jarrod Hubbard, a shareholder during the period, invoiced the Group, in relation to storage expenses, £Nil for the year ended 31 December 2021 (2020: £Nil; 2019: £7,335) of which £Nil was outstanding at the year end.

Gary Walsh, a shareholder during the period is also a shareholder of Palm Media Ltd. The total fees invoiced to the Group for the year ended 31 December 2021 was £Nil (2020: £6,685; 2019: £2,604) of which £Nil was outstanding at the year end.

Richard Arnison, a shareholder during the period is also a shareholder of Belmonte Insurance Ltd. The total fees invoiced to the Group for the year ended 31 December 2021 was £Nil (2020: £7,792; 2019: £3,710) of which £Nil was outstanding at the year end.

Stuart Bushby, a shareholder during the period is also a shareholder of Bushby Contracts Ltd. The total fees invoiced to the Group for the year ended 31 December 2021 was £Nil (2020: £11,258; 2019: £Nil) of which £Nil was outstanding at the year end.

During the year, the Group conducted sales of £Nil, (2020: £Nil; 2019: £18,000), with H Morris & Company Ltd, a shareholder during the period.

EA-RS Limited, a shareholder of Firescape UK and a subsequent shareholder of the Group, invoiced the Group £261,031 (2020: £250,000; 2019: £Nil) in relation to expenses incurred for the year ended 31 December 2021, of which £Nil (2020: £20,000; 2019: £Nil) was outstanding at the year end. During the year, the Group conducted sales of £14,990, (2020: £Nil; 2019: £Nil), with EA-RS Limited.

### 32 Changes in liabilities from financing activities

	At 1 January 2021 £'000	Financing cash flows £'000	Interest £'000	Conversions £'000	Non-cash movements £'000	At 31 December 2021 £'000
Borrowings	38	(6)	1	–	–	33
Convertible loan notes	40	833	48	(359)	–	562
Total liabilities from financing activities	78	827	49	(359)	–	595

	At 1 October 2019 £'000	Financing cash flows £'000	Interest £'000	Conversions £'000	Non-cash movements £'000	At 31 December 2020 £'000
Borrowings	–	38	–	–	–	38
Convertible loan notes	–	55	5	–	(20)	40
Total liabilities from financing activities	–	93	5	–	(20)	78

	At 1 October 2018 £'000	Financing cash flows £'000	Interest £'000	Conversions £'000	Non-cash movements £'000	At 30 September 2019 £'000
Borrowings	123	–	29	–	(152)	–
Convertible loan notes	250	(136)	71	(184)	(1)	–
Total liabilities from financing activities	373	(136)	100	(184)	(153)	–

### 33 Ultimate controlling party

The Directors do not consider there to be one ultimate controlling party.

### 34 Contingent liabilities

The Group has historically remunerated some of its employees via consultancy arrangements. As a result of this, no PAYE or National Insurance Contributions have been paid by the Group for the services rendered. It is acknowledged that some elements of the consultancy agreement could be classified as employment and as such, PAYE and National Insurance Contributions would have been payable. Whilst the amount of this potential liability to HMRC is unknown without obtaining confirmation directly from HMRC, it is probable that an amount will become payable by the Group to HMRC as a result of the unpaid taxes.

### 35 Post balance sheet events

In February 2022, the Group issued new convertible loan notes totalling £200,000.

In March 2022, the Group received £50,000 in relation to a draw down on a convertible loan.

In March 2022, the Group issued new convertible loan notes totalling £500,000, a total of £250,000 has been drawn down.

Following the year end, the Group has received funds of £87,434 in relation to the issue of share capital, issuing a total of 2,561 new ordinary shares.

In April 2022, replacement share options were issued by the group for the existing unapproved share option scheme issued in October 2021 which were waived by award holders.

In April 2022, a bonus issue of shares was made for the shareholders of all 307,830 shares already in issue at that date. The bonus issue offered 49 ordinary shares for every 1 ordinary share in issue, with a nominal value of £0.01 per share. This increased the number of £0.01 ordinary shares in issue to 15,391,500.

## PART IV

# UNAUDITED PRO FORMA FINANCIAL INFORMATION

## haysmacintyre



10 Queen Street Place, London EC4R 1AG  
T 020 7969 5500 F 020 7969 5600

E [service@haysmacintyre.com](mailto:service@haysmacintyre.com)

DX 307453 CHEAPSIDE

W [www.haysmacintyre.com](http://www.haysmacintyre.com)

Follow us on twitter @haysmacintyre

The Directors  
LifeSafe Holdings plc  
1 Sopwith Crescent  
Wickford  
Essex  
SS11 8YU

The Directors  
WH Ireland Limited  
24 Martin Lane  
London  
EC4R 0DR

1 July 2022

Dear Sirs,

### LifeSafe Holdings plc (the “Company”)

We report on the unaudited pro forma statement of net assets of LifeSafe Holdings plc and its subsidiary, LifeSafe Technologies Limited (together the “Group”) (“the Pro Forma Financial Information”) set out in Part IV of the Company’s AIM admission document dated 1 July 2022 (the “Admission Document”).

### Responsibilities

It is the responsibility of the Directors of the Company to prepare the Pro Forma Financial Information.

It is our responsibility to form an opinion on the Pro Forma Financial Information as to the proper compilation of the Pro Forma Financial Information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports, or opinions, were addressed by us at the dates of their issue.

### Basis of preparation

The Pro Forma Financial Information has been prepared on the basis described in the notes thereto, for illustrative purposes only, to provide information about how the transaction might have affected the financial information presented on the basis of the accounting policies adopted by LifeSafe Holdings plc in preparing the audited financial information for the period ended 31 December 2021. This report is

required by Schedule Two of the AIM Rules for Companies (the “AIM Rules”) and is given for the purpose of complying with that schedule and for no other purpose.

### **Basis of opinion**

We conducted our work in accordance with Standards for Investment Reporting 4000 as issued by the Auditing Practices Board in the United Kingdom. We are independent of the Group in accordance with relevant ethical requirements. In the United Kingdom this is the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The work that we have performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the Directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

### **Opinion**

In our opinion:

- (a) the Pro Forma Financial Information has been properly compiled on the basis stated; and
- (b) such basis is consistent with the accounting policies of the Company.

### **Declaration**

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

Yours faithfully

### **Haysmacintyre LLP**

Chartered Accountants  
10 Queens Street Place  
London  
EC4R 1AG

## UNAUDITED PRO FORMA STATEMENT OF NET ASSETS

Set out below is an unaudited pro forma statement of net assets (“the Pro forma Information”) of LifeSafe Holdings plc (“the Company”), and LifeSafe Technologies Limited (together the “Group”) as at 31 December 2021. The unaudited Pro forma Information of the Group as at 31 December 2021 has been prepared on the basis set out in the notes below and in accordance with the requirements of the AIM Rules to illustrate the impact of the IPO fundraising and the conversion of convertible loan notes into equity as if they had taken place on 31 December 2021.

The unaudited Pro forma Information has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and does not, therefore, represent the Group’s actual financial position or results. Such information may not, therefore, give a true picture of the Group’s financial position or results nor is it indicative of the results that may or may not be expected as at 31 December 2021 as shown in Section B of Part III of this Document. No adjustments have been made to take account of trading, expenditure or other movements subsequent to 31 December 2021, being the date of the last published balance sheet of the Company.

The unaudited pro forma information does not constitute financial statements within the meaning of section 434 of the Companies Act 2006. Investors should read the whole of this Admission Document and not rely solely on the summarised financial information contained in Part III.

	<b>As at 31 December 2021 Note 1 £'000</b>	<b>Funds raised on Admission, less costs of Admission Note 2 £'000</b>	<b>Conversion of convertible loan notes into equity Note 3 £'000</b>	<b>Total pro forma net assets on Admission £'000</b>
<b>Current assets</b>				
Inventories	190	–	–	190
Trade and other receivables	132	–	–	132
Cash and cash equivalents	64	2,043	–	2,107
<b>Total current assets</b>	<b>386</b>	<b>2,043</b>	<b>–</b>	<b>2,429</b>
<b>Non-current assets</b>				
Intangibles	165	–	–	165
Property, plant and equipment	11	–	–	11
<b>Total non-current assets</b>	<b>176</b>	<b>–</b>	<b>–</b>	<b>176</b>
<b>Total assets</b>	<b>562</b>	<b>2,043</b>	<b>–</b>	<b>2,605</b>
<b>Current liabilities</b>				
Trade and other payables	262	–	–	262
Convertible loans	562	–	(562)	–
Borrowings	7	–	–	7
Derivative	–	–	–	–
Other provisions	31	–	–	31
<b>Total current liabilities</b>	<b>862</b>	<b>–</b>	<b>(562)</b>	<b>300</b>
<b>Non-current liabilities</b>				
Borrowings	26	–	–	26
<b>Total liabilities</b>	<b>888</b>	<b>–</b>	<b>(562)</b>	<b>326</b>
<b>Net assets/(Net liabilities)</b>	<b>(326)</b>	<b>2,043</b>	<b>562</b>	<b>2,279</b>

### Notes

The pro forma statement of net assets has been prepared on the following basis:

- The net assets of the Group as at 31 December 2021 have been extracted without adjustment from the audited Historical Financial Information which is set out in Section B of this Part III of this Document.

2. An adjustment has been made to reflect the proceeds of the Placing on Admission of 4,000,000 Ordinary Shares of the Company at an issue price of £0.75 per Ordinary Share. The proceeds are net of an adjustment to reflect the admission costs estimated at approximately £807,000 and placing commission estimated at approximately £150,000, deducted from share premium.
3. At Admission the amortised cost balance of all convertible loan notes in issue as at 31 December 2021, being £562,000, is converted into equity and therefore no longer represent a liability of the Group as at the date of Admission.
4. No adjustments have been made to reflect the trading or other transactions, other than described above of:
  - i. the Company since 31 December 2021; and
  - ii. LifeSafe Technologies Limited since 31 December 2021.
5. The pro forma statement of net assets does not constitute financial statements.

## PART V

### INTELLECTUAL PROPERTY ATTORNEY'S REPORT



City Tower  
40 Basinghall Street  
London EC2V 5DE  
United Kingdom  
T +44 (0)20 7776 5300  
F +44 (0)330 111 4455

**Mewburn.com**  
mail@mewburn.com

W H Ireland Limited  
24 Martin Lane  
London EC4R 0DR

and

LifeSafe Holdings plc  
1 Sopwith Crescent  
Wickford, Essex  
SS11 8YU

1 July 2022

Dear Sirs

#### **Report on the intellectual property of LifeSafe Holdings plc Mewburn Ref: 008178345**

Mewburn Ellis LLP is a firm of intellectual property (IP) attorneys qualified to practise in the United Kingdom and Germany, and before the European Patent Office, the European Intellectual Property Office, and the World Intellectual Property Organization. We act as European patent and trade mark attorneys and IP counsel to LifeSafe Technologies Limited ('the Company'), the wholly owned subsidiary of LifeSafe Holdings plc. Where applicable, we engage patent and trade mark attorneys in other jurisdictions on behalf of the Company.

LifeSafe Holdings plc instructed us to issue a public report summarising the Company's intellectual property ('the Report'). The Report is prepared in relation to the proposed initial public offering of LifeSafe Holdings plc, on the London Stock Exchange's AIM ('the Transaction').

This Report and its content must not be amended in any way without the express approval of Mewburn Ellis LLP.

#### **Definitions**

##### ***Patent***

The term "patent" refers to a term-limited exclusive right to prevent the exploitation of an invention by third parties. To be patentable an invention must be, *inter alia*, new, inventive, and capable of industrial application. A patent right is granted by national governments or intergovernmental organisations through their patent office following an application and examination procedure. The process of guiding a patent application through the application and examination procedure is generally known as patent prosecution.

##### ***Patent ownership and entitlement***

In the UK, the right to be granted a patent belongs to the inventor or joint inventors in default. However, that right may pass to the employer of the inventor by operation of law (provided certain conditions are met), which is often restated or confirmed by a "confirmatory assignment", or to third parties by the operation of a contract.



### **Patent term**

The basic term of a patent is twenty years from the date of filing (the date of grant does not affect this in most jurisdictions). Most notably in the United States, the twenty-year term may be adjusted or extended, for example, due to delays on the part of the US Patent Office during prosecution. However, the calculation of such term adjustments, and the interplay with terminal disclaimers filed between commonly owned US patents in certain situations, is complex and beyond the scope of this Report. As used herein, the expiry date is given for guidance only and is simply the filing date plus twenty years.

### **Trade mark**

A trade mark is a distinctive work or logo (or combination of the two) that distinguishes the goods or services of one trader from another. A trade mark can be registered. A registered trade mark provides an exclusive right to take action against other parties for use of an identical or similar trade mark in the course of trade in connection with identical or similar goods or services for which the mark has been registered. Subject to the payment of office fees a trade mark can be renewed indefinitely in ten year increments. A registered trade mark is granted by national governments through their trade mark office following an application and examination procedure.

### **Disclaimers**

The data included in this Report relating to the Company IP mentioned in paragraphs 1.5 to 1.8 and 1.11 was taken from our, or public, electronic files. We have exercised due care in transcribing these files. In preparing this Report we have otherwise relied on the information relating to the Company IP provided to us by the Company.

The information used in this Report was compiled up to 29 June 2022 unless stated otherwise. Any change in status of a patent application or trade mark registration referred to herein after that date (or where an earlier date is stated, after the earlier specified date), may not be included in this Report.

