

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to what action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, as amended, if you are resident in the United Kingdom, or if not, from an appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Existing Ordinary Shares you should deliver this document together with the accompanying Form of Proxy, as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was affected for onward transmission to the purchaser or transferee. However, this document and any accompanying documents should not be sent or transmitted in, or into, any jurisdiction where to do so might constitute a violation of local securities law or regulations. If you sell or have sold or otherwise transferred only part of your holding of Ordinary Shares, please retain this document and the accompanying Form of Proxy and contact immediately the bank, stockbroker or other agent through whom the sale or transfer was affected.

The maximum amount to be raised under the Open Offer shall be less than €8 million (or an equivalent amount in pounds sterling). None of the Subscription, the Director Subscriptions, the Placing or the Open Offer constitutes an offer to the public requiring an approved prospectus under section 85 of FSMA and accordingly this document does not constitute a prospectus for the purposes of the Prospectus Regulation together with the Prospectus Regulation Rules made by the Financial Conduct Authority of the United Kingdom ("FCA") pursuant to sections 73A(1) and (4) of FSMA and has not been approved by the FCA, the London Stock Exchange, any securities commission or any other authority or regulatory body nor has it been approved for the purposes of section 21 of FSMA. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the official list of the United Kingdom's Financial Conduct Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The London Stock Exchange has not itself examined or approved the contents of this document. Neither the London Stock Exchange nor the FCA has examined or approved the contents of this document.

SYNAIRGEN PLC

(Incorporated in England and Wales under the Companies Act 1985 with registered number 05233429)

Proposed Subscription of up to 900,000,000 Subscription Shares

Proposed Director Subscriptions of 1,250,000 Director Subscription Shares

Proposed Placing of up to 298,750,002 Placing Shares

Open Offer of up to 298,750,002 Open Offer Shares

Approval of waiver of obligations under Rule 9 of the Takeover Code

Related Party Transactions

Amendments to the Articles of Association

and

Notice of General Meeting

Cavendish

as nominated adviser and broker

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company set out in this document and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

Notice of a General Meeting of the Company to be held at the offices of Fieldfisher LLP, Riverbank House, 2 Swan Lane, London EC4R 3TT at 10.30 a.m. on 16 January 2025 is set out at the end of this document. A Form of Proxy for use at the meeting accompanies this document and should be returned as soon as possible and in any event so as to be received by the Company's registrars, Link Group, by not later than 10.30 a.m. on 14 January 2025. The completion and return of the Form of Proxy will not prevent a Shareholder from attending and voting in person at the General Meeting, should they so wish to do so. You may submit your proxy vote electronically using Link Group's Signal Shares share portal service at www.signalshares.com or in hard copy form if you request a hard copy Form of Proxy from the Company's registrar, Link Group. In order to be valid, proxy appointments must be submitted using Link Group' Signal Shares share portal service or in hard copy form to Link Group at PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL, in each case, by no later than 10.30 a.m. on 14 January 2025 or 48 hours before the meeting.

Qualifying CREST Shareholders, being Shareholders who hold their Existing Shares in uncertificated form in CREST, may alternatively use the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual as explained in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by Link Group (CREST ID RA10) by no later than 10.30 a.m. on 14 January 2025.

Cavendish Capital Markets Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company in relation to the Proposals and as nominated adviser and broker to the Company and for no one else in relation to the matters described in this document and is not advising any other person and accordingly will not be responsible to anyone other than the Company for providing the protections afforded to clients of Cavendish Capital Markets Limited, or for providing advice in relation to the Proposals or the contents of this document or any matter referred to in it. The responsibilities of Cavendish Capital Markets Limited as the Company's nominated adviser and broker under the AIM Rules for Companies and the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director, Shareholder or any other person, in respect of his decision to acquire shares in the capital of the Company in reliance on any part of this document, or otherwise.

No liability is accepted by Cavendish Capital Markets Limited nor does it make any representation or warranty, express or implied, in relation to the contents of this document, including its accuracy or completeness or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company and the matters described in this document and accordingly Cavendish Capital Markets Limited disclaims all and any responsibility or liability whether arising in tort, contract or otherwise which it might otherwise have in respect of this document or any such statement, to the maximum extent permitted by law and the regulations to which it is subject.

Cautionary note regarding forward-looking statements

This document contains (or may contain) certain forward-looking statements with respect to the Company, its group and certain of its current goals and expectations relating to its future financial condition and performance and which involve a number of risks and uncertainties.

The Company cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", or other words of similar meaning. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, economic and business conditions, market-related risks such as changes in interest rates and foreign exchange rates, the policies and actions of governmental and regulatory authorities, changes in legislation, the success of future acquisitions and other strategic transactions and the impact of competition. A number of these factors are beyond the Company's control. As a result, the Company's actual future results may differ materially from the plans, goals and expectations set forth in the Company's forward-looking statements. Any forward-looking statements made in this document by or on behalf of the Company speak only as at the date they are made. Except as required by the FCA, the London Stock Exchange, the Panel or applicable law, the Company, Cavendish Capital Markets Limited and their respective directors, officers, employees, agents, managers, members and partners expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

This document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any securities. This document provides you with information about the Proposals but does not invite you to participate in them.

The release, publication or distribution of this document and/or any accompanying documents in jurisdictions other than the United Kingdom may be restricted by law and therefore any persons into whose possession this document comes should inform themselves about and observe any applicable restrictions or requirements. No action has been taken by the Company that would permit possession or distribution of this document in any jurisdiction where action for that purpose is required. Any failure to comply with such restrictions or requirements may constitute a violation of the securities laws of any such jurisdiction.

This document does not constitute, or form part of, any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities in the United States. The Company's securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state or other jurisdiction of the United States, and may not be offered, sold, pledged or otherwise transferred directly or indirectly in or into the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There will be no public offering of securities in the United States.

Shareholders outside the UK and any person (including, without limitation, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this document to a jurisdiction outside the UK should seek appropriate advice before taking any action.

Unless, and to the extent, otherwise stated, the contents of the Company's website past or present, or any other website accessible via hyperlinks from such website, are not incorporated into, and do not form part of, this document.

No person has been authorised to give any information or make any representations other than the information contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by the Company. Neither the delivery of this document nor any subscription or sale made hereunder shall, under any circumstances, create any implication that there has been no change in affairs of the Company since the date of this document or that the information in this document is correct at any time subsequent to its date.