Important notes with regards to the limitations surrounding the patent applications are provided later in this Report.

In preparing the part of this Report relating to the status of patent applications we searched our own records and publicly available electronic registers or databases compiled by others from published information on patents and patent applications.

In preparing the part of this Report relating to the status of trade marks we searched our own records and publicly available registers or databases compiled by others from published information on trade marks and trade mark applications.

We obtained copies of English language pending patent application claims from our own records.

It is normal during IP office search and examination procedures for examiners to identify prior art documents and make rejections against an application. It is also normal for the applicant, e.g. the Company, to respond with reasons why the rejection is not material or has been overcome. In some cases, the applicant response may include amendments to the application, including the claims, or documentary evidence to support the applicant's position.

Any reference in this Report to "our knowledge," means the actual knowledge of those attorneys of this firm who have rendered substantive attention to the matter to which this Report relates, namely Callum McGuinn, Sean Jauss, or Pollyanna Savva. For the avoidance of doubt, unless set forth herein, we have not undertaken, for the purposes of this Report, any independent investigation to determine the existence or absence of facts that would contradict our statements set forth herein, and no inference as to our knowledge of the existence or absence of such facts should be drawn from the fact that we act before the IP noted above, or have reviewed the online registers as described above.

The date stated in the signed final Report is the date on which our work is completed. Mewburn Ellis LLP will not update the final Report in respect of any events which may occur, or any facts which may be discovered, after that date.

In the event of any inconsistency between different versions of the Report, the signed final Report is definitive.

## **1. Executive summary**

- 1.1 The Company IP covered by this Report is that of the products known as “FER1000” and “Derivative Fluid” (the “Company IP”).
- 1.2 This Executive Summary must be read in conjunction with the other sections of this Report of which it forms a part. Please see the sections below, in particular paragraphs 6.1-6.28, which explain some of the limitations and disclaimers which apply. These limitations and disclaimers apply likewise to the present Report.
- 1.3 For the purposes of the AIM Rules for Companies, we declare that we have prepared this Report, which forms part of the Admission Document, and that we have taken all reasonable care to ensure that the information contained in this Report is, to the best of our knowledge and belief, in accordance with the facts and contains no omission likely to affect its import.
- 1.4 All patent applications considered in this Report are currently pending. The Company has taken all necessary steps so far to keep them pending.
- 1.5 UK patent application GB 1706371.0, relating to the Company’s FER1000 product, received a number of objections from the UK Intellectual Property Office (UKIPO) and the claims have been amended to address these. The application has now received a notice of intention to grant a patent and the patent will be granted shortly after 6 July 2022. More detail is provided in paragraphs 6.2 and 6.7-6.9.
- 1.6 UK patent application GB 2116728.3, relating to the Company’s Derivative Fluid, a derivative of FER1000, being developed to extinguish lithium-ion battery cell fires, has recently received an official patent office search report. Based on the information disclosed to us to date, we do not anticipate material difficulties (i.e. difficulties that go beyond those that may be reasonably expected as part of normal IP office search and examination procedures) to obtaining a granted patent in the UK from this application. More detail is provided in paragraphs 6.2 and 6.10-6.12.
- 1.7 International (PCT) patent application PCT/EP2019/078933, relating to the Company’s FER1000 product, has recently entered the national phase. The Company has entered the national phase in the USA to attempt to secure a US patent.
- 1.8 US patent application US 17/771,065, relating to the Company’s FER1000 product, is pending and is the US national phase of PCT/EP2019/078933. The application recently entered the national phase and no substantive progress has yet been made in prosecution.
- 1.9 UK patent application GB 1706371.0, International (PCT) patent application PCT/EP2019/078933, and US patent application US 17/771,065 each have two named inventors. UK patent application GB 2116728.3 has one inventor. In all cases, the Company claims entitlement to the invention rights by virtue of section 7(4) (right to apply for and obtain a patent) and section 39(1) of the Patents Act 1977 (rights to employee inventions). The Company has obtained written confirmatory assignments from certain of the named inventors.
- 1.10 We are not aware of any pending or threatened legal proceedings, or challenges as to chain of title, relating to the Company IP in the FER1000 or Derivative Fluid products.
- 1.11 Many of the LIFESAFE TECHNOLOGIES and STAYSAFE marks are registered. However, there are a few live pending applications: US application 79/326294 and Canadian application 2148020 for the LIFESAFE TECHNOLOGIES mark are awaiting examination by the national offices; Australian application 2215093 for the STAYSAFE mark has been provisionally refused on the basis of an objection raised by the national office and the Company had decided to abandon the application; US application 79/332070 and Canadian application 2162340 for the STAYSAFE mark are awaiting examination; UK series application 3779830 for the LIFESAFE TECHNOLOGIES black and white and grey on white logo marks; UK series application 3779833 for the STAYSAFE black and white and grey on white logo marks; UK application 3779837 for the LIFESAFE TECHNOLOGIES colour logo mark; and UK application 3779842 for the STAYSAFE colour logo mark are all awaiting examination.

## **2. The relationship between Mewburn Ellis LLP and the Company**

- 2.1 The Company has been a client of Mewburn Ellis LLP since August 2016. We act as an adviser to the Company in guiding its overall IP strategy, specifically in relation to patents and trademarks. We have drafted patent and trade mark applications for the Company and act as the agent of the Company in prosecuting and maintaining those applications before various patent offices. From time to time, we also advise the Company in relation to the commercialisation, defence, and enforcement of its IP.
- 2.2 To the best of our knowledge, Mewburn Ellis LLP and its partners and employees are, and have always been, completely independent of the Company and no conflicts of interest exist.

## **3. An outline of the patent and trademark registration systems and protections which are relevant to the Company**

- 3.1 The scope of this Report is limited to the following patent applications and trade mark registrations ('the Company IP'):
- UK patent application GB 1706371.0 relating to the FER 1000 product ("FIRE EXTINGUISHING LIQUID");
  - UK patent application GB 2116728.3 relating to the Derivative Fluid product ("FIRE EXTINGUISHING LIQUID");
  - International (PCT) patent application PCT/EP2019/078933 relating to the FER 1000 product ("FIRE EXTINGUISHING LIQUID");
  - US patent application US 17/771,065 relating to the FER 1000 product ("FIRE EXTINGUISHING LIQUID"); and
  - LIFESAFE TECHNOLOGIES and STAYSAFE trademark registrations, including the proposed new logo applications for these marks.
- 3.2 The Company has previously applied for other patents and trademarks. However, we understand that the Board of the Company considers these to be of no relevance to the admission document, and they are not covered by this Report.

### ***Patent registration systems***

- 3.3 As far as the GB 1706371.0 and GB 2116728.3 patent applications are concerned, the relevant body with the authority to decide upon the allowability of these applications and grant a patent provided that certain conditions are met is the UKIPO. As explained below, these two patent applications are currently "pending" (i.e. under examination but not yet granted) at the UKIPO. A patent examiner at the UKIPO is in the process of examining these applications to consider whether they meet the requirements for the grant of a UK patent (including whether the inventions they claim are novel and inventive). If all the requirements for grant are met, the application will be granted and a patent issued.
- 3.4 As far as the PCT/EP2019/078933 application is concerned, the relevant system under which the allowability of the application is currently being considered is the Patent Cooperation Treaty (PCT). Like the two UK applications described above, PCT/EP2019/078933 is "pending". Patent applications filed under the PCT are initially examined centrally for patentability, in what is commonly referred to as the "international phase". Patents are not granted at the international level. The applicant must choose which specific member states of the PCT are desired for protection and enter the "national phase" in each of those countries (or in some cases, regions). The pending application is then examined by each separate national or regional patent office for allowability and will be issued as a granted patent if the local requirements for patentability are all met. PCT/EP2019/078933 has recently entered the "national phase".
- 3.5 As far as the US 17/771,065 application is concerned, the relevant system under which the allowability of the application is currently being considered is the United States Patent and Trade Mark Office ("USPTO"). As explained below, this patent application is currently "pending" (i.e. under examination but not yet granted) at the USPTO. A patent examiner at the USPTO will eventually examine the application to consider whether they meet the requirements for the grant

of a US patent (including whether the invention it claims is novel and inventive). If all the requirements for grant are met, the application will be granted and a patent issued.

### **Trade mark registration systems**

#### *UK Intellectual Property Office (UKIPO)*

3.6 UK trade mark applications and UK designations of international registrations are examined, published and registered by UKIPO. The Company owns the following UK registrations:

- UK registration UK00003530146 LIFESAFE TECHNOLOGIES in classes 1 and 9; and
- UK registration UK00003530142 STAYSAFE in class 9.

#### *World Intellectual Property Organization (WIPO)*

3.7 The Madrid Protocol is an international system for obtaining trade mark protection in a number of jurisdictions using a single application. Protection of an International Registration can only be obtained in jurisdictions which have joined the system. International Registrations give a bundle of rights administered centrally via WIPO in Switzerland.

3.8 WIPO carries out a formalities examination, and when formalities requirements are met, WIPO will send the application to each of the designated trade mark offices for further examination, publication and registration.

3.9 The Company owns the following International Registrations designating Australia, Canada, New Zealand, and US:

- International Registration 1615546 LIFESAFE TECHNOLOGIES; and
- International Registration 1616221 STAYSAFE.

## **4. An outline of the IP strategy of the Company**

### **Patents**

4.1 The Company, *inter alia*, develops fire extinguishing fluids and delivery systems for fire extinguishing fluids. We are informed that the Company's standard approach to protecting technical innovations is as follows:

- All product research and development work is to be conducted under conditions of confidentiality. If any non-Company persons or entities are engaged to assist with research and development ("R&D"), appropriate NDAs should be in place before any confidential information is shared with them. If any R&D work is to be conducted outside of Company premises (e.g. testing), it should be ensured that the work can be conducted under confidential conditions, e.g. by restricting access of others to the site and/or by masking the work that is being undertaken. Any non-Company observers should have signed NDAs in advance.
- The outputs from all R&D work, including test results, fluid formulations and extinguisher designs should remain confidential, at least until a relevant patent application has been filed; or a decision has been taken to not file a patent application and it is decided that publication of the information is warranted for good commercial reasons (e.g. publicity, sales, etc).
- At appropriate points in the product development process (typically at least at concept stage, initial prototype stage, post-testing and once final commercial product formulation/design is reached) consideration will be given to whether or not to file patent applications / protection as trade secrets.
- Where a decision to seek patent protection is made, the general patenting strategy of the Company is to submit an initial UK patent application to establish a priority date for an invention. In most cases, this UK patent application is then prosecuted at the UKIPO in an effort to secure a granted patent based on the application which would offer protection

against infringers in the UK.

- In some cases, where it is considered that protection outside the UK may be valuable, an international (PCT) application is submitted (for example, PCT/EP2019/078933 described above). Final decisions for countries will be made based on commercial factors, especially key markets for the product(s) to which the invention relates and the size of anticipated revenues based on the invention.
- The strategy for protecting technical innovation will also factor in patent-related tax benefits in the UK (which require granted UK patent protection).

### **Trade marks**

- 4.2 We are informed that the general trade mark strategy of the Company is to obtain registered protection for the two key brands: LIFESAFE TECHNOLOGIES and STAYSAFE in key jurisdictions, namely the UK, EU and US. Registered protection for logo versions of these marks in key jurisdictions is also sought.
- 4.3 Beyond the key jurisdictions, registration will be sought for the two key brands LIFESAFE TECHNOLOGIES and STAYSAFE in jurisdictions where the Company's products are sold.
- 4.4 In jurisdictions where the Company's products will be distributed by local distributors, the Company intends to license use of relevant registered and unregistered marks to the distributor by way of a distribution agreement with provisions to control use of the marks in accordance with the Company's brand guidelines.
- 4.5 The Company endeavours to ensure ownership of logo versions of its marks resides with the Company and it has put in place an assignment in relation to its logo marks.
- 4.6 The Company will consider registered design or design patent protection products for their packaging, where deemed appropriate.

## **5. An overview of the proprietary technology of the Company**

The only Company IP covered by this Report is that of the products known as "FER1000" and "Derivative Fluid".

Our understanding is that development of both the FER1000 and Derivative Fluid is ongoing and the Company anticipates that at least one further patent application will be filed to protect developments of one or more of these within the next 2 to 3 months.

### **FER1000**

FER1000 is a fire extinguishing fluid which is used within the "StaySafe" fire extinguisher product. The liquid in its current commercial form is a formulation comprising an aqueous mixture of inorganic salts and additives which provide fire extinguishing properties. FER1000 is the subject matter of patent applications GB 1706371.0, PCT/EP2019/078933 and US 17/771,065.

### **Derivative Fluid**

The "Derivative Fluid" product is a more recent innovation directed to the extinguishing of lithium-ion battery cell fires. This product has not yet been commercialised, but there are currently two versions of the liquid under development with formulations comprising an aqueous mixture of inorganic salts and additives which provide fire extinguishing properties tailored to electric vehicle battery fires. Derivative Fluid is the subject matter of patent application GB 2116728.3.

## **6. Status**

Status of the patent applications GB 1706371.0, GB 2116728.3, PCT/EP2019/078933 and US 17/771,065

- 6.1 We have been asked to provide an overview of the status of the following four patent applications:



GB 1706371.0 (“FIRE EXTINGUISHING LIQUID”), which relates to the Company’s FER1000 product;

GB 2116728.3 (“FIRE EXTINGUISHING LIQUID”), which relates to the Company’s Derivative Fluid;

PCT/EP2019/078933 (“FIRE EXTINGUISHING LIQUID”), which relates to the Company’s FER1000 product; and

US 17/771,065 (“FIRE EXTINGUISHING LIQUID”), which relates to the Company’s FER1000 product.