Rounding

Certain figures in this document have been subject to rounding adjustments. Accordingly, any apparent discrepancies in tables between the totals and the sums of the relevant amounts are due to rounding.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date for the Open Offer	6.00 p.m. on 18 December 2024
Announcement of the Fundraising	7.00 a.m. on 20 December 2024
Publication and despatch of this document and, to Qualifying Non-Crest Shareholders, the Open Offer Application Form	20 December 2024
Existing Ordinary Shares marked “ex” by the London Stock Exchange	8.00 a.m. on 20 December 2024
Basic Open Offer Entitlements and Excess Open Offer Entitlements credited to CREST stock accounts of Qualifying CREST Shareholders	23 December 2024
Latest recommended time and date for requesting withdrawal of Basic Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST	4.30 p.m. on 9 January 2025
Latest time and date for depositing Basic Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST	3.00 p.m. on 10 January 2025
Latest time and date for splitting of Application Forms under the Open Offer (to satisfy <i>bona fide</i> market claims)	3.00 p.m. on 13 January 2025
Latest time and date for receipt of electronic voting instructions via www.signalshares.com or via CREST instructions or Forms of Proxy	10.30 a.m. on 14 January 2025
Latest time and date for:	11.00 a.m. on 15 January 2025

- **potential Placées to make a bid in the Placing via the bookbuild**
- **receipt of Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)**

Announcement of the results of the Placing and the Open Offer	15 January 2025
General Meeting	10.30 a.m. on 16 January 2025
Announcement of the results of the General Meeting	16 January 2025
Admission of the New Ordinary Shares to trading on AIM and commencement of dealings	8.00 a.m. on 17 January 2025
Where applicable, expected date for CREST accounts to be credited in respect of the New Ordinary Shares in uncertificated form	17 January 2025
Where applicable, expected date for despatch of definitive share certificates for the New Ordinary Shares in certificated form	24 January 2025

Notes:

- (1) Each of the times and dates above are indicative only and are subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified by the Company to the Shareholders by announcement through a regulatory information service.
- (2) All events listed in the above timetable following the General Meeting are conditional on, *inter alia*, the passing of the Resolutions at the General Meeting.
- (3) All of the above times refer to London time unless otherwise stated.
- (4) In the event that the Minimum Fundraising Condition is not satisfied, i.e. the Non-Underwritten Fundraising (being the Placing, Open Offer and Director Subscriptions) does not raise, in aggregate, at least £2.9 million pounds for the Company, the Company will subsequently apply for the cancellation of the admission of its Ordinary Shares to trading on AIM. If this is the case, the Company will send out a separate circular to its Shareholders at some time following Admission, requesting that Shareholders approve the Cancellation in accordance with rule 41 of the AIM Rules for Companies.

KEY STATISTICS

Existing Ordinary Shares in issue as at the date of this document	202,660,697
Maximum number of Subscription Shares which may be issued pursuant to the Subscription ³	900,000,000
Minimum number of New Ordinary Shares which may be issued pursuant to the Non-Underwritten Fundraising in order to satisfy the Minimum Fundraising Condition, comprising:	145,000,000
● Director Subscription Shares to be issued pursuant to the Director Subscriptions ⁴	1,250,000
● Placing Shares and Open Offer Shares which may be issued pursuant to the Placing and Open Offer ⁴	143,750,000
Maximum number of New Ordinary Shares which may be issued pursuant to the Non-Underwritten Fundraising, comprising:	300,000,002
● Director Subscription Shares to be issued pursuant to the Director Subscriptions ⁴	1,250,000
● Placing Shares and Open Offer Shares which may be issued pursuant to the Placing and Open Offer ⁴	298,750,002
Basic Open Offer Entitlement	1 Open Offer Share for every 0.67836216 Existing Ordinary Shares held at the Record Date
Issue Price	2 pence
Enlarged Share Capital ²	1,152,660,697
Maximum proceeds of the Subscription (before expenses) ³	£18 million
Proceeds of the Director Subscriptions (before expenses) ⁴	approximately £0.03 million
Maximum proceeds of the Placing and Open Offer (before expenses) ²	up to £5.98 million
Percentage of Enlarged Share Capital represented by the maximum number of New Ordinary Shares ²	82.4 per cent.
Maximum percentage of Enlarged Share Capital held by TFG Asset Management UK (on behalf of the Relevant Funds) at Admission assuming that no person exercises any options or other rights to subscribe for Ordinary Shares ³	86.9 per cent.
Ordinary Share ISIN	GB00B0381Z20
Basic Open Offer Entitlement ISIN	GB00BRCCMJ59
Excess Open Offer Entitlements ISIN	GB00BRCCMK64

¹ Assuming all of the Resolutions are passed at the General Meeting.

² Assuming take-up in full of both the Open Offer by Qualifying Shareholders and take-up in full of the Placing Shares by Placees. The Non-Underwritten Fundraising cannot exceed, in aggregate, £6 million (before expenses).

³ Assuming the Minimum Fundraising Condition is not satisfied and the Non-Underwritten Fundraising fails to raise the minimum threshold of, in aggregate, at least £2.9 million for the Company and accordingly no Open Offer Shares, Director Subscription Shares or Placing Shares are issued by the Company and all funds transferred to the Company and/or Cavendish by Placees and/or Qualifying Shareholders are returned to them.

⁴ Assuming the Minimum Fundraising Condition is satisfied.

IMPORTANT NOTICE

Each element of the Non-Underwritten Fundraising (being the Placing, Open Offer and Director Subscriptions) is subject to, and conditional upon, the Minimum Fundraising Condition being satisfied.

In the event that the Non-Underwritten Fundraising does not raise, in aggregate, a minimum of £2.9 million for the Company, no element of the Non-Underwritten Fundraising will proceed. All monies shall be returned to Qualifying Shareholders who participated in the Open Offer and no Placing Shares, Open Offer Shares or Director Subscription Shares will be issued by the Company.

The results of the Non-Underwritten Fundraising are inherently uncertain and the Company and the Directors cannot give any guarantee that the Minimum Fundraising Condition will be satisfied or indeed any funds raised at all beyond the Subscription.

In the event that the Minimum Fundraising Condition is not satisfied, TFG Asset Management UK would hold 86.9 per cent. of the Enlarged Share Capital.

Following the approval of the Resolutions at the General Meeting, if the Minimum Fundraising Condition is not satisfied, the Company intends to apply for the cancellation of its Ordinary Shares from trading on AIM in early 2025 and a separate circular will be sent to the Company's shareholders following Admission requesting that Shareholders approve such Cancellation in accordance with rule 41 of the AIM Rules.

A resolution to approve the Cancellation requires the approval of 75 per cent. of those Shareholders who actually vote in such general meeting. TFG Asset Management UK, which at such time would hold 86.9 per cent. of the Enlarged Share Capital, would therefore be able to pass such resolution on its own, notwithstanding how many other Shareholders may vote against.

TFG Asset Management UK has notified the Company that should this be the case, it would vote "for" such resolution and approve the Cancellation.