6.2 Current details of these four patent applications, including their statuses, are provided in the following table. These are correct on the date of this Report.

**Status of Patent Applications on 12 May 2022**

Applicant name	Jurisdiction	Status	Title	Named Inventors	Application Number	Application Date	Priority claim	Publication date	Publication No	Renewal fees
LifeSafe Technologies Limited	GB	Allowed <sup>1</sup>	FIRE EXTINGUISHING LIQUID	Tony CRAWLEY; Gavin CORNELIUS	1706371.0	21/04/2017	None	24/10/2018	2561610	Not due until grant
LifeSafe Technologies Limited	GB	Pending	FIRE EXTINGUISHING LIQUID	Gavin Cornelius <sup>2</sup>	2116728.3	19/11/2021	None	N/A	As yet unpublished	Not due until grant
LifeSafe Technologies Limited	WO	Entered national phase	FIRE EXTINGUISHING LIQUID	Gavin CORNELIUS, Tony CRAWLEY	PCT/EP2019/078933	23/10/2019	None	29/04/2021	WO2021/078381	Not due until national phase
LifeSafe Technologies Limited	US	Pending	FIRE EXTINGUISHING LIQUID	Gavin CORNELIUS, Tony CRAWLEY	US 17/771,065	23/10/2019	None	N/A	As yet unpublished	Not due until grant

<sup>1</sup>A notice of Intention to Grant (section 18(4) UK Patents Act) was issued on 6 June 2022, indicating that the patent will be granted shortly after 6 July 2022.

<sup>2</sup>Inventorship not yet filed at UKIPO.

6.3 The information provided in the above table and this section of the Report is based on information available to us, e.g. in publicly available databases and registers, about the applications on the date of this Report. The information available to us included information available to the public or information made available to us by the Company. No update will be made to the information provided in this section of the Report or the above table in respect of changes occurring after the date of this Report.

6.4 Three of the four applications are currently pending, i.e. not yet granted, and not refused, abandoned, or withdrawn. The PCT application PCT/EP2019/078933 has now entered the national phase so is no longer pending in the international phase.

6.5 Beyond the prior art referred to in this Report, including any prior art cited by IP offices in relation to the prosecution of the Company IP, the Company is not aware of any material prior art that may affect the patentability, validity, or registrability of any of the Company IP.

6.6 The Company is not aware of public disclosures or use anywhere in the world of any invention, product, or process, which would adversely affect the validity any of the Company IP.

**Prosecution summary for GB 1706371.0 (FER 1000)**

6.7 The pending principal claims of this UK application are as follows:

1. A fire extinguishing liquid comprising:
  - (a) 10 to 35 wt% diammonium hydrogen phosphate ((NH<sub>4</sub>)<sub>2</sub>HPO<sub>4</sub>);
  - (b) 0.01 to 5 wt% ammonium bicarbonate (NH<sub>4</sub>HCO<sub>3</sub>);
  - (c) 0.01 to 10 wt% ammonium sulphate ((NH<sub>4</sub>)<sub>2</sub>SO<sub>4</sub>);
  - (d) 2 to 6 wt% firefighting foam component; and

- (e) balance water, to provide a total of 100 wt%.
  2. A method of manufacturing a fire extinguishing liquid comprising the step of mixing
    - (a) 10 to 35 wt% diammonium hydrogen phosphate ((NH<sub>4</sub>)<sub>2</sub>HPO<sub>4</sub>);
    - (b) 0.01 to 5 wt% ammonium bicarbonate (NH<sub>4</sub>HCO<sub>3</sub>);
    - (c) 0.01 to 10 wt% ammonium sulphate ((NH<sub>4</sub>)<sub>2</sub>SO<sub>4</sub>);
    - (d) 2 to 6 wt% firefighting foam component; and
    - (e) balance water, to provide a total of 100 wt%.
  3. Use of monopropylene glycol (C<sub>3</sub>H<sub>8</sub>O<sub>2</sub>) as a freezing-point depressing additive in a fire extinguishing liquid, wherein the fire extinguishing liquid further comprises (a) 10 to 35 wt% diammonium hydrogen phosphate ((NH<sub>4</sub>)<sub>2</sub>HPO<sub>4</sub>); (b) 0.01 to 5 wt% ammonium bicarbonate (NH<sub>4</sub>HCO<sub>3</sub>); (c) 0.01 to 10 wt% ammonium sulphate ((NH<sub>4</sub>)<sub>2</sub>SO<sub>4</sub>); (d) 2 to 6 wt% firefighting foam component; and (e) balance water, to provide a total of 100 wt%.
- 6.8 The UKIPO has cited the following documents against this application during the ongoing search and examination:
- KR 10-2010-0114991  
CN 106267675  
JP 2012-024255  
KR 10-2012-0052616  
JP 2013-075129  
WO 2013/145207  
US 2010/000746  
US 2007/029518  
JP 2007/020965  
CN 1644230
- 6.9 The Company has taken all reasonable steps in an attempt to progress this application to grant, including replying to all communications from the UKIPO in a timely manner. The UKIPO cited the above documents and raised a number of objections against the patent application. The UKIPO subsequently issued an examination report dated 13 April 2022 indicating that the claims are considered to be novel and inventive and a patent is expected to be granted shortly after some minor formalities are addressed. A notice of Intention to Grant (section 18(4) UK Patents Act) was issued on 6 June 2022, indicating that the patent will be granted shortly after 6 July 2022. The UKIPO examiner has not questioned the sufficiency of disclosure or the basis for claim amendments.

***Prosecution summary for GB 2116728.3 (Derivative Fluid)***

- 6.10 The pending principal claims of this UK application relate to a fire extinguishing liquid containing a specific mixture of ingredients.
- 6.11 This application was submitted to the UKIPO relatively recently, on 19 November 2021, and a UKIPO search report was issued on 13 April 2022.
- 6.12 It is normal for objections to be raised against pending patent applications and the Company will have the opportunity to respond to such objections if they are raised based on the documents cited in the search report. It is possible that the UKIPO will grant a patent if they are persuaded by the arguments in the Company's response. It is also possible that the UKIPO examiner will maintain earlier objections or put forward one or more new citations along with new objections based on them, such that further argument from the Company will be necessary.

***Prosecution summary for PCT/EP2019/078933 (FER 1000)***

- 6.13 The pending principal claims of this international (PCT) application are as follows:



1. A fire extinguishing liquid comprising:
    - (a) one or more of a phosphate, hydrogen phosphate or dihydrogen phosphate salt;
    - (b) a hydrogen carbonate salt; and
    - (c) a sulphate salt.
  2. A method of manufacturing a fire extinguishing liquid comprising the step of mixing (a) one or more of a phosphate, hydrogen phosphate or dihydrogen phosphate salt; (b) a hydrogen carbonate salt; (c) a sulphate salt; and a liquid vehicle.
  3. Use of monopropylene glycol (C<sub>3</sub>H<sub>8</sub>O<sub>2</sub>) as a freezing-point depressing additive in a fire extinguishing liquid, wherein the fire extinguishing liquid further comprises (a) one or more of a phosphate, hydrogen phosphate or dihydrogen phosphate salt; (b) a hydrogen carbonate salt; (c) a sulphate salt.
- 6.14 The international search carried out by the EPO against PCT/EP2019/078933 returned the three documents listed below:
- GB 2561610  
US 2010/000746  
KR 10-2010-0114991
- 6.15 GB 2561610 is the publication of earlier-filed application of the Company GB 1706371.0, discussed above.
- 6.16 The specification of PCT/EP2019/078933 is verbatim identical with that of GB 2561610. PCT/EP2019/078933 did not claim the priority of GB 1706371.0 and was filed only after publication of GB 1706371.0 (published as GB 2561610). However, PCT/EP2019/078933 was filed with the intention of protecting the invention only in countries where grace period provisions are available which would remove GB 2561610 from the prior art (see below).
- 6.17 The documents listed in paragraph 6.8 above may also be relevant to the patentability of PCT/EP2019/078933.
- 6.18 In most jurisdictions, the claims of PCT/EP2019/078933 will lack novelty over GB 2561610 (the Company's earlier UK patent application), because this earlier publication contains an identical disclosure to the PCT application. It will be impossible to make the claims novel over GB 2561610 in these jurisdictions due to the identical disclosures. However, in certain jurisdictions (including the USA), provisions are available relating to a "grace period" which effectively removes disclosures from the prior art when they occurred within a certain time window preceding the filing of the application and were made by the same inventor/applicant. In these jurisdictions, the Company may have the opportunity to request that GB 2561610 be removed from the prior art under the grace period provisions. If the Company's US national phase application is unsuccessful in applying for the grace period, then it seems likely that the US application of PCT/EP2019/078933 will lack novelty over GB 2561610.
- 6.19 It will therefore be necessary for the Company to be successful in securing the grace period for the US national phase of PCT/EP2019/078933 in order for the application to be novel over the prior art. We cannot comment on the likelihood that the Company will be successful in securing the grace period in any jurisdiction. The Company are currently in discussions with a US patent attorney around the best way to approach securing the grace period in the USA.
- 6.20 If the grace period is successfully applied, a narrowing amendment of the claims to reflect the recently narrowed pending claims of GB 1706371.0 referred to in paragraph 6.7 above may be necessary in order to advance the prosecution of the US application.





***Prosecution summary for US 171771,065 (FER1000)***

- 6.21 This is the US national phase of PCT/EP2019/078933. The application has not yet been examined by the USPTO. The issues described in paragraphs 6.16-6.20 above will apply to this application.

**The status of the LIFESAFE TECHNOLOGIES and STAYSAFE trademark registrations, including the new logo applications for these marks**

6.22 Details of live applications and registrations for the LIFESAFE TECHNOLOGIES and STAYSAFE marks, including their statuses, are provided in the following table. These are correct at 31 March 2022.

**Status of Trade Mark Applications and Registrations for LIFESAFE TECHNOLOGIES and STAYSAFE on 31 March 2022**

Owner name	Jurisdiction or 'IR' if international registration	Status	Mark	Classes	Application/Registration Number	Application Date	Registration Date	Priority claim	Notes for pending applications	Renewal Date
LifeSafe Technologies Limited	UK	Registered	LIFESAFE TECHNOLOGIES	1, 9	UK00003530146	04/09/20	25/12/20	None	–	04/09/30
LifeSafe Technologies Limited	IR	Protected	LIFESAFE TECHNOLOGIES	1, 9	1615546	–	19/07/21	None	–	19/07/31
LifeSafe Technologies Limited	Australia	Protected	LIFESAFE TECHNOLOGIES	1, 9	2214882	19/07/21	28/02/22	None	–	19/07/31
LifeSafe Technologies Limited	New Zealand	Protected	LIFESAFE TECHNOLOGIES	1, 9	1190992	19/07/21	01/03/22	None	–	19/07/31
LifeSafe Technologies Limited	US	Pending	LIFESAFE TECHNOLOGIES	1, 9	79/326294	01/10/21	–	None	Awaiting examination.	–
LifeSafe Technologies Limited	Canada	Pending	LIFESAFE TECHNOLOGIES	1, 9	2148020	01/20/21	–	None	Awaiting examination.	–
LifeSafe Technologies Limited	UK	Registered	STAYSAFE	9	UK00003530142	04/09/20	25/12/20	None	–	04/09/30
LifeSafe Technologies Limited	IR	Protected	STAYSAFE	9	1616221	–	19/07//2021	None	–	19/07/31
LifeSafe Technologies Limited	Australia	Pending	STAYSAFE	9	2215093	19/07/21	–	None	Instructions received to abandon.	–
LifeSafe Technologies Limited	New Zealand	Protected	STAYSAFE	9	1191038	19/07/2021	19/07/21	None	–	19/07/31
LifeSafe Technologies Limited	US	Pending	STAYSAFE	9	79/332070	01/20/21	–	None	Awaiting examination.	–
LifeSafe Technologies Limited	Canada	Pending	STAYSAFE	9	2162340	01/10/2021	–	None	Awaiting examination.	–
LifeSafe Technologies Limited	UK	Pending		1, 9	UK00003779830	21/04/2022	–	None	Awaiting examination.	–
LifeSafe Technologies Limited	UK	Pending		1, 9	UK00003779833	21/04/2022	–	None	Awaiting examination.	–
LifeSafe Technologies Limited	UK	Pending		1, 9	UK00003779837	21/04/2022	–	None	Awaiting examination.	–
LifeSafe Technologies Limited	UK	Pending		1, 9	UK00003779842	21/04/2022	–	None	Awaiting examination.	–

6.23 The information provided in the above table and this section of the Report is based on information available to us, e.g. in publicly available databases and registers, about the applications on the date of this Report. The information available to us on the date of this Report, included information available to the public or information made available to us by the Company. No update will be made to the information provided in this section of the Report or the above table in respect of changes occurring after the date of this Report.

6.24 We understand the Company is considering pursuing the 'Madrid Protocol' system to obtain overseas protection for the black and white and colour versions of the new LIFESAFE TECHNOLOGIES and STAYSAFE logos. We understand the Company may initially designate the US, the EU, and Mexico under the proposed international registrations.

6.25 In respect of paragraphs 6.26 to 6.28 we have not conducted searches to ascertain whether earlier conflicting registered or unregistered rights may exist.