Following such Cancellation, Shareholders would then hold their Ordinary Shares in an unquoted company for which there may be much less liquidity than were they traded on AIM. Shareholders should read and understand paragraph 5 of Part I of this document and the Risk Factors in Part III.

Conversely, if the Minimum Fundraising Condition is satisfied and the Non-Underwritten Fundraising raises, in aggregate, more than £2.9 million, TFG Asset Management UK would hold at least 61.4 per cent. of the Enlarged Share Capital. Please see paragraph 4 of Part II for information regarding the intentions of TFG Asset Management UK.

DIRECTORS AND ADVISERS

Directors	Mark Parry-Billings (<i>Non-Executive Chairman</i>) Richard Marsden (<i>Chief Executive Officer</i>) Joseph Colliver (<i>Chief Financial Officer</i>) Amanda Radford (<i>Non-Executive Director</i>) Dr. Felicity Gabbay (<i>Non-Executive Director</i>) Dr. Bruce Campbell (<i>Non-Executive Director</i>) Prof. Stephen Holgate CBE (<i>Non-Executive Director</i>) all of whose business address is at the Company's registered office
Registered Office	Mailpoint 810, Level F, South Block Southampton General Hospital Tremona Road Southampton SO16 6YD
Company website	www.synairgen.com
Company Secretary	Simon Holden
Nominated Adviser and broker to the Placing	Cavendish Capital Markets Limited 1 Bartholomew Close London EC1A 7BL
Legal advisers to the Company	Fieldfisher LLP Riverbank House 2 Swan Lane London EC4R 3TT
Legal advisers to the Nominated Adviser and broker	Osborne Clarke LLP One London Wall London EC2Y 5EB
Auditors	BDO LLP Level 12 Thames Tower Station Road Reading RG1 1LX
Receiving Agent	Link Group Corporate Actions Central Square 29 Wellington Street Leeds LS1 4DL
Registrar	Link Group Central Square 29 Wellington Street Leeds LS1 4DL

DEFINITIONS

The following definitions apply throughout this document (including the Notice of General Meeting and the Form of Proxy) unless the context requires otherwise:

Act	the Companies Act 2006;
Admission	admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules;
AIM	AIM, a market of that name operated by the LSE;
AIM Rules	the AIM Rules for Companies published by the LSE, as amended from time to time;
Amended Articles	the articles of association of the Company, as amended by Resolution 8;
Application Form	the application form accompanying this document to be used by Qualifying Non-CREST Shareholders in connection with the Open Offer;
Articles of Association	the articles of association of the Company as they are in force as at the date of this document;
Basic Open Offer Entitlement	1 Open Offer Share for every 0.67836216 Existing Ordinary Shares held at the Record Date;
Board or Directors	the directors of the Company whose names are set out on page 7 of this document;
Business Day	any day on which banks are usually open in England and Wales for the transaction of sterling business, other than a Saturday, Sunday or public holiday;
Cancellation	cancellation of admission of the Ordinary Shares from trading on AIM in accordance with Rule 41 of the AIM Rules;
Cavendish	Cavendish Capital Markets Limited, a company incorporated in England and Wales with company number 06198898 whose registered office is situated at 1 Bartholomew Close, London, England, EC1A 7BL, the Company's Nominated Adviser and broker;
certificated or in certificated form	a share or other security not held in uncertificated form (that is, not in CREST);
Clinical Trial	the Phase II trial of SNG001, details of which are set out in paragraph 2 of Part I of this document;
Company or Synairgen plc	Synairgen plc, a company incorporated in England and Wales with registration number 05233429 whose registered office is situated at Mailpoint 810 Level F, South Block Southampton, General Hospital Tremona Road, Southampton Hampshire, SO16 6YD;
CREST	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear which facilitates the holding and transfer of title to shares in uncertificated form;
CREST member	a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations);

CREST participant	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations);
CREST Proxy Instruction	the appropriate CREST message made to appoint a proxy, properly authenticated in accordance with Euroclear’s specifications;
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001/3755);
Director Subscriptions	the conditional subscriptions made by the Participating Directors for the Director Subscription Shares at the Issue Price pursuant to the Director Subscription Agreements subject to, <i>inter alia</i> , the Minimum Fundraising Condition being satisfied;
Director Subscription Agreements	the agreements dated 20 December 2024 made between the Company and each of the Participating Directors relating to the Director Subscriptions;
Director Subscription Shares	the 1,250,000 new Ordinary Shares to be issued pursuant to the Director Subscriptions;
Employee LTIP	the proposed Synairgen Long Term Incentive Plan 2024, the terms of which are summarised in the Appendix to the Notice of General Meeting;
Enlarged Share Capital	the issued share capital of the Company as enlarged by the issue of the New Ordinary Shares;
EU Qualified Investors	persons in member states of the European Economic Area who are qualified investors within the meaning of Article 2(e) of Regulation (EU) 2017/1129;
Euroclear	Euroclear UK & International Limited, the operator of CREST;
Excess Application Facility	the arrangement pursuant to which Qualifying Shareholders may apply for additional Open Offer Shares in excess of their Basic Open Offer Entitlement in accordance with the terms and conditions of the Open Offer;
Excess CREST Open Offer Entitlements	in respect of each Qualifying CREST Shareholder, the entitlement (in addition to their Basic Open Offer Entitlement) to apply for Open Offer Shares pursuant to the Excess Application Facility, which is conditional on them taking up their Basic Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this document;
Excess Open Offer Entitlements	an entitlement for each Qualifying Shareholder to apply to subscribe for Open Offer Shares in addition to their Basic Open Offer Entitlement pursuant to the Excess Application Facility which is conditional on them taking up their Basic Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this document;
Excess Shares	Open Offer Shares which are not taken up by Qualifying Shareholders pursuant their Basic Open Offer Entitlement and which are offered to Qualifying Shareholders under the Excess Application facility;
Ex-entitlement Date	the date on which the Existing Ordinary Shares are marked “ex” for entitlement under the Open Offer, being 8.00 a.m. on 20 December 2024;