6.26 UK trade mark registration UK00003530146 LIFESAFE TECHNOLOGIES in classes 1 and 9 was filed on 4 September 2020 and was registered on 25 December 2020. The validity of a UK trade mark registration is presumed until it is declared invalid by the UK IPO Tribunal or a UK court as a result of a successful challenge. The goods for which registration has been obtained are:

Class 1: Fire extinguishing compositions; fire extinguishing media; fire extinguishing chemicals; fire extinguishing preparations.

Class 9: Fire extinguishers; fire extinguishing apparatus; smoke alarms; smoke detectors; smoke sensors; heat detectors; heat sensors; fire alarms; carbon monoxide detectors; combination carbon monoxide and smoke detectors.





We understand the LIFESAFE TECHNOLOGIES mark has been in use in the UK since October 2020 without complaint.

6.27 UK registration UK00003530142 STAYS SAFE in class 9 was filed on 4 September 2020 and was registered on 25 December 2020. The goods for which registration has been obtained are:

Class 9: Fire extinguishers; fire extinguishing apparatus; smoke alarms; smoke detectors; smoke sensors; heat detectors; heat sensors; fire alarms; carbon monoxide detectors; combination carbon monoxide and smoke detectors.

We understand the STAYS SAFE mark has been in use in the UK since October 2020 without complaint.

6.28 The following have been filed:

Type	Number	Filing date	Mark
UK series application	3779830	21 April 2022	
UK series application	3779833	21 April 2022	
UK application	3779837	21 April 2022	
UK application	3779842	21 April 2022	

In each case, all are awaiting examination. In each case, the goods for which protection is sought are:

Class 1: Fire extinguishing compositions; fire extinguishing media; fire extinguishing chemicals; fire extinguishing preparations.

Class 9: Fire extinguishers; fire extinguishing apparatus; smoke alarms; smoke detectors; smoke sensors; heat detectors; heat sensors; fire alarms; carbon monoxide detectors; combination carbon monoxide and smoke detectors.

## 7. Company entitlement to the inventions

7.1 Under section 7(4) of the UK Patents Act, as named applicant, the Company claims entitlement to ownership of the inventions, which are the subject matter of the pending patent applications, and to the grant of the patents. The Company claims entitlement of the invention rights described in paragraph 1.1 of this Report by virtue of section 7(4) (right to apply for and obtain a patent) and section 39(1) of the Patents Act 1977 (rights to employee inventions). We understand that no third party has challenged the Company's entitlement to the inventions.

## 8. Third party rights and challenges in relation to the Company IP

8.1 We issued the Company an IP due diligence questionnaire on 21 March 2022. Based on the replies provided by the Company to the questionnaire, we understand the following in relation to IP relating to the FER1000 fluid and the Derivative Fluid:

- The Company has not in-licensed any of the Company IP.
- The Company has not out-licensed, granted any options or liens, charged as a security or mortgaged, or otherwise encumbered any of Company IP.
- The Company has not alleged, threatened, or issued any claim of infringement of the Company's IP against a third party.
- We understand, and are not aware to the contrary, that no third party has challenged the Company's entitlement to the inventions.
- The Company has not been the subject of any allegation, threat, or claim that its activities infringe the IP rights of a third party.

## **9. IP risk factors**

- 9.1 A given jurisdiction considers the validity of a patent application separately from other jurisdictions and in the light of local patent law. As a result, what is considered allowable in one jurisdiction may not be allowable in others.
- 9.2 Despite all reasonable precautions being taken during the drafting and prosecution of patent applications, a number of risk factors remain. Patent searches, whether done privately or by a patent office, may not identify all relevant prior art and further prior art may emerge after filing or after grant of a patent, which may have a material impact on the validity and enforceability of a patent. IP litigation is complex, expensive and involves significant risk. A third party may start legal action against the Company even when the probability of success is objectively low.
- 9.3 The legal landscape may change in a major market, which may also have a material impact on the validity or enforceability of the Company's patents, or on third party patent infringement risk.
- 9.4 The following specific risks should be noted:
- that one or more of the Company's pending patent applications may not be granted or, if granted, may not provide commercially meaningful protection for Company products;
  - that the validity of one or more Company patent applications or patents may be put in question by new prior art that comes to light;
  - that a third party may challenge the validity of one or more of the Company's granted patents;
  - that a third party may challenge the entitlement of the Company to the ownership of its patents, such that the onus would be on the Company to defend its entitlement;
  - that a third-party patent right may be upheld as valid and infringed, notwithstanding arguments that the Company may bring to the contrary, thereby presenting an obstacle to commercialisation of a Company product;
  - that a third party may carry out an activity which infringes, or is believed by the Company to infringe, one or more of the Company's granted patents or patent applications;
  - that the Company fails to meet the requirements to secure the protection of a grace period, thereby introducing additional prior art which may be detrimental to the patentability of the claims of a patent application; and
  - that the statute or case law relating to patents in a major market may change adversely to the Company's interests.

9.5 Some or all of these risk factors carry with them the possibility of legal proceedings (at the initiation of the Company or a third party), whether in the UK or a foreign jurisdiction, with associated legal costs, which may be significant.

Yours sincerely

Callum McGuinn  
Partner, Patent Attorney  
for and on behalf of MEWBURN ELLIS LLP  
Callum.McGuinn@mewburn.com

CLM/clm

## PART VI

### ADDITIONAL INFORMATION

#### 1. The Company and its subsidiaries

- 1.1 The Company was incorporated and registered as a private limited company in England and Wales under the Act on 10 September 2015 with the name Firescue UK LTD and with registered number 09770600. It has undergone several changes of name as follows:

FIRESUCUE UK LTD	10 Sep 2015 – 12 May 2016
FIRESUCUE HOLDINGS LIMITED	12 May 2016 – 23 Jun 2016
FIRESCAPE HOLDINGS LIMITED	23 Jun 2016 – 19 Jul 2021

- 1.2 On 19 July 2021 the Company changed its name to LifeSafe Holdings Limited. On 27 May 2022, the Company was re-registered as a public limited company and changed its name to LifeSafe Holdings plc.
- 1.3 The Company is a public limited company and accordingly the liability of its members is limited. The Company and its activities and operations are principally regulated by the Act and the regulations made thereunder.
- 1.4 The head and registered office of the Company is at 1 Sopwith Crescent, Wickford, Essex, England, SS11 8YU. The telephone number of the Company is 020 7870 4890 and its website address is [www.lifesafeholdingsplc.com](http://www.lifesafeholdingsplc.com).
- 1.5 The Group comprises the Company and its Subsidiaries set out in paragraph 1.6 of this Part VI. The principal activity of the Group of which LifeSafe Technologies Limited is the main operating and trading entity, is the supply of fire extinguishment, suppressant and detection products.
- 1.6 The Company is the holding company of the Group. As at the date of this document, the Company has, and will on Admission have, the following Subsidiaries, that are directly wholly owned and incorporated in England and Wales:

Name	Activity	Percentage Held
LifeSafe Technologies Limited	Supply of fire extinguishment, suppressant and detection products	100 per cent
LifeSafe Technologies Holdings Limited	Dormant	100 per cent

#### 2. Share capital and loan capital

- 2.1 As the Company is a public company, it is required to have a minimum authorised share capital of £50,000:
- 2.2 There have been the following changes in the Company's share capital since its incorporation:
- (a) on 15 July 2016: 90,000 Ordinary Shares of nominal value £0.01 each were allotted and issued;
  - (b) from 13 August 2016 to 18 August 2016: 662 Ordinary Shares of nominal value £0.01 each were allotted and issued;
  - (c) on 10 October 2016: 125 Ordinary Shares of nominal value £0.01 each were allotted and issued;
  - (d) from 13 December 2016 to 23 December 2016: 874 Ordinary Shares of £0.01 each were allotted and issued;
  - (e) on 1 March 2017: 7,316 Ordinary Shares of £0.01 each were allotted and issued;

- (f) on 15 May 2017: 83 Ordinary Share of £0.01 each were allotted and issued;
- (g) on 4 July 2017: 350 Ordinary Shares of £0.01 each were allotted and issued;
- (h) on 2 August 2019: 8,253 Ordinary Shares of £0.01 each were allotted and issued;
- (i) on 16 August 2019: 116,123 Ordinary Shares of £0.01 each were allotted and issued;
- (j) on 31 July 2020: 625 Ordinary Shares of £0.01 each were allotted and issued;
- (k) on 31 October 2020: 625 Ordinary Shares of £0.01 each were allotted and issued;
- (l) on 4 November 2020: 17,904 Ordinary Shares of £0.01 each were allotted and issued;
- (m) on 20 February 2021: 1,455 Ordinary Shares of £0.01 each were allotted and issued;
- (n) on 1 March 2021: 5,195 Ordinary Shares of £0.01 each were allotted and issued;
- (o) on 2 March 2021: 1,246 Ordinary Shares of £0.01 each were allotted and issued;
- (p) on 3 March 2021: 1,818 Ordinary Shares of £0.01 each were allotted and issued;
- (q) on 4 March 2021: 10,038 Ordinary Shares of £0.01 each were allotted and issued;
- (r) on 6 May 2021: 25,000 Ordinary Shares of £0.01 each were allotted and issued;
- (s) on 26 May 2021: 808 Ordinary Shares of £0.01 each were allotted and issued;
- (t) on 21 July 2021: 4,580 Ordinary Shares of £0.01 each were allotted and issued;
- (u) on 1 August 2021: 2,251 Ordinary Shares of £0.01 each were allotted and issued;
- (v) on 1 November 2021: 4,676 Ordinary Shares of £0.01 each were allotted and issued;
- (w) on 20 November 2021: 1,052 Ordinary Shares of £0.01 each were allotted and issued;
- (x) on 14 January 2022: 2,561 Ordinary Shares of £0.01 each were allotted and issued;
- (y) on 9 May 2022: 15,083,670 Ordinary Shares of £0.01 each with an aggregate nominal value of £150,836.70 were allotted and issued by way of bonus issue following the capitalisation by the Company of its share premium account.

2.3 As at the date of this document, the Company's issued share capital, of which all of the issued shares are fully paid up and the amount includes any premium paid on the shares, is as follows:

<b>Class of share</b>	<b>Number of shares</b>	<b>Aggregate nominal value (£)</b>
Ordinary Shares	15,391,500	153,915.00

2.4 The issued share capital of the Company, of which all of the issued shares will be fully paid up on or before Admission, as it is expected to be immediately following Admission is as follows:

<b>Class of share</b>	<b>Number of shares</b>	<b>Aggregate nominal value (£)</b>
Ordinary Shares	22,108,050	221,080.50

2.5 Pursuant to a general meeting of the Company held on 25 April 2022:

- (a) without prejudice and supplementary to all unexercised authorities previously granted for the purposes of section 551 of the Act, the Directors were generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to a maximum aggregate nominal amount of £91,402.34 comprising:



- (i) an aggregate nominal amount of £55,600 in connection with the Placing, provided that this authority shall expire on the earlier of (A) immediately following Admission and (B) the date of the Company's next annual general meeting, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or rights to be granted and the Directors may allot shares or grant rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired; and
  - (ii) an aggregate nominal amount of £36,907.20 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the date of the Company's annual general meeting save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or rights to be granted and the Directors may allot shares or grant rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.
- (b) the Directors were generally empowered to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred by paragraph (a)(i) above, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £55,600 expire on the earlier of (A) immediately following Admission and (B) the date of the Company's next annual general meeting (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.
- (c) the Directors were generally empowered to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred by paragraph (a)(ii) above, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £36,907.20 and expire on the date of the Company's next annual general meeting (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.
- 2.6 Save in connection with the Placing and as disclosed in paragraphs 2.7, 2.8, 2.9 and 2.10 below, no share or loan capital of any member of the Group is proposed to be issued or is under option or agreed conditionally or unconditionally, to be put under option.

2.7 The Company entered into the convertible loan agreements set out below between October 2021 and March 2022 with certain lenders, under each of which, the total principal amounts, together with fees and interest, owed by the Company to each lender shall automatically convert into CLA Shares on Admission. Following the bonus issue of Ordinary Shares by the Company on 9 May 2022, the total number of CLA Shares to be issued pursuant to each convertible loan agreement has been adjusted to ensure each loan note holder will be issued with the same proportion of CLA Shares on conversion that they would have been had the bonus issue not taken place. The total amounts therefore converting on Admission are as follows:

<b>Convertible Loan Agreement lender</b>	<b>Number of Ordinary Shares on Admission</b>
Harwood Capital Nominees Limited	468,350
Coenda Health and Food Company Limited	936,750
Tom Brudenell-Bruce	374,700
Meridian Capital International Fund	936,750

Pursuant to the terms of each convertible loan agreement, the aggregate amount to be converted under each agreement shall include the principal outstanding loan amount plus (i) accrued interest of 12 per cent. per annum, (ii) an arrangement fee of 13 per cent. of the outstanding loan amount and (iii) a monitoring fee of 3 per cent. of the outstanding loan amount.

The Company had previously entered into convertible loan agreements with various angel investors in 2016. These loan agreements were either repaid by the Company in 2019 or, those that were not repaid, converted into Ordinary Shares in 2019, in the proportions reflected in the Register.

- 2.8 The Company issued a warrant instrument on 30 November 2016 pursuant to which certain investors were granted a warrant (the “**Warrant Instrument**”) which allowed for the issue of 145,900 Ordinary Shares (after adjusting for the bonus issue as referred to in paragraph 2.2(y) above). Each warrant is exercisable at twice (2x) the Placing Price, and is exercisable from Admission, expiring at the earlier to occur of the first anniversary of Admission and the third anniversary of the date of the warrant instrument. A warrant holder need not be a holder of Ordinary Shares in order for a warrant to be capable of exercise. A warrant holder’s rights under the warrant instrument may be exercised in whole or in part at any time and from time to time during the warrant exercise period. The warrant instrument contains certain provisions to maintain a warrant holder’s proportionate entitlement in respect of the Company’s issued Ordinary Share capital in the case of certain capital events including a bonus issue of shares. Warrants are transferable only in very limited circumstances, being the bankruptcy or death of a warrant holder.
- 2.9 The Company has granted options under the Share Option Plans. Following the bonus issue of Ordinary Shares by the Company on 9 May 2022 (as referred to in paragraph 2.2(y) above), the total number of Ordinary Shares under each option grant has been adjusted, where appropriate, under the rules of each plan to take account of the effect of the bonus issue. Details of the updated total number of options (all granted for nil consideration) under the Share Option Plans (taking into account the bonus issue adjustment) outstanding as they are expected to be immediately following Admission will be as follows:

<b>Date of grant</b>	<b>Number of Ordinary Shares under option</b>	<b>Exercise price (p)</b>	<b>Exercise period/criteria</b>
30 September 2021	1,495,650	48.12p	The exercise period/criteria shall be: a) 2 years after the date of grant; or b) on admission to a public equity market; or c) upon a third party gaining control.
29 March 2022	1,645,200	16.00p	The exercise period/criteria shall be: a) 12 months following the date of admission to a public equity market unless admission shall occur prior to 31 December 2022 in which case the options may be exercised earlier; or b) upon a third party gaining control.
1 July 2022	2,142,266	75.00p	The options will be subject to performance conditions measured at the end of a three year period, the amount exercisable depending on the total shareholder return achieved.
<b>Total</b>	<b>5,283,116</b>		

It is intended that no further grants of options will be made under the Existing Share Option Plans.

- 2.10 The Company issued a warrant instrument on 1 July 2022 pursuant to which WH Ireland was granted a warrant to subscribe for 583,431 Ordinary Shares in partial consideration for the provision of their services to the Company in connection with the Placing and Admission (the “**Broker’s Warrant Instrument**”). WH Ireland is entitled to exercise its warrants at any time during a period of three years commencing on Admission, at a subscription price per Ordinary Share equal to the Placing Price (subject to certain adjustments to the exercise price or number of Ordinary Shares the subject of the warrant to address certain changes to the Group’s ordinary share capital).
- 2.11 Save as set out in this paragraph 2 and paragraph 6.2 of this Part VI:
- (a) no unissued share or loan capital of the Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
  - (b) there are no shares in the capital of the Company currently in issue with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived;
  - (c) there are no outstanding convertible securities issued by the Company; and
  - (d) no share capital or loan capital of the Company or any of its subsidiaries (other than intra-group issues by wholly-owned subsidiaries) is in issue and no such issue is proposed.
- 2.12 None of the Ordinary Shares has been sold or made available to the public in conjunction with the application for Admission.
- 2.13 Save as disclosed in this document, no commission, discounts, brokerages or other specific terms have been granted by the Company in connection with the issue or sale of any of its share or loan capital.
- 2.14 The Ordinary Shares are in registered form and capable of being held in uncertificated form. Application has been made to Euroclear for the Ordinary Shares to be enabled for dealings through CREST as a participating security. No temporary documents of title will be issued. It is expected that definitive share certificates will be posted to those Shareholders who have requested the issue of Ordinary Shares in certificated form by 2022. The International Securities Identification Number (ISIN) for the Ordinary Shares is GB00BP83Y473.
- 2.15 The Placing Price of 75 pence per Ordinary Share represents a premium of 74 pence over the nominal value of 1 penny per Ordinary Share and is payable in full on Admission under the terms of the Placing.
- 2.16 The net asset value of an existing Ordinary Share (including the CLA Shares) prior to the issue of the Placing Shares, based on the net assets of the Group as at 31 December 2021 (assuming conversion of the Convertible Loans), is 1.30 pence (the “**Net Asset Value Per Share**”).
- 2.17 The Placing Price of 75 pence per Ordinary Share represents a premium of 73.7 pence over the Net Asset Value Per Share.

### 3. Subsidiary undertakings

The Company is the holding company of the Group and currently has the following subsidiaries:

Name	Registration number	Status	Place of incorporation	Percentage of voting share capital held
LifeSafe Technologies Limited	09786885	Active	England and Wales	100
LifeSafe Technologies Holdings Limited	12858971	Dormant	England and Wales	100

#### **4. Summary of the Articles of Association of the Company**

- 4.1 The Articles of the Company were adopted by a special resolution of the Shareholders passed on 25 April 2022. A summary of the terms of the Articles is set out below. The summary below is not a complete copy of the terms of the Articles and is qualified by reference to the contents of the full Articles.
- 4.2 The Articles contain no specific restrictions on the Company's objects and therefore, by virtue of section 31(1) of the Act, the Company's objects are unrestricted.
- 4.3 The Articles contain, *inter alia*, provisions to the following effect:

##### ***Share capital***

The Company's Existing Issued Share Capital currently consists of Ordinary Shares. The Company may issue shares with such rights or restrictions as may be determined by ordinary resolution, including shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder of such shares.

##### ***Voting***

The Shareholders have the right to receive notice of, and to vote at, general meetings of the Company. Each Shareholder who is present in person (or, being a corporation, by representative) at a general meeting on a show of hands has one vote and, on a poll, every such holder who is present in person (or, being a corporation, by representative) or by proxy has one vote in respect of every share held by such Shareholder.

##### ***Variation of rights***

Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may be varied or abrogated either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a general meeting of the holders of the shares of that class and may be so varied and abrogated whilst the Company is a going concern or during or in contemplation of a winding up.

##### ***Dividends***

The Company may, subject to the provisions of the Act and the Articles, by ordinary resolution from time to time declare dividends to be paid to members not exceeding the amount recommended by the Directors. Subject to the provisions of the Act in so far as, in the Directors' opinions, the Company's profits justify such payments, the Directors may pay interim dividends on any class of shares.

Any dividend unclaimed after a period of 12 years from the date such dividend was declared or became payable shall, if the Directors resolve, be forfeited and shall revert to the Company. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

##### ***Transfer of Ordinary Shares***

Each member may transfer all or any of their shares which are in certificated form by means of an instrument of transfer in any usual form or in any other form which the Directors may approve. Each member may transfer all or any of their shares which are in uncertificated form by means of a 'relevant system' (i.e., the CREST System) in such manner provided for, and subject as provided in, the Regulations.

The Board may, in its absolute discretion, refuse to register a transfer of certificated shares unless:

it is for a share which is fully paid up;

it is for a share upon which the Company has no lien;

it is only for one class of share;

it is in favour of a single transferee or no more than four joint transferees;

it is duly stamped or is duly certificated or otherwise shown to the satisfaction of the Board to be exempt from stamp duty; and

it is delivered for registration to the registered office of the Company (or such other place as the Board may determine), accompanied (except in the case of a transfer by a person to whom the Company is not required by law to issue a certificate and to whom a certificate has not been issued or in the case of a renunciation) by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor (or person renouncing) and the due execution of the transfer or renunciation by them or, if the transfer or renunciation is executed by some other person on their behalf, the authority of that person to do so.

The Directors may refuse to register a transfer of uncertificated shares in any circumstances that are allowed or required by the Regulations and the CREST System.

#### ***Allotment of shares and pre-emption rights***

Subject to the Act and to any rights attached to existing shares, any share may be issued with or have attached to it such rights and restrictions as the Company may by ordinary resolution determine, or if no ordinary resolution has been passed or so far as the resolution does not make specific provision, as the Directors may determine (including shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder of such shares).

In accordance with section 551 of the Act, the Directors may be generally and unconditionally authorised to exercise all the powers of the Company to allot shares up to an aggregate nominal amount equal to the amount stated in the relevant ordinary resolution authorising such allotment. The authorities referred to in paragraph 2.5 above were included in the ordinary resolution passed on 25 April 2022 and remain in force at the date of this document.

The provisions of section 561 of the Act (which confer on Shareholders rights of pre-emption in respect of the allotment of equity securities which are paid up in cash) apply to the Company except to the extent disapplied by special resolution of the Company. Such pre-emption rights have been disapplied to the extent referred to in paragraph 2.5 above pursuant to the special resolution passed on 25 April 2022.

#### ***Alteration of share capital***

The Company may by ordinary resolution consolidate or divide all of its share capital into shares of larger nominal value than its existing shares, or cancel any shares which, at the date of the ordinary resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the nominal amount of shares so cancelled or sub-divide its shares, or any of them, into shares of smaller nominal value.

The Company may, in accordance with the Act, reduce or cancel its share capital or any capital redemption reserve or share premium account in any manner and with and subject to any conditions, authorities and consents required by law.

#### ***Directors***

Unless otherwise determined by the Company by ordinary resolution, the number of Directors (other than any alternate Directors) shall not be less than two, but there shall be no maximum number of Directors.

Subject to the Articles and the Act, the Company may by ordinary resolution appoint a person who is willing to act as a Director and the Board shall have power at any time to appoint any person who is willing to act as a Director, in both cases either to fill a vacancy or as an addition to the existing Board.

At every AGM any Director who:

(i) has been appointed by the Directors since the last AGM; or (ii) for whom it is the third annual general meeting following the annual general meeting or general meeting at which he or she was elected or last re-elected;

must retire from office and may offer themselves for reappointment by the Shareholders by ordinary resolution.

Subject to the provisions of the Articles, the Board may regulate their proceedings as they think fit. A Director may, and the secretary at the request of a Director shall, call a meeting of the Directors.

The quorum for a Directors' meeting shall be fixed from time to time by a decision of the Directors, but it must never be less than two and unless otherwise fixed, it is two.

Questions and matters requiring resolution arising at a meeting shall be decided by a majority of votes of the participating Directors, with each director having one vote. In the case of an equality of votes, the chair will only have a casting vote or second vote when an acquisition has been completed.

The Directors shall be entitled to receive such remuneration as the Directors shall determine for their services to the Company as directors and for any other service which they undertake for the Company provided that the aggregate fees payable to the Directors must not exceed £500,000 per annum (fees are distinct from any salary, remuneration or other amounts payable to a Director under any other provisions of the Articles). The Directors shall also be entitled to be paid all reasonable expenses properly incurred by them in connection with their attendance at meetings of Shareholders or class meetings, board or committee meetings or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

The Board may, in accordance with the requirements in the Articles, authorise any matter proposed to them by any Director which would, if not authorised, involve a Director breaching their duty under the Act to avoid conflicts of interests.

A Director seeking authorisation in respect of such conflict shall declare to the Board the nature and extent of their interest in a conflict as soon as is reasonably practicable. The Director shall provide the Board with such details of the matter as are necessary for the Board to decide how to address the Conflict together with such additional information as may be requested by the Board.

Any authorisation by the Board will be effective only if:

to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of the Articles;

any requirement as to the quorum for consideration of the relevant matter is met without counting the conflicted Director and any other conflicted Director; and

the matter is agreed to without the conflicted Director voting or would be agreed to if the conflicted Director's and any other interested Director's vote is not counted.

Subject to the provisions of the Act, every Director, secretary or other officer of the Company (other than an auditor) is entitled to be indemnified against all costs, charges, losses, damages and liabilities incurred by them in the actual purported exercise or discharge of their duties or exercise of their powers or otherwise in relation to them.

### ***General meetings***

The Company must convene and hold AGMs in accordance with the Act.

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a chair of the meeting which shall not be treated as part of the business of the meeting. Save as otherwise provided by the articles, two Shareholders present in person or by proxy and entitled to vote shall be a quorum for all purposes.



### ***Borrowing powers***

Subject to the Articles and the Act, the Board may exercise all of the powers of the Company to:

borrow money;

indemnify and guarantee;

mortgage or charge;

create and issue debentures and other securities; and

give security either outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

### ***Capitalisation of profits***

The Directors may, if they are so authorised by an ordinary resolution of the Shareholders, decide to capitalise any undivided profits of the Company (whether or not they are available for distribution), or any sum standing to the credit of the Company's share premium account or capital redemption reserve. The Directors may also, subject to the aforementioned ordinary resolution, appropriate any sum which they so decide to capitalise to the persons who would have been entitled to it if it were distributed by way of dividend and in the same proportions.

### ***Uncertificated shares***

Subject to the Act, the Directors may permit title to shares of any class to be issued or held otherwise than by a certificate and to be transferred by means of a 'relevant system' (i.e., the CREST System) without a certificate.

The Directors may take such steps as it sees fit in relation to the evidencing of and transfer of title to uncertificated shares, any records relating to the holding of uncertificated shares and the conversion of uncertificated shares to certificated shares, or vice-versa.

The Company may by notice to the holder of an uncertificated share, require that share to be converted into certificated form.

The Board may take such other action that the Board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated share or otherwise to enforce a lien in respect of it.