Existing Ordinary Shares	the 202,660,697 Ordinary Shares in issue at the date of this document;
Financial Conduct Authority or FCA	the Financial Conduct Authority in its capacity as the competent authority for the purposes of Part IV of FSMA;
Form of Proxy	the accompanying form of proxy for use by Shareholders in connection with the General Meeting;
FSMA	the Financial Services and Markets Act 2000 (as amended);
Fundraising	together, the Subscription, the Director Subscriptions, the Placing and the Open Offer;
General Meeting	the General Meeting of the Company to be held at 10.30 a.m. on 16 January 2025 (or any reconvened meeting following any adjournment of the general meeting) at the offices of Fieldfisher LLP, Riverbank House, 2 Swan Lane, London EC4R 3TT, notice of which is set out at the end of this document;
Group	the Company and its subsidiaries;
Independent Directors	means those directors who are considered by the Board to be independent for the purposes of the QCA Code and who are as at the date of this document, Mark Parry-Billings, Amanda Radford and Dr. Felicity Gabbay;
Independent Shareholders	shareholders who are independent of a person who would otherwise be required to make a Rule 9 Offer and any person acting in concert with him or her (as defined by the Takeover Code);
Issue Price	2 pence per New Ordinary Share;
Latest Practicable Date	19 December 2024, being the latest practicable date prior to publication of this document;
LSE or London Stock Exchange	London Stock Exchange plc;
LTIPs	both the Employee LTIP and the Non-Employee LTIP;
Minimum Fundraising Condition	means the condition to each element of the Non-Underwritten Fundraising proceeding, which is that the Non-Underwritten Fundraising raises, in aggregate, at least £2.9 million for the Company (before expenses);
New Ordinary Shares	together, the Subscription Shares and, subject to the Minimum Fundraising Condition being satisfied, the Director Subscription Shares, the Placing Shares and the Open Offer Shares;
Non-Employee LTIP	the proposed Synairgen Non-Employee Long Term Incentive Plan, the terms of which are summarised in the Appendix to the Notice of General Meeting;
Non-Participating Directors	those directors not participating in the Director Subscriptions, being Mark Parry-Billings, Amanda Radford, Dr. Felicity Gabbay, Dr. Bruce Campbell and Prof. Stephen Holgate CBE;
Non-Underwritten Fundraising	means the Placing, the Open Offer and the Director Subscriptions;

Notice or Notice of General Meeting	the notice of the General Meeting as set out at the end of this document;
Open Offer	the conditional invitation by the Company to Qualifying Shareholders to apply to subscribe for the Open Offer Shares at the Issue Price on the terms and subject to the conditions (including the satisfaction of the Minimum Fundraising Condition) set out in this document and, in the case of Qualifying Non-CREST Shareholders, in the Application Form;
Open Offer Shares	up to, in aggregate, 298,750,002 new Ordinary Shares to be offered by the Company to Qualifying Shareholders pursuant to the Open Offer;
Order	Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended;
Ordinary Shares	ordinary shares of 1 penny each in the capital of the Company;
Panel	The Panel on Takeovers and Mergers;
Participating Directors	those directors participating in the Director Subscriptions, being Richard Marsden and Joseph Colliver;
Placees	potential subscribers for Placing Shares in the Placing, subject to them being Relevant Persons;
Placing	the placing of the Placing Shares to Placees pursuant to the Placing Agreement and conditional and subject to the terms of the Placing Announcement, including the Minimum Fundraising Condition being satisfied;
Placing Agreement	the agreement dated 20 December 2024, pursuant to which the Company appointed Cavendish, acting as its agent, to carry out the Placing;
Placing Announcement	the announcement published by the Company on 20 December 2024 setting out the terms and conditions of the Placing which is being conducted by way of a bookbuild;
Placing Shares	up to, in aggregate, 298,750,002 new Ordinary Shares to be issued pursuant to the Placing;
Proposals	together, the Fundraising and the Rule 9 Waiver;
Prospectus Regulation	Regulation (EU) 2017/1129
Prospectus Regulation Rules	the latest edition of the “Prospectus Regulation Rules” made for the purposes of Part VI of FSMA;
QCA Code	the QCA Corporate Governance Code published by the Quoted Companies Alliance from time to time;
Qualified Investors	means both: (i) EU Qualified Investors; and (ii) UK Qualified Investors;
Qualifying CREST Shareholders	Qualifying Shareholders holding Existing Ordinary Shares in uncertificated form;
Qualifying Non-CREST Shareholders	Qualifying Shareholders holding Existing Ordinary Shares in certificated form;

Qualifying Shareholders	holders of Existing Ordinary Shares on the register of members of the Company at the Record Date but excluding any Overseas Shareholder who has a registered address in any Restricted Jurisdiction;
Receiving Agent	Link Group, Corporate Actions, Central Square, 29 Wellington Street Leeds LS1 4DL;
Record Date	18 December 2024;
Registrar	Link Group, Central Square, 29 Wellington Street, Leeds LS1 4DL;
Related Party Transaction	has the meaning given to it in paragraph 8 of Part I of this document;
Relationship Agreement	the conditional agreement between the Company and TFG Asset Management UK, further details of which are set out in paragraph 8.2 of Part II of this document;
Relevant Funds	Tetragon, Westbourne River Event Master Fund and accounts managed by TFG Asset Management UK;
Relevant Persons	means (a) EU Qualified Investors; and (b) UK Qualified Investors who if they are resident in the United Kingdom are also persons who (i) fall within article 19(5) of the Order; or (ii) fall within article 49(2)(a) to (d) (“high net worth companies, unincorporated associations, etc”) of such Order, or (iii) are persons to whom the Placing may otherwise be lawfully communicated;
Resolutions	the resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting;
Restricted Jurisdiction	means the United States of America, Australia, Canada, the Republic of South Africa, New Zealand, Japan or any other jurisdiction where the Open Offer Shares or the Placing Shares may not be offered, sold, taken up, delivered or transferred into or from;
Rule 9 Offer	a general offer under Rule 9 of the Takeover Code;
Rule 9 Waiver	the waiver granted by the Panel (conditional on the approval of the Rule 9 Waiver Resolution by the Independent Shareholders) of the obligation that would otherwise arise for TFG Asset Management UK to make a Rule 9 Offer under the Takeover Code as a consequence of the allotment and issue to it of the Subscription Shares;
Rule 9 Waiver Resolution	Resolution 1, as set out in the Notice of General Meeting, which is to be taken on a poll of Independent Shareholders in accordance with the requirements of the Takeover Code;
Shareholders	the holders of Ordinary Shares;
Subscription	the conditional subscription made by TFG Asset Management UK for the Subscription Shares at the Issue Price pursuant to the Subscription Agreement;
Subscription Agreement	the agreement dated 20 December 2024 made between the Company and TFG Asset Management UK relating to the Subscription;

Subscription Shares	up to 900,000,000 new Ordinary Shares to be issued pursuant to the Subscription and which are subject to clawback;
Takeover Code	the City Code on Takeovers and Mergers published by the Panel from time to time;
Tetragon	Tetragon Financial Group Limited;
TFG Asset Management UK	TFG Asset Management UK LLP, a limited liability partnership incorporated in England and Wales with company number OC343805 whose registered office is situated at 4 Sloane Terrace, London, SW1X 9DQ, in its capacity as discretionary investment manager, acting on behalf of the Relevant Funds;
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland;
UK Qualified Investors	persons in the United Kingdom who are qualified investors within the meaning of Article 2(e) of Regulation (EU) 2017/1129 which forms part of domestic law pursuant to the European Union (Withdrawal) Act 2018;
uncertificated or in uncertificated form	recorded on the register of members of Synairgen plc as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
£, pounds sterling or penny	UK pounds sterling or pence, the lawful currency of the United Kingdom.