## **5. Directors and employees**

5.1 The Directors and each of their respective functions are set out in Part I of this document.

5.2 The business address of the Directors is:

<b>Director</b>	<b>Address</b>
Dominic Berger	1 Sopwith Crescent, Wickford, Essex, United Kingdom, SS11 8YU
Neil Smith	1 Sopwith Crescent, Wickford, Essex, United Kingdom, SS11 8YU
Michael Stilwell	1 Sopwith Crescent, Wickford, Essex, United Kingdom, SS11 8YU
Mark Field	1 Sopwith Crescent, Wickford, Essex, United Kingdom, SS11 8YU
Emma Hynes	1 Sopwith Crescent, Wickford, Essex, United Kingdom, SS11 8YU

5.3 Details of the length of service of each of the Directors to date in their current office are set out below:

<b>Name</b>	<b>Date of birth</b>	<b>Commencement date in office</b>
Dominic Berger	October 1969	27 April 2019
Neil Smith	February 1971	28 October 2021
Michael Stilwell	February 1976	27 January 2022
Mark Field	October 1964	1 April 2022
Emma Hynes	February 1976	1 April 2022



- 5.4 Details of any directorship that is or was in the last five years held by each of the Directors, and any partnership of which each of the Directors is or was in the last five years a member in addition to their directorships of the Company and its subsidiary undertakings are set out below:

<b>Name</b>	<b>Current directorships</b>	<b>Previous directorships</b>
Dominic Berger	Angel Club Services SA Capital Plus Partners Limited Jester Media Limited Land and Home UK Limited Malaika Holdings Limited 360-Equity Limited	Angel Business Services Limited Angel Club Holdings Limited Angel Equity International Limited Carbon Technologies Group Plc Carbon Technologies (UK) Limited Devas Holdings Limited DFI Financial Services Ltd Happy Drinks Co Limited Ironeasy Limited Ivcardo Limited Ixellion Aeronautic Ltd Liverpool Canning Company Limited Malaika Creative Limited Malaika Enterprises Limited MyCab Travel UK Ltd Paddock Paradiso Limited PPMT Technologies Limited Premium Nominees Limited Ridercam Systems Limited Transfers 360 Ltd X Technologies Limited
Neil Smith	NCS Business Transformation Limited	Fireangel Safety Technology Group Plc Fireangel Safety Technology Limited
Michael Stilwell	Ambleside 1976 Limited Visum Technologies Plc	A1 Presentations Limited AngelEye Corporation (Canada) AngelEye Incorporated (US) Coex Limited Falcon Equipment and Systems Limited Fireangel Safety Technology Limited Fireangel Safety Technology Group Plc Fotovalue Limited IES Integrated Electronic Systems Limited Indanet GMBH (Germany) Integrated Environmental Systems Limited Look CCTV Limited Look Closed Circuit T.V Limited Pace Sensors Limited (Canada) Protec 2001 Limited Protec Limited Quadnetics Employees' Trustees Limited Quadnetics Group Limited Quadnetics SIP Trustees Limited

<b>Name</b>	<b>Current directorships</b>	<b>Previous directorships</b>
Michael Stilwell (continued)		Quadrant Integrated Systems Limited Quadrant Research & Development Limited Quadrant Support Services Limited Quadrant Video Systems Limited S D A Protec Limited SDA Protec (2001) Limited Sanpho Pension Trustees Limited SDA Network Solutions Limited Sectronic (Marketing) Limited Security Design Associates (1979) Limited Software Developments (Digital Direct) Limited SSS Management Services Limited Stanmore Systems Ltd Synectic Systems (Asia) PTE Limited (Singapore) Synectic Systems Gmbh (Germany) Synectic Systems Group Limited Synectic Systems Inc (US)  Synectic Systems Limited Synectics No.2 Limited Synectic Systems (Macau) Limited (Macau) Synectics Plc Synectics Security Limited Synectics Technology Centre Limited
Mark Field	Capital International Bank Limited M C Field Consulting Limited Frenkel Topping Group Plc	M.C. Field Consulting Limited
Emma Hynes	78 The Chase Limited	–

5.5 Save as disclosed in paragraph 5.8 below at the date of this document none of the Directors named in this document:

- (a) has any unspent convictions in relation to indictable offences;
- (b) has been declared bankrupt or has entered into an individual voluntary arrangement;
- (c) was a director of any company at the time of or within the 12 months preceding any receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors with which such company was concerned;
- (d) was a partner in a partnership at the time of or within the 12 months preceding a compulsory liquidation, administration or partnership voluntary arrangement of such partnership;
- (e) has had his assets the subject of any receivership or was a partner in a partnership at the time of or within the 12 months preceding any assets thereof being the subject of a receivership; or

(f) has been the subject of any public criticisms by any statutory or regulatory authority (including any recognised professional body) nor has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

5.6 Details of the number of the Group's employees for each of the three financial periods ended 31 December 2021 are as follows:

<b>Financial period ended</b>	<b>Average number of employees</b>
30 September 2019	3
31 December 2020	3
31 December 2021	5

5.7 As at 30 June 2022 (being the latest practicable date prior to the publication of this document), the number of employees of the Group were employed as follows:

<b>Total</b>	<b>9</b>
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5.8 The Directors have held the following directorships in companies that have been placed in receivership, compulsory liquidation, creditors' voluntary liquidation, administration or company voluntary arrangement or which entered into any composition or arrangement with its creditors generally or any class of its creditors whilst he or she was a director of that company or within the 12 months after he or she ceased to be a director of that company:

<b>Director</b>	<b>Company</b>	<b>Date</b>
Dominic Peter Clive Berger	Carbon Technologies Group plc	Administration started: 12 September 2017 Administration ended: 21 March 2019
	Instant Business Limited	Administration started: 27 February 2015 Administration ended: 18 February 2016
	Venue Solutions Ltd	Creditors voluntary liquidation Commencement of winding up: 28 November 2008 Dissolved on: 24 April 2012
	Advanced Leisure Technologies plc	Corporate voluntary arrangement (CVA) Date of meeting to approve CVA: 7 July 2009 Date of completion or termination of CVA: 5 July 2011 Compulsory liquidation Petition date: 20 May 2011 Commencement of winding up: 27 July 2011 Conclusion of winding up: 13 January 2021 Dissolved on: 15 April 2021

## 6. Directors' and other interests

6.1 The interests of the Directors, their immediate families and any persons connected with them (within the meaning of section 252 of the Act) (all of which, unless otherwise stated, are beneficial) in the issued share capital of the Company as at the date of this document and as they are expected to be prior to and immediately following Admission are/will be as follows:

Director	As at the date of this document		Immediately following Admission	
	Number of Ordinary Shares	Percentage of issued Ordinary Shares	Number of Ordinary Shares	Percentage of issued Ordinary Shares
Dominic Berger*	933,850	6.07%	933,850	4.22%
Neil Smith	213,600	1.39%	213,600	0.97%

\* Shareholding includes 575,350 Ordinary Shares held by Capital Plus Partners Limited, a company which is deemed to be ultimately controlled by Dominic Berger

6.2 Details of the total number of options granted to the Directors under the Share Option Plans outstanding as they are expected to be immediately following Admission will be as follows:

### Share Option Plans

Name	Date of grant	Exercise price per Ordinary Share (p)	Number of Ordinary Shares under Option	Exercise period/criteria
Neil Smith	30 September 2021	48.12p	623,750	The exercise period/criteria shall be: a) 2 years after the date of grant; or b) on admission to a public equity market; or c) upon a third party gaining control
Neil Smith	29 March 2022	16.00p	623,750	The exercise period/criteria shall be: a) 12 months following the date of admission to a public equity market unless admission shall occur prior to 31 December 2022 in which case the options may be exercised earlier; or b) upon a third party gaining control
Neil Smith	1 July 2022	75.00p	974,965	The options will be subject to performance conditions measured at the end of a three year period, the amount exercisable depending on the total shareholder return achieved.

<b>Name</b>	<b>Date of grant</b>	<b>Exercise price per Ordinary Share (p)</b>	<b>Number of Ordinary Shares under Option</b>	<b>Exercise period/criteria</b>
Dominic Berger	30 September 2021	48.12p	162,100	The exercise period/criteria shall be: a) 2 years after the date of grant; or b) on admission to a public equity market; or c) upon a third party gaining control
Dominic Berger	29 March 2022	16.00p	147,500	The exercise period/criteria shall be: a) 12 months following the date of admission to a public equity market unless admission shall occur prior to 31 December 2022 in which case the options may be exercised earlier; or b) upon a third party gaining control
Dominic Berger	1 July 2022	75.00p	194,550	The options will be subject to performance conditions measured at the end of a three year period, the amount exercisable depending on the total shareholder return achieved.
Michael Stilwell	29 March 2022	16.00p	150,000	The exercise period/criteria shall be: a) 12 months following the date of admission to a public equity market unless admission shall occur prior to 31 December 2022 in which case the options may be exercised earlier; or b) upon a third party gaining control
Michael Stilwell	1 July 2022	75.00p	391,312	The options will be subject to performance conditions measured at the end of a three year period, the amount exercisable depending on the total shareholder return achieved.

6.3 Save as disclosed above, none of the Directors nor any member of his immediate family nor any person connected with him (within the meaning of section 252 of the Act) holds or is beneficially or non-beneficially interested, directly or indirectly, in any shares or options to subscribe for, or securities convertible into, shares of the Company or any of its subsidiary undertakings.

- 6.4 In addition to the interests of the Directors set out in paragraphs 6.1 to 6.3 above, as at the date of this document, insofar as is known to the Company, the following persons are, or will at Admission be, interested in 3 per cent. or more of the issued share capital of the Company:

Shareholder	As at the date of this document		Immediately following Admission	
	Number of Ordinary Shares	Percentage of issued Ordinary Shares	Number of Ordinary Shares	Percentage of issued Ordinary Shares
Gavin Cornelius	1,892,500	12.30%	1,892,500	8.56%
Premium Nominees	1,687,550	10.96%	1,687,550	7.63%
Mr and Mrs Dipesh Subba	1,563,950	10.16%	1,563,950	7.07%
WB Nominees Limited – Walker Crips	1,210,700	7.87%	1,473,366	6.66%
Intrinsic Capital LLP	–	–	1,333,333	6.03%
Meridian Capital International Fund	–	–	1,136,750	5.14%
Lee Ashwood	1,123,500	7.30%	1,123,500	5.08%
EA-RS Firescape Ltd	1,041,650	6.77%	1,041,650	4.71%
Premier Fund Managers Limited	–	–	1,000,000	4.52%
Coenda Health and Food Company Limited	–	–	936,750	4.24%
Dominic Berger	933,850	6.07%	933,850	4.22%

- 6.5 Save as disclosed above, there are no persons, as far as the Company is aware, who are or will be immediately following Admission interested in 3 per cent. or more of the Company's issued share capital, nor, so far as the Company is aware, are there any persons who at the date of this document or immediately following Admission, directly or indirectly, jointly or severally, exercise or could exercise control over the Company.
- 6.6 Save as disclosed in this document, there are no arrangements known to the Company, the operation of which may at a subsequent date result in a change in control of the Company.
- 6.7 The Company's share capital consists of one class of ordinary shares with equal voting rights (subject to the Articles). No major Shareholder of the Company has any different voting rights from the other Shareholders.
- 6.8 Save as disclosed in this document, no Director is or has been interested in any transactions which are or were unusual in their nature or conditions or significant to the business of the Company or the Group during the current or immediately preceding financial year or which were effected during any earlier financial year and remain in any respect outstanding or unperformed.
- 6.9 There are no outstanding loans or guarantees provided by the Company or the Group or to or for the benefit of any of the Directors.
- 6.10 Save as disclosed in note 9 and note 31 of Part III of this document, there have been no related party transactions of the kind set out in the Standards adopted according to the Regulation (EC) No 1606/2002 that the Company has entered into since 1 October 2018.
- 6.11 There are no actual or potential conflicts of interest between any Director's duties to the Company and any private interests and/or other duties he may have.
- 6.12 No Director nor any member of his immediate family nor any person connected with him (within the meaning of section 252 of the Act) has a Related Financial Product (as defined in the AIM Rules for Companies) referenced to Ordinary Shares.

## 7. Directors' remuneration and service agreements

- 7.1 The Company has in place the following agreements with the directors, all subject to the laws of England:
- (a) A service agreement entered into on 1 July 2022, conditional upon Admission, and made between (1) the Company and (2) Neil Smith ("NS") pursuant to which NS is employed as

Chief Executive Officer of the Company on a full-time basis. The agreement is terminable by either party on not less than 12 months' written notice. NS is paid a basic salary of £215,000 per annum, to be reviewed on an upward only basis each year, and receives an annual car allowance of £10,200 which is reviewed annually. He may participate in the Company's employee share option or share incentives schemes and the Company's pension scheme (subject to the satisfaction of certain eligibility criteria). Any bonus that NS may receive is entirely at the Company's discretion. NS is entitled to 30 days' paid holiday per annum. NS is subject to certain non-competition and non-solicitation covenants both during his employment and for a period of 6 months following the termination of his employment (howsoever occurring).

- (b) A service agreement entered into on 1 July 2022, conditional upon the date of Admission, and made between (1) the Company and (2) Michael Stilwell ("**MS**") pursuant to which MS is employed as Chief Financial Officer of the Company on a full-time basis. The agreement is terminable by either party on not less than 6 months' written notice. MS is paid a basic salary of £165,000 per annum, to be reviewed on an upward only basis each year, and receives an annual car allowance of £9,000 which is reviewed annually. He may participate in the Company's employee share option or share incentives schemes and the Company's pension scheme (subject to the satisfaction of certain eligibility criteria). Any bonus that MS may receive is entirely at the Company's discretion. MS is entitled to 30 days' paid holiday per annum. MS is subject to certain non-competition and non-solicitation covenants both during his employment and for a period of 6 months following the termination of his employment (howsoever occurring).
- (c) A service agreement entered into on 1 July 2022, conditional upon Admission, and made between (1) the Company and (2) Dominic Berger ("**DB**") pursuant to which DB is employed as Executive Chairman of the Company on a part-time basis, dedicating 15 days per month to this role. The agreement is terminable by either party on not less than 6 months' written notice. DB is paid a basic salary of £120,000 per annum, to be reviewed on an upward only basis each year. He may participate in the Company's employee share option or share incentives schemes and the Company's pension scheme (subject to the satisfaction of certain eligibility criteria). Any bonus that DB may receive is entirely at the Company's discretion. DB is entitled to 22.5 days' paid holiday per annum. DB is subject to certain non-competition and non-solicitation covenants both during his employment and for a period of 6 months following the termination of his employment (howsoever occurring).
- (d) A letter of appointment dated 29 March 2022 and made between (1) the Company and (2) Ms Emma Hynes ("**EH**") pursuant to which EH is appointed as non-executive director of the Company. The appointment is for an initial term of three years commencing on 1 April 2022 unless terminated earlier by either party giving three months' prior written notice. EH is required to seek re-election at each annual general meeting of the Company. EH is anticipated to spend a minimum of 2 days a month working for the Company and shall be paid an annual fee of £36,000 plus reasonable expenses. EH has the same general legal responsibilities to the Company as any other director, but her role as a non-executive director also requires her to hold to account the performance of the management and executive directors and to offer specialist advice and strategic guidance.
- (e) A letter of appointment dated 29 March 2022 and made between (1) the Company and (2) The Rt. Hon. Mark Field ("**MF**") pursuant to which MF is appointed as non-executive director of the Company. The appointment is for an initial term of three years commencing on 1 April 2022 unless terminated earlier by either party giving three months' prior written notice. MF is required to seek re-election at each annual general meeting of the Company. MF is anticipated to spend a minimum of 2 days a month working for the Company and shall be paid an annual fee of £36,000 plus reasonable expenses. MF has the same general legal responsibilities to the Company as any other director, but his role as a non-executive director also requires him to hold to account the performance of the management and executive directors and to offer specialist advice and strategic guidance.

7.2 Save as disclosed in this document there are no service agreements or agreements for the provision of services existing or proposed between the Directors and the Company or the Group.



- 7.3 In the financial year ended 31 December 2021 (being the last completed financial year of the Company) the aggregate remuneration paid, including pension contributions and benefits in kind granted to the Directors, was £234,000.
- 7.4 On the basis of the arrangements in force at the date of this document it is estimated that the aggregate remuneration payable including pension contributions and benefits in kind granted to the Directors for the year ending 31 December 2022 (being the current financial year of the Company) will be £641,000, including an aggregate cash bonus pool of £100,000 in relation to work performed on the Admission process, to be allocated between the three Executive Directors following Admission as determined by the Remuneration Committee.

## **8. First Share Option Plan**

### **8.1 Background**

The Company adopted its current Enterprise Management Incentive (“**EMI**”) share option plan, the LifeSafe Holdings Limited Enterprise Management Incentive (EMI) Share Option Plan (the “**First Share Option Plan**”), on 17 September 2021 and it is this plan under which various grants of share options to directors and employees of the Group (as described in paragraph 6.2 of this Part VI) have been made to date. Any defined terms in this paragraph have the meaning given to them in the Existing Share Option Plan unless otherwise defined. The principal terms of the First Share Option Plan are as follows:

### **8.2 Eligibility**

All consultants and employees of the Group are eligible to participate in the First Share Option Plan. Options are intended to be granted in the form of HMRC tax advantaged EMI options to employees of the Group who are eligible. Those who do not meet the eligibility criteria for EMI may be granted non-tax advantaged options (“**Unapproved Options**”).

### **8.3 Terms of Option**

The options are able to be granted subject to (if any) performance conditions as the Board may impose. The Board may amend or waive the conditions to ensure that they achieve their original purpose, provided that any amended conditions are a fairer measure of performance than the original and are no more or no less difficult to achieve than those previously imposed.

On a change of control the options will vest in full and be exercisable.

### **8.4 Share capital limits**

No option may be granted on any date, if the total market value of the number of Ordinary Shares under EMI options under the plan exceeds £3,000,000. There is no limit on the number of Ordinary Shares which may be under option in respect of non EMI options.

### **8.5 Individual limits**

EMI options may not be granted over Ordinary Shares where the unrestricted market value of which exceeds £249,999 per individual (or then prevailing maximum threshold for EMI eligibility for an individual). No individual limit applies for the purposes of Unapproved Options.

### **8.6 Exercise of options**

Options may not be exercised in certain circumstances where they would otherwise be exercisable, including where a disqualifying event has occurred for the purpose of tax legislation, or where the option holder is subject to disciplinary proceedings, where an option holder’s conduct is being investigated which may lead to disciplinary proceedings or where there is a potentially fair reason for the option holder’s dismissal, and in other specified circumstances.

### **8.7 Lapse of options**

Unexercised options will lapse at the first anniversary of the death of an option holder, and in other circumstances including where the Board considers that an exercise condition may not be

met, where any date set out in an option agreement shall have lapsed or where a bankruptcy event shall have occurred in relation to an option holder.

#### 8.8 **Variations in share capital**

The number of Ordinary Shares comprised in an option and the option price shall be adjusted in such manner as the Board considers fair and reasonable in the event of a capitalisation issue, offer by way of rights (including an open offer) or on any sub-division, reduction, consolidation or other variation of the Company's share capital other than a scrip dividend.

#### 8.9 **Amendments**

The Board may, at any time, amend the rules of the First Share Option Plan. No amendment may be made which would adversely affect the interests of an option holder unless the option holder consents to the making of that amendment.

#### 8.10 **General**

Option holders are required to indemnify the Group for any income tax and National Insurance contributions which arise in respect of such options.

It is not intended that any further grants of options over Ordinary Shares be made under the First Share Option Plan other than those options which have already been granted under it and described in paragraph 6.2 of this Part VI.

### 9. **Second Share Option Plan**

#### 9.1. **Background**

The Company adopted its current non-EMI qualifying share option plan, the LifeSafe Holdings Limited Unapproved Share Option Plan (the "**Second Share Option Plan**"), on 29 March 2022 and it is this plan under which various grants of share options to directors and employees of the Group (as described in paragraph 6.2 of this Part VI) have been made to date. Any defined terms in this paragraph have the meaning given to them in the Second Share Option Plan unless otherwise defined. The principal terms of the Second Share Option Plan are as follows:

#### 9.2. **Eligibility**

All consultants and employees of the Group are eligible to participate in the Second Share Option Plan. Options are intended to be granted in the form of Unapproved Options.

#### 9.3. **Terms of Option**

The options are able to be granted subject to (if any) performance conditions as the Board may impose. The Board may amend or waive the conditions to ensure that they achieve their original purpose, provided that any amended conditions are a fairer measure of performance than the original and are no more or no less difficult to achieve than those previously imposed.

On a change of control the options will vest in full and be exercisable.

#### 9.4. **Share capital and individual limits**

There is no share capital or individual grant limit on the number of Ordinary Shares which may be under option in respect of the Second Share Option Plan.

#### 9.5. **Exercise of options**

Options may not be exercised in certain circumstances where they would otherwise be exercisable, including where the option holder is subject to disciplinary proceedings, where an option holder's conduct is being investigated which may lead to disciplinary proceedings or where there is a potentially fair reason for the option holder's dismissal, and in other specified circumstances.

#### 9.6. **Lapse of options**

Unexercised options will lapse at the first anniversary of the death of an option holder, and in other circumstances including where the Board considers that an exercise condition may not be met, where any date set out in an option agreement shall have lapsed or where a bankruptcy event shall have occurred in relation to an option holder.

#### 9.7. **Variations in share capital**

The number of Ordinary Shares comprised in an option and the option price shall be adjusted in such manner as the Board considers fair and reasonable in the event of a capitalisation issue, offer by way of rights (including an open offer) or on any sub-division, reduction, consolidation or other variation of the Company's share capital other than a scrip dividend.

#### 9.8. **Amendments**

The Board may, at any time, amend the rules of the Second Share Option Plan. No amendment may be made which would adversely affect the interests of an option holder, unless the option holder consents to the making of that amendment.

#### 9.9. **General**

Option holders are required to indemnify the Group for any income tax and National Insurance contributions which arise in respect of such options.

It is not intended that any further grants of options over Ordinary Shares be made under the Second Share Option Plan other than those options which have already been granted under it and described in paragraph 6.2 of this Part VI.

### 10. **New Share Option Plan**

#### 10.1 **Background**

The Company adopted a new employee share option plan (the "**New Share Option Plan**") upon Admission. Any defined terms in this paragraph have the meaning given to them in the New Share Option Plan unless otherwise defined. The principal terms of the New Share Option Plan are as follows:

#### 10.2 **Eligibility**

All salaried employees and executive Directors of the Group will be eligible to participate in the New Share Option Plan at the discretion of the Remuneration Committee.

In addition, it is the Board's intention that certain consultants will be allowed to separately participate in the form of non-tax advantaged options on basis and terms similar to those contained in the New Share Option Plan.

#### 10.3 **Type of option**

Options are intended to be granted in the form of HMRC tax advantaged EMI options to employees of the Group who are eligible. Those who do not meet the eligibility criteria for EMI may be granted non-tax advantaged options ("**Unapproved Options**").

#### 10.4 **Terms of Option**

The options will be subject to performance conditions measured at the end of a three year period (the "**Performance Period**") with the amount exercisable depending on the total shareholder return achieved.

The Remuneration Committee may amend or waive the conditions and/or performance targets to ensure that they achieve their original purpose, provided that any amended conditions and/or performance targets are no more or no less difficult to achieve than those previously imposed.

On an Exit Event:

- within the Performance Period, the options will vest in full and be exercisable; and

- after the end of the Performance Period, the options will only be exercisable to the extent they had already vested based on total shareholder return growth.

The exercise price shall be the admission price for the options to be granted on the date of Admission.

#### 10.5 **Share capital limits**

No option may be granted on any date, if the number of Ordinary Shares to be issued (or re-issued from treasury) when aggregated with the number of Ordinary Shares issued (or re-issued), or remaining capable of issue (or re-issue) to satisfy the exercise of options, or other rights granted during the preceding 10 years but no earlier than Admission under the New Share Option Plan and any other employees' share scheme adopted by the Company granted following Admission, would exceed 10 per cent. of the number of shares in the Company in issue on that date.

Options which have been released without vesting or prior to exercise shall not be included for the purposes of the limit.

#### 10.6 **Individual limits**

EMI options may not be granted over Ordinary Shares, the unrestricted market value of which exceeds £250,000.00 per individual. No individual limit applies for the purposes of Unapproved Options.

#### 10.7 **Exercise of options**

Following exercise, the Committee will issue or procure the transfer of the relevant Ordinary Shares to the option holder as soon as is practical.

#### 10.8 **Lapse of options**

Unexercised options will lapse at the end of the performance period to the extent the performance targets (to be determined by the Remuneration Committee) have not been met or otherwise on the tenth anniversary of their date of grant.

If the optionholder is considered to be a Good Leaver, only their Unvested options will lapse on the date that they cease to be an employee and they will have a period of 90 days to exercise any vested options otherwise they will lapse. If the option holder is considered to be a Bad Leaver then all options, whether Vested or Unvested, will lapse on the date that they cease to be an employee, unless the Board in its discretion decides otherwise. A Bad Leaver is someone who ceases to be an employee within the first year of the option grant, for gross misconduct or a serious breach or for resigning other than where it would constitute constructive dismissal. A Good Leaver is someone who ceases to be an employee and is not a Bad Leaver.

#### 10.9 **Variations in share capital**

The number of Ordinary Shares comprised in an option and the option price shall be adjusted in such manner as the Remuneration Committee considers fair and reasonable in the event of a capitalisation issue, offer by way of rights (including an open offer) or on any sub-division, reduction, consolidation or other variation of the Company's share capital.

#### 10.10 **Rights attaching to Ordinary Shares**

If shares are listed on the official list maintained by the FCA or traded on AIM, the Company shall apply to the UK Listing Authority or the London Stock Exchange (as the case may be) for any Ordinary Shares issued to satisfy the exercise of options to be admitted to trading. Such shares will rank pari passu with all other issued Ordinary Shares, except any rights determined by reference to a date preceding the date on which an option is exercised.

#### 10.11 **Amendments**

The Board may, at any time, amend the rules of the New Share Option Plan in any way it thinks fit except that no amendment may be made which would adversely affect the subsisting rights of

an option holder, unless that option holder agrees and no alteration or addition shall be made to the advantage of existing or new optionholders to the provisions relating to eligibility to participate, the overall limitations on the issue of new Shares, the individual limitations on option grants under New Share Option Plan, the basis for determining optionholders' rights to acquire shares, the adjustment of such rights in the event of variation of the ordinary share capital without the prior approval by ordinary resolution of the shareholders of the Company.

#### 10.12 **General**

The Company may terminate the New Share Option Plan at any time.

Option holders are required to indemnify the Group for any income tax, employee's National Insurance Contributions and to the extent notified by the Committee at the date of grant of the option, any employer's national insurance contributions (or in each case their overseas equivalent) which arise in respect of such options, and to make such arrangement for the satisfaction of those liabilities as the Committee requires.

Benefits under the New Share Option Plan are not pensionable.

### 11. **Taxation**

The following information is based on UK tax law and HMRC practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

#### 11.1 **Tax treatment of UK investors**

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

- (a) who intend to acquire, or may acquire (either on their own or together with persons with whom they are *connected* or associated for tax purposes), more than 10 per cent., of any of the classes of shares in the Company; or
- (b) who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or
- (c) who are in any doubt as to their taxation position.