PART I

LETTER FROM THE CHAIRMAN

Synairgen Plc

(Incorporated in England and Wales under the Companies Act 1985 with registered number 05233429)

Directors

Mark Parry-Billings *(Non-Executive Chairman)*
Richard Marsden *(Chief Executive Officer)*
Joseph Colliver *(Chief Financial Officer)*
Amanda Radford *(Non-Executive Director)*
Dr. Felicity Gabbay *(Non-Executive Director)*
Dr. Bruce Campbell *(Non-Executive Director)*
Prof. Stephen Holgate CBE *(Non-Executive Director)*

Registered Address

Mailpoint 810, Level F, South Block
Southampton General Hospital
Tremona Road
Southampton
SO16 6YD

20 December 2024

To holders of Existing Ordinary Shares and for information purposes to the holders of options over Ordinary Shares

Dear Shareholder,

Proposed Subscription of up to 900,000,000 Subscription Shares
Proposed Director Subscriptions of 1,250,000 Director Subscription Shares
Proposed Placing of up to 298,750,002 Placing Shares
Proposed Open Offer of up to 298,750,002 Open Offer Shares
each at a price of 2 pence per Ordinary Share
Approval of waiver of obligations under Rule 9 of the Takeover Code
Related party transactions
and
Notice of General Meeting

1. INTRODUCTION

On 20 December 2024, the Company announced that it had conditionally raised, in aggregate, a minimum of £18 million (before fees and expenses) through the conditional subscription of the Subscription Shares at the Issue Price by TFG Asset Management UK.

In addition to the Subscription, the Company is seeking to raise additional funding pursuant to the Non-Underwritten Fundraising, which comprises:

- the Director Subscriptions, pursuant to which the Participating Directors have conditionally subscribed for the Director Subscription Shares at the Issue Price (raising £25,000);
- the Placing, by which the Company has launched a bookbuild permitting Placees to subscribe for up to 298,750,002 Placing Shares (raising a maximum of approximately £5.98 million); and
- the Open Offer, pursuant to which Qualifying Shareholders may participate in the Fundraising (raising a maximum of approximately £5.98 million).

The Company has previously stated that Shareholders will be given the opportunity to participate in any Fundraising and on a pre-emptive basis and as such the Company is making the Open Offer to Qualifying Shareholders on the terms and conditions set out in this document. The Open Offer provides all Qualifying

Shareholders with the opportunity to subscribe at the Issue Price for an aggregate of up to 298,750,002 Open Offer Shares, to raise up to approximately £5.98 million (before fees and expenses) for the Company, on the basis of:

1 Open Offer Share for every 0.67836216 Existing Ordinary Share held on the Record Date

The Issue Price of 2 pence represents a discount of approximately 46.6 per cent. to the closing middle market price per Existing Ordinary Share on 19 December 2024, being the last practicable date prior to the date of the announcement of the Fundraising.

The Non-Underwritten Fundraising (comprising the Placing, Open Offer and Director Subscriptions) is subject to, and conditional upon, the Minimum Fundraising Condition being satisfied, which is that, in aggregate, £2.9 million is raised pursuant to the Non-Underwritten Fundraising. In the event that the Minimum Fundraising Condition is satisfied, the Placing Shares, Open Offer Shares and Director Subscription Shares will be issued (subject to the passing of the Resolutions) and the Subscription Shares issued to TFG Asset Management UK will be subject to clawback as more particularly described in paragraph 3 of this Part I. The maximum amount which may be raised under the Non-Underwritten Fundraising is £6.0 million. Accordingly, given the clawback arrangements described in paragraph 3 below, the maximum amount of the Fundraising, in aggregate, will be £19 million.

TFG Asset Management UK (in its capacity as discretionary investment manager for and on behalf of the Relevant Funds) is currently interested in 58,000,000 Existing Ordinary Shares which carry 28.6 per cent. of the Company's voting rights. Pursuant to the Subscription, TFG Asset Management UK has agreed (on behalf of the Relevant Funds) to subscribe for a maximum of 900,000,000 Subscription Shares at the Issue Price, raising £18 million for the Company (before expenses). Following completion of the Subscription, TFG Asset Management UK (in its capacity as discretionary investment manager for and on behalf of the Relevant Funds) would, in aggregate, be interested in Ordinary Shares that carry more than 30 per cent. of the Company's voting share capital (from a shareholding of less than 30 per cent. of the Company's voting share capital) which would ordinarily result in TFG Asset Management UK having to make a mandatory offer under Rule 9 of the Takeover Code. However, the Panel has agreed to waive the obligation on TFG Asset Management UK to make a mandatory offer that would otherwise arise as referred to above, subject to the approval of the Independent Shareholders on a poll.

The purpose of this document is, amongst other things, to provide you with more information about the background to and reasons for the Fundraising and to explain why the Board considers the Fundraising to be in the best interests of the Company and its Shareholders as a whole.

Shareholders are reminded that should the relevant Resolutions not be passed, the proceeds of the Fundraising will not be received by the Company and the Clinical Trial will not proceed. There is no certainty that other funding would be available on suitable terms or indeed at all. It is uncertain whether the Company could carry on its business as it is presently carried on. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, as they intend to do in respect of their own holdings.

IMPORTANT NOTICE

Each element of the Non-Underwritten Fundraising (being the Placing, Open Offer and Director Subscriptions) is subject to, and conditional upon, the Minimum Fundraising Condition being satisfied.

In the event that the Non-Underwritten Fundraising does not raise, in aggregate, a minimum of £2.9 million for the Company, no element of the Non-Underwritten Fundraising will proceed. All monies shall be returned to Qualifying Shareholders who participated in the Open Offer and no Placing Shares, Open Offer Shares or Director Subscription Shares will be issued by the Company.

The results of the Non-Underwritten Fundraising are inherently uncertain and the Company and the Directors cannot give any guarantee that the Minimum Fundraising Condition will be satisfied or indeed any funds raised at all beyond the Subscription.

In the event that the Minimum Fundraising Condition is not satisfied, TFG Asset Management UK would hold 86.9 per cent. of the Enlarged Share Capital.

Following the approval of the Resolutions at the General Meeting, if the Minimum Fundraising Condition is not satisfied, the Company intends to apply for the cancellation of its Ordinary Shares from trading on AIM in early 2025 and a separate circular will be sent to the Company's shareholders following Admission requesting that Shareholders approve such Cancellation in accordance with rule 41 of the AIM Rules.

A resolution to approve the Cancellation requires the approval of 75 per cent. of those Shareholders who actually vote in such general meeting. TFG Asset Management UK, which at such time would hold 86.9 per cent. of the Enlarged Share Capital, would therefore be able to pass such resolution on its own, notwithstanding how many other Shareholders may vote against.

TFG Asset Management UK has notified the Company that should this be the case, it would vote "for" such resolution and approve the Cancellation.

Following such Cancellation, Shareholders would then hold their Ordinary Shares in an unquoted company for which there may be much less liquidity than were they traded on AIM. Shareholders should read and understand paragraph 5 of Part I of this document and the Risk Factors in Part III.

Conversely, if the Minimum Fundraising Condition is satisfied and the Non-Underwritten Fundraising raises, in aggregate, more than £2.9 million, TFG Asset Management UK would hold 61.4 per cent. of the Enlarged Share Capital (assuming that the Non-Underwritten Fundraising raises the maximum of £6.0 million). Please see paragraph 4 of Part II for information regarding the intentions of TFG Asset Management UK.

2. BACKGROUND TO AND REASONS FOR THE FUNDRAISING AND USE OF PROCEEDS

Background

Synairgen is developing SNG001 (inhaled Interferon beta-1a) as a drug to treat severe viral lung infections. Respiratory viral infections (including influenza, rhinovirus, respiratory syncytial virus, adenovirus, human metapneumovirus, and coronavirus including SARS-CoV-2) are the most common cause of infectious disease and when they affect the lungs they can cause significant morbidity and mortality. These viruses cause more than 2 million hospitalisations each year in the US alone and approximately 15 per cent. of these patients are admitted to intensive care units for higher levels of medical intervention, with half of these patients (c. 150,000) requiring mechanical ventilation. In the US, the average cost of hospitalisation caused by SARS-CoV-2 requiring invasive mechanical ventilation (among surviving patients) was ~\$60k.

Interferon-beta is a naturally occurring protein, produced in response to viral infections, that drives the body's antiviral responses. People who make less interferon beta, for example due to their genetics, age or disease, are at greater risk of developing severe viral lung infections. Viruses themselves also suppress interferon beta production to evade host antiviral responses. Together these factors provide the rationale to deliver SNG001 directly into the lungs as an aerosol to boost/restore the lungs' antiviral responses to clear the virus. As such, SNG001 is a broadly-acting antiviral therapeutic.

Synairgen has completed a comprehensive review of data from previous trials of SNG001, epidemiological data, commercial factors and unmet clinical need, concluding that mechanically ventilated patients in intensive care are the most appropriate group to target in the next Clinical Trial. With only one antiviral drug approved for adults in the US (remdesivir for COVID-19) for use in mechanically ventilated patients, these difficult and expensive to treat patients are underserved with currently available antiviral treatments and mortality remains high in the range of 25-45 per cent. Subject to regulatory approvals, Synairgen plans to initiate a Phase 2 clinical trial (SG021) in mechanically ventilated patients with confirmed respiratory viral infections during the coming 2024/2025 virus season.

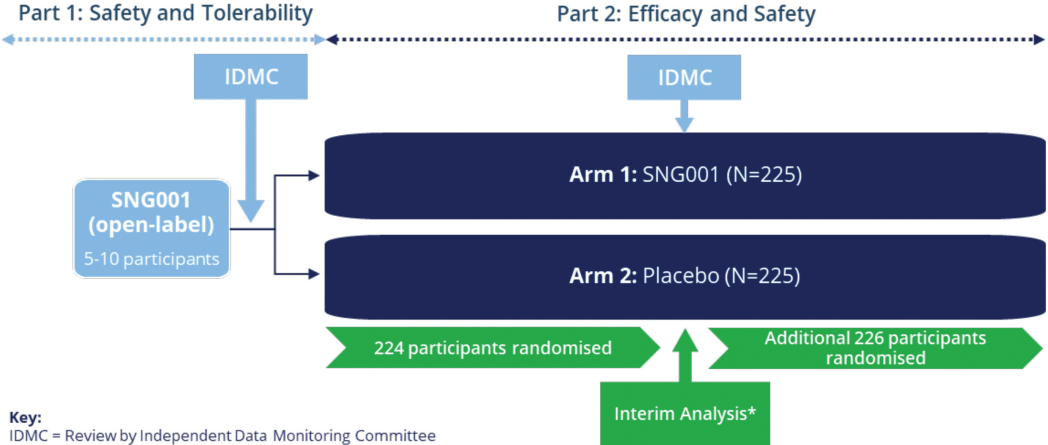
Clinical Trial Design

The international Clinical Trial, to be conducted across approximately 50-60 sites, follows a randomised, double-blind placebo-controlled design and will recruit 450 patients, with the primary endpoint being a

reduction in 28-day mortality in the SNG001 versus the placebo group. This endpoint is clinically relevant and material for future dialogue with regulatory agencies and potential pharmaceutical company partners. In addition to safety and tolerability, secondary endpoints include clinically important efficacy assessments such as duration of ventilation, duration of stay in the intensive care unit and in the hospital, which can also relate to health economics. Inclusion of pharmacodynamic measures such as viral load and biomarkers aim to support the novel mode of drug action. The study population will be enriched to select patients at higher risk of dying (>50 years of age, immunocompromised and those with higher viral load in the lungs), who we believe are believed to be more likely to respond to and benefit from SNG001.

SNG001 has shown a favourable safety profile in a large population of spontaneously breathing patients. To assess its safety in the most severely ill patients requiring invasive mechanical ventilation, the study will employ a two-part design, where SNG001 at a dose lower than the target will initially be administered to a cohort of 5 – 10 patients undergoing invasive mechanical ventilation, to assess safety and tolerability.

Importantly, the study includes an interim analysis (IA) planned after 224 randomised patients, which is designed to test for futility, with a threshold set at 25 per cent. reduction in mortality in the SNG001 treated group compared to placebo. This means that at this key checkpoint, the Clinical Trial would stop if SNG001 does not reduce mortality by at least 25 per cent. The overall statistical power of the study is >80 per cent. assuming a mortality rate in the placebo group of ≥ 35 per cent. and a reduction in mortality in the SNG001 group of ≥ 40 per cent. The Clinical Trial is designed such that, if these assumptions are correct, the chance of passing the IA is high at >85 per cent. and if the interim analysis is passed the chance of a positive final trial readout is increased to >95 per cent. A schematic of the study design is shown below:



Given the high unmet medical need and the potential health economic challenge posed to health care providers due to severe respiratory virus infections in intensive care facilities, the Company believes that a significant reduction in mortality from this Clinical Trial would make SNG001 a valuable asset that might be attractive to pharma company partners.

The funding required for the Clinical Trial and the other areas set out below is £18 million and the Company are grateful for the support from TFG Asset Management UK which has agreed to subscribe for a maximum of 900,000,000 shares at the Issue Price, equivalent to £18 million.

Use of proceeds

The net proceeds of the Fundraising are intended to be used as follows:

External Phase II Clinical Trial costs	c. £14 million
Synairgen Clinical Trial costs (including UK site management / working capital)	c. £3 million
Drug manufacturing / stability testing	c. £1 million

In the event that the Minimum Fundraising Condition is satisfied and the Non-Underwritten Fundraising raises, in aggregate, at least £2.9 million, the Subscription Shares subscribed for by TFG Asset Management UK will be clawed back as detailed in paragraph 3 of this Part I of the document.

The maximum amount of the Fundraising will be £19 million with such further amounts beyond those set out above being used for general working capital purposes.

3. THE STRUCTURE OF THE FUNDRAISING

Overview

The Fundraising consists of:

- the Subscription, pursuant to which TFG Asset Management UK has irrevocably agreed to conditionally subscribe for up to 900,000,000 Subscription Shares at the Issue Price, raising £18 million for the Company. The Subscription Shares are subject to clawback as described below;
- the Non-Underwritten Fundraising, comprising:
 - Director Subscriptions pursuant to which the Participating Directors have conditionally agreed to subscribe for 1,250,000 Director Subscription Shares, raising £25,000 for the Company;
 - the Placing, pursuant to which Placees are being given the opportunity to subscribe for the Placing Shares;
 - the Open Offer, pursuant to which Qualifying Shareholders are being given the opportunity to subscribe for the Open Offer Shares.

The Non-Underwritten Fundraising is subject to the following floor and cap:

- the minimum amount which must be raised by the Non-Underwritten Fundraising in order for it to proceed is £2.9 million (before expenses). This means that the minimum amount to be raised pursuant to the Placing and Open Offer is, in aggregate, £2,875,000 (when taking into account the £25,000 of Director Subscriptions already committed).
- the maximum amount to be conditionally raised pursuant to the Non-Underwritten Fundraising is £6.0 million (before expenses). This means that the maximum amount to be raised pursuant to the Placing and Open Offer is, in aggregate, £5,975,000 (when taking into account the £25,000 of Director Subscriptions already committed).

It is important to note that the Non-Underwritten Fundraising is conditional on the Minimum Fundraising Condition being satisfied.

In the event that the Minimum Fundraising Condition *is* satisfied, the maximum amount to be conditionally raised by the Company in the Fundraising will be capped at £19 million, in which case, the New Ordinary Shares will represent a maximum of 82.4 per cent. of the Enlarged Share Capital.

In the event that the Minimum Fundraising Condition *is not* satisfied, no element of the Non-Underwritten Fundraising will proceed and the minimum amount conditionally raised by the Company pursuant to the Fundraising will be £18 million pursuant to the Subscription, in which case, the New Ordinary Shares will represent a maximum of 81.6 per cent. of the Enlarged Share Capital.

Members of the public are not eligible to take part in the Placing and only Placees who are Relevant Persons may make a bid in the bookbuild which was launched pursuant to the Placing Announcement.

Each element of the Fundraising is being effected at the Issue Price. The Issue Price represents a discount of approximately 46.6 per cent. to the closing mid-market price of 3.745 pence per Ordinary Share on the Latest Practicable Date.

No element of the Non-Underwritten Fundraising is being underwritten.

All elements of the Fundraising are conditional, *inter alia*, upon:

- the passing, without amendment, of the Resolutions, including the Rule 9 Waiver Resolution at the General Meeting;
- Admission becoming effective by no later than 8.00 a.m. on 17 January 2025 (or such other time and/or date, being no later than 8.00 a.m. on 31 January 2025, as Cavendish and the Company may agree).

Accordingly, if any of such conditions are not satisfied or, if applicable, waived, the Fundraising will not proceed.

The New Ordinary Shares will be credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares then in issue, including the right to receive all future distributions, declared, paid or made in respect of the Ordinary Shares from the date of Admission.

The Minimum Fundraising Condition for the Non-Underwritten Fundraising

The Non-Underwritten Fundraising is subject to the Minimum Fundraising Condition being satisfied in order for it to proceed.

The Minimum Fundraising Condition is that the Non-Underwritten Fundraising must raise, in aggregate, a minimum of £2.9 million for the Company (before expenses).

The Placing and the Open Offer will both close on 15 January 2025 and the results of each will be announced shortly thereafter. Whilst the Directors have already conditionally subscribed for the Director Subscription Shares, the results of the Placing and the Open Offer are inherently uncertain and the Company and the Directors cannot give any guarantee that either £2.9 million will be raised or indeed any funds at all beyond the Subscription.

In the event that the Minimum Fundraising Condition is satisfied, the maximum amount which may be raised pursuant to the Non-Underwritten Fundraising is £6.0 million and the Fundraising as a whole is £19 million.

Please refer to paragraph 5 of Part I of this document for some important implications all Shareholders should be aware of if the Minimum Fundraising Condition is not satisfied.

Clawback

In the event that the Minimum Fundraising Condition is satisfied, the Non-Underwritten Fundraising will proceed, subject to a maximum cap of £6 million.

In these circumstances, TFG Asset Management UK has agreed that amounts raised pursuant to the Non-Underwritten Fundraising will reduce the number of Subscription Shares which it shall subscribe for pursuant to the Subscription on a 1 for 1 basis, subject to TFG Asset Management UK subscribing for a minimum of 649,999,998 Subscription Shares.

Accordingly, the minimum and maximum positions of TFG Asset Management UK would be as follows:

In the event that the Minimum Fundraising Condition is satisfied and on the assumption that the maximum number of Open Offer Shares and Placing Shares are issued:

<i>Name</i>	<i>Number of Subscription Shares held</i>	<i>Number of Ordinary Shares held, in aggregate, pursuant to the Non- Underwritten Fundraising</i>	<i>Total Number of Ordinary Shares held at Admission</i>	<i>Percentage interest in the Enlarged Share Capital at Admission</i>
TFG Asset Management UK	<u>649,999,998</u>	<u>Nil</u>	<u>707,999,998</u>	<u>61.4%</u>

In the event that the Minimum Fundraising Condition is not satisfied:

<i>Name</i>	<i>Number of Subscription Shares held</i>	<i>Number of Ordinary Shares held, in aggregate, pursuant to the Non- Underwritten Fundraising</i>	<i>Total Number of Ordinary Shares held at Admission</i>	<i>Percentage interest in the Enlarged Share Capital at Admission</i>
TFG Asset Management UK	900,000,000	Nil	958,000,000	86.9%

The Open Offer

The Company has previously stated that Qualifying Shareholders will be given the opportunity to participate in the Fundraising and accordingly the Company is making the Open Offer to Qualifying Shareholders. The Company is proposing to raise up to approximately £5.98 million (before expenses) (assuming full take up of the Open Offer) through the issue of up to 298,750,002 Open Offer Shares.

The Open Offer is subject to the Minimum Funding Condition. If the Minimum Funding Condition is not satisfied, no element of the Non-Underwritten Fundraising will proceed.

The Open Offer Shares are available to Qualifying Shareholders pursuant to the Open Offer at the Issue Price of 2 pence per Open Offer Share, payable in full on acceptance. Any Open Offer Shares not subscribed for by Qualifying Shareholders will be available to Qualifying Shareholders under the Excess Application Facility.

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

1 Open Offer Share for every 0.67836216 Existing Ordinary Share held on the Record Date

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

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

Application has been made for the Basic Open Offer Entitlements and the Excess Open Offer Entitlements to be admitted to CREST. It is expected that such Basic Open Offer Entitlements and the Excess Open Offer Entitlements will be credited to CREST on 23 December 2024. The Basic Open Offer Entitlements will be enabled for settlement in CREST until 3.00 p.m. on 10 January 2025. Applications through the CREST system may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled

by virtue of *bona fide* market claims. The Open Offer Shares must be paid in full on application. The latest time and date for receipt of completed Application Forms or CREST applications and payment in respect of the Open Offer is 11.00 a.m. on 15 January 2025. The Open Offer is not being made to certain Overseas Shareholders, as set out in paragraph 6 of Part V of this document.

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

The holdings of Shareholders who do not participate in the Open Offer will be diluted by 82.4 per cent. as a result of the Subscription, the Director Subscriptions and the Placing, assuming the Non-Underwritten Fundraising is subscribed for in full and the Minimum Funding Condition is satisfied.

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

In addition to the Minimum Funding Condition, the Open Offer is also conditional on the Subscription and the Director Subscriptions becoming or being declared unconditional in all respects and not being terminated before Admission. Accordingly, if the conditions to the Subscription and the Director Subscriptions (including the passing of the Resolutions) are not satisfied or waived (where capable of waiver), the Open Offer will not proceed and the Open Offer Shares will not be issued and all monies received by the Receiving Agent will be returned to the applicants (at the applicant's risk and without interest) as soon as possible thereafter. Any Basic Open Offer Entitlements admitted to CREST will thereafter be disabled.

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

4. CERTAIN OTHER ARRANGEMENTS IN CONNECTION WITH THE FUNDRAISING

The Subscription Agreement

In connection with the Subscription, TFG Asset Management UK (on behalf of the Relevant Funds) and the Company have entered into the Subscription Agreement, pursuant to which TFG Asset Management UK (on behalf of the Relevant Funds) has conditionally subscribed for the Subscription Shares at the Issue Price (raising a minimum of £18 million for the Company (before expenses)).

The Subscription is subject to the clawback arrangements set out above.

The Subscription is conditional *inter alia*, upon:

- (a) the passing, without amendment, of the Resolutions, including the Rule 9 Waiver Resolution at the General Meeting;
- (b) Admission becoming effective by no later than 8.00 a.m. on 17 January 2025 (or such later date that the Company and TFG Asset Management UK may agree).

Pursuant to the Subscription Agreement, TFG Asset Management UK has the right to nominate two directors to the Board (each a "**Nominated Director**") for so long as it (on behalf of the Relevant Funds) holds at least 30 per cent. of the voting rights in the Company. One of the Nominated Directors to be appointed will be Martin Murphy, who, subject to the passing of the Resolutions will join as a Non-Executive Director.

Each of the Nominated Directors shall act in the interest of shareholders as whole, shall not represent TFG Asset Management UK at Board meetings and shall be capable at all times of exercising independent judgement. The Nominated Directors themselves shall be under no obligation to pass any information (confidential information/inside information or otherwise) to TFG Asset Management UK.

At such time as Mark Parry-Billings is no longer the chair of the Board, TFG Asset Management UK has the right to nominate the person to be appointed as the new chair as one of the two Nominated Directors. For

the avoidance of doubt Mark Parry-Billings is not a Nominated Director and is considered upon appointment to be an Independent Director for QCA Code purposes.

As at the date of this document, the Board considers, Mark Parry-Billings, Amanda Radford and Dr. Felicity Gabbay to be Independent Directors for QCA Code purposes. It has been agreed that all of the Non-Executive Directors of the Board will step down on Admission. In addition to Martin Murphy (see below), it is the intention of the Company to appoint two new independent Non-Executive Directors to the Board in due course.

In addition to any executive directors and any Non-Executive Directors who are considered non-independent pursuant to the QCA Code, the intention is that at least two members of the Board will be Independent Directors. To the extent that at any time the Board does not maintain two Independent Directors, the Company will comply with any relevant disclosure requirements set forth in the QCA Code with respect thereto.

TFG Asset Management UK shall also have the right to appoint an observer (the **“Investor Observer”**) to the Board of the Company for so long as it holds at least 30 per cent. of the voting rights in the Company, provided that this right shall only be exercised if there is only one or no Nominated Director appointed.

In the event that a Nominated Director or an Investor Observer leaves/retires/is removed, TFG Asset Management UK has a right to replace them with another person in their place.

A Nominated Director may be removed pursuant to a shareholder vote in the event that TFG Asset Management UK (on behalf of the Relevant Funds) no longer holds the requisite percentage of the voting rights in the Company.

An Investor Observer will be capable of being removed by the Board in the event that TFG Asset Management UK (on behalf of the Relevant Funds) no longer holds the requisite percentage of the voting rights in the Company.

The Company has also granted TFG Asset Management UK information rights, subject to TFG Asset Management UK being bound by confidentiality obligations. The Company may not share inside information with TFG Asset Management UK unless TFG Asset Management UK consents to be an insider and accordingly be bound by the prohibitions in the Market Abuse Regulation and the Criminal Justice Act relating to insider dealing and market abuse.

TFG Asset Management UK's rights under the Subscription Agreement shall lapse in the event that it ceases to hold at least 30 per cent. of the voting rights in the Company.

The Relationship Agreement

Given that, subject to the passing of the Resolutions, TFG Asset Management UK (on behalf of the Relevant Funds) will hold over 50 per cent. of the share capital of the Company on Admission, the Company and TFG Asset Management UK have entered into the Relationship Agreement in order to regulate the relationship between them.

It is important to note that the terms of the Relationship Agreement will only take effect in the event that the Minimum Fundraising Condition is satisfied, which would entail