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

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

#### 11.2 **Dividends**

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

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

Dividend income received by UK tax resident individuals will have a £2,000 annum dividend tax allowance. Dividend receipts in excess of £2,000 will be taxed at 8.75 per cent. for basic rate taxpayers, 33.75 per cent for higher rate taxpayers, and 39.35 per cent. for additional rate taxpayers.

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

### 11.3 ***Disposals of Ordinary Shares***

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

The rate of capital gains tax on disposal of Ordinary shares by basic rate taxpayers is 10 per cent., and for upper rate and additional is 20 per cent.

For Shareholders within the charge to UK corporation tax, indexation allowance up until 1 January 2018 may reduce any chargeable gain arising on disposal of Ordinary Shares but will not create or increase an allowable loss.

Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 19 per cent. and is set to rise to 25% from 1 April 2023.

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

#### *Transactions in securities*

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

### 11.5 ***Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)***

The statements below are intended as a general guide to the current position. They do not apply to certain intermediaries who are not liable to stamp duty or SDRT or (except where stated otherwise) to persons connected with depositary arrangements or clearance services who may be liable at a higher rate.

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

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

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

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

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

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



**OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO HIS TAX POSITION OR WHERE HE IS RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT HIS PROFESSIONAL ADVISER.**

## **12. Material contracts**

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

- (a) A placing agreement dated 1 July 2022 and made between (1) the Company (2) the Directors and (3) WH Ireland pursuant to which WH Ireland has agreed, subject to certain conditions, to act as agent for the Company and to use its reasonable endeavours to procure placee to subscribe for the Placing Shares at the Placing Price.

The Placing Agreement is conditional upon, *inter alia*, Admission occurring on or before 8.00 a.m. on 6 July 2022 (or such later date as the Company and WH Ireland may agree, being not later than 8.00 a.m. on 31 July 2022). The Placing Agreement contains warranties from the Company and the Directors in favour of WH Ireland in relation to, *inter alia*, the accuracy of the information in this document and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify WH Ireland in respect of certain liabilities it may incur in respect of the Placing. WH Ireland has the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, in the event of a material breach of the warranties or a *force majeure* event.

- (b) Certain Covenantors (the “**Full Covenantors**”) holding, in aggregate, 35.7 per cent. of the Existing Ordinary Shares and 24.8 per cent. of the Enlarged Share Capital, have each undertaken to the Company and WH Ireland (subject to certain limited exceptions including transfers to family members or to trustees for their benefit and disposals by way of acceptance of a recommended takeover offer of the entire issued share capital of the Company) not to dispose of the Ordinary Shares held by each of them (and their connected persons (within the meaning of section 252 of the Act)) (each such share being a “**Restricted Share**”) following Admission or any other securities issued in exchange for or convertible into, or substantially similar to, Ordinary Shares (or any interest in them or in respect of them) at any time prior to the first anniversary of Admission (the “**Lock-in Period**”).

Certain other Covenantors (the “**Partial Covenantors**”), have each undertaken to the Company and WH Ireland (subject to certain limited exceptions including transfers to family members or to trustees for their benefit and disposals by way of acceptance of a recommended takeover offer of the entire issued share capital of the Company) not to dispose of 3,169,819 Ordinary Shares held by them (and their connected persons (within the meaning of section 252 of the Act)) (each such share being a Restricted Share), representing, in aggregate, at least 20.6 per cent. of the Existing Ordinary Shares and 14.3 per cent. of the Enlarged Share Capital following Admission, during the Lock-in Period.

Certain other Covenantors (the “**Convertible Loan Covenantors**”) holding, in aggregate, 9.13 per cent. of the Existing Ordinary Shares and 6.4 per cent. of the Enlarged Share Capital, have each undertaken to the Company and WH Ireland (subject to certain limited exceptions including transfers to family members or to trustees for their benefit and disposals by way of acceptance of a recommended takeover offer of the entire issued share capital of the Company) not to dispose of the Ordinary Shares held by each of them (and their connected persons (within the meaning of section 252 of the Act)) (each such share being a Restricted Share) following Admission or any other securities issued in exchange for or convertible into, or substantially similar to, Ordinary Shares (or any interest in them or in respect of them) at any time in the nine months following Admission (the Lock-in Period).



Furthermore, each of the aforementioned covenantors has also undertaken to the Company and WH Ireland not to dispose of the Restricted Shares (subject to limited exceptions) before the second anniversary of Admission otherwise than through WH Ireland, for such time as it shall remain broker to the Company.

- (c) A nominated adviser and broker agreement dated 1 July 2022 and made between (1) the Company (2) the Directors and (3) WH Ireland pursuant to which the Company has appointed WH Ireland to act as nominated adviser and broker to the Company for the purposes of the AIM Rules for Companies. The Company has agreed to pay WH Ireland an annual a retainer fee (payable quarterly in advance) for its services as nominated adviser and broker under this agreement. The agreement contains certain undertakings, warranties and indemnities given by the Company and the Directors to WH Ireland. The agreement is for a fixed term of 12 months and thereafter is terminable upon not less than three months' prior written notice by either the Company or WH Ireland.
- (d) The Broker's Warrant Instrument referred to in paragraph 2.10 of this Part VI.
- (e) The Warrant Instrument referred to in paragraph 2.8 of this Part VI.
- (f) The Convertible Loan Agreements referred to in paragraph 2.7 of this Part VI.
- (g) A deed of termination dated 7 June 2022 and made between (1) the Company and (2) various shareholders of the Company pursuant to which the Company has terminated its existing shareholders' agreements. The existing shareholders' agreements were entered into in July 2016 and February 2021, and other parties agreed to adhere to these agreements upon becoming shareholders in the Company. The deed of termination provides that both shareholders' agreements terminated with effect from 23.59 on 31 May 2022 and that all provisions, including those stated to survive termination, are also terminated. The deed of termination also contains an express waiver of claims, such that all shareholders who were bound by either agreement agree to waive any and all claims in respect of any breaches of either (or both) shareholders' agreement.

### **13. Working capital**

In the opinion of the Directors, having made due and careful enquiry, taking into account the net proceeds of the Placing, the working capital available to the Group will be sufficient for its present requirements, that is for at least the next 12 months from the date of Admission.

### **14. Governmental, legal or arbitration proceedings**

No member of the Group is or has been involved in any governmental, legal or arbitration proceedings which may have or have had during the last 12 months preceding the date of this document, a significant effect on the financial position or profitability of the Company and/or the Group nor, so far as the Company is aware, are any such proceedings pending or threatened.

### **15. Significant change**

Save as described in the paragraph headed "Current trading, operational trends and prospects" in Part I of this document, there has been no significant change in the financial or trading position of the Company since 31 December 2021, being the end of the period to which the latest audited consolidated accounts of the Company relate.

### **16. Consents**

- 16.1 WH Ireland Limited of 24 Martin Lane, London EC4R 0DR is authorised and regulated in the United Kingdom by the FCA. WH Ireland has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name and the references to it in the form and context in which it appears.

- 16.2 Haysmacintyre LLP, Chartered Accountants and registered auditors, of 10 Queen Street Place, London, EC4R 1AG, has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name and its reports in Part III and IV of this document and the references to such reports and its name, in the form and context in which they appear.
- 16.3 Mewburn Ellis LLP, registered patent attorneys, of City Tower, 40 Basinghall Street, London, EC2V 5DE, has given and not withdrawn its written consent to the issue of this document with the inclusion of its name and its report in Part V of this document and the references to such report and its name, in the form and context in which they appear.

## 17. General

- 17.1 The proceeds of the Placing are expected to be approximately £2.04 million net of expenses of the Placing which are estimated at £0.96 million, excluding VAT, and are payable by the Company.
- 17.2 Save as disclosed in this document, no person (excluding professional advisers otherwise disclosed in this document and trade suppliers) has received, directly or indirectly, within the 12 months preceding the date of this document or entered into contractual arrangements to receive, directly or indirectly, from the Company on or after Admission:
- (a) fees totalling £10,000 or more;
  - (b) securities where these have a value of £10,000 or more calculated by reference to the Placing Price; or
  - (c) any other benefit with a value of £10,000 or more at the date of Admission.
- 17.3 Information in this document which has been sourced from third parties has been accurately reproduced and so far as the Company is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 17.4 Save as disclosed in this document, the Directors are unaware of any exceptional factors which have influenced the Company's activities.
- 17.5 Save as disclosed in this document, the Directors are unaware of any environmental issues that may affect the Group's utilisation of its tangible fixed assets.
- 17.6 Save as disclosed in this document, the Directors are unaware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for the current financial year.
- 17.7 Save as disclosed in this document, there are no investments in progress and there are no future investments on which the Directors have already made firm commitments which are significant to the Group.
- 17.8 Save as disclosed in this document, the Directors believe that the Company is not dependent on patents or licences, industrial, commercial or financial contracts or new manufacturing processes which are material to the Company's business or profitability.
- 17.9 The Company will be subject to the provisions of the Takeover Code, including the rules regarding mandatory takeover offers set out in the Takeover Code. Brief details of the Panel, the Takeover Code and the protections they afford are described below. The Takeover Code is issued and administered by the Panel. The Takeover Code applies to all takeover and merger transactions, however effected, where the offeree company is, *inter alia*, a quoted public company resident in the United Kingdom. The Company is a quoted public company resident in the United Kingdom and its Shareholders are therefore entitled to the protections afforded by the Takeover Code. Under Rule 9 of the Takeover Code, when (i) a person acquires, whether by a series of transactions over a period of time or not, an interest in shares (as defined in the Takeover Code) which, when taken together with shares already held by him or persons acting in concert with him (as defined in the Takeover Code), carry 30 per cent. or more of the voting rights of a company subject to the Takeover Code or (ii) any person who, together with persons

acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. but not more than 50 per cent. of the voting rights of a company subject to the Takeover Code, and such person, or any person acting in concert with him, acquires additional shares which increases his percentage of the voting rights in the company, then, in either case, that person, together with the persons acting in concert with him, is normally required to make a general offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights of that company to acquire the balance of their interests in the company.

An offer under Rule 9 of the Takeover Code must be in cash (or with a cash alternative) and at not less than the highest price paid within the preceding 12 months for any shares in the company by the person required to make the offer or any person acting in concert with him. Rule 9 of the Takeover Code further provides, among other things, that where any person who, together with persons acting in concert with him holds over 50 per cent. of the voting rights of a company, acquires an interest in shares which carry additional voting rights, then they will not generally be required to make a general offer to the other shareholders to acquire the balance of their shares. However, individual members of a concert party will not be able to increase their percentage interest in shares through or between a Rule 9 threshold without Panel consent. For the purposes of the Takeover Code, persons acting in concert comprise persons who, pursuant to an agreement or understanding (whether formal or informal), cooperate to obtain or consolidate control of a company. Paragraph (9) of the definition of 'acting in concert' also deems any shareholders in a private company who sell their shares in that company in consideration for the issue of new shares in a company to which the Takeover Code applies to be acting in concert for the purposes of the Takeover Code unless the contrary is established.

- 17.10 Under the Act, if a takeover offer (as defined in section 974 of the Act) is made for the Ordinary Shares and the offeror were to acquire, or unconditionally contract to acquire, not less than 90 per cent. in value of the Ordinary Shares to which the takeover offer relates (the "**Takeover Offer Shares**") and not less than 90 per cent. of the voting rights attached to the Takeover Offer Shares within three months of the last day on which its offer can be accepted, it could acquire compulsorily the remaining 10 per cent. It would do so by sending a notice to outstanding Shareholders telling them that it will acquire compulsorily their Takeover Offer Shares and then, six weeks later, it would execute a transfer of the outstanding Takeover Offer Shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for the outstanding Shareholders. The consideration offered to the Shareholders whose Takeover Offer Shares are acquired compulsorily under the Act must, in general, be the same as the consideration that was available under the takeover offer.
- 17.11 The Act also gives minority Shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer relates to all the Ordinary Shares and at any time before the end of the period within which the offer could be accepted the offeror holds or has agreed to acquire not less than 90 per cent. of the Ordinary Shares (being voting shares that carry voting rights in the Company), any holder of Ordinary Shares to which the offer relates who has not accepted the offer is entitled by a written communication to the offeror to require it to acquire its Ordinary Shares. The offeror is required to give any Shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of the minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, the giving notice. If a Shareholder exercises his other rights, the offeror is bound to acquire those Ordinary Shares on the terms of the offer or on such other terms as may be agreed.
- 17.12 Since 1 January 2021, there has been no takeover offer (within the meaning of Part 28 of the Act) for any Ordinary Shares.
- 17.13 The current accounting reference period of the Company will end on 31 December 2022.

17.14 The financial information contained in Part III of this document does not constitute statutory accounts within the meaning of section 434 of the Act. The Reporting Accountants for each of the periods ended 30 September 2019, 31 December 2020 and 31 December 2021 were Haysmacintyre LLP and registered address, of 10 Queen Street Place, London, EC4R 1AG. The Company has filed unaudited “total exemption” accounts with the Registrar of Companies in respect of each accounting reference period from the date of its incorporation.


**18. Availability of this document**

A copy of this document is available at the Company’s website [www.lifesafeholdingsplc.com](http://www.lifesafeholdingsplc.com).

Dated 1 July 2022







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**LIFESAFE**  
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W [lifesafeholdingsplc.com](http://lifesafeholdingsplc.com)

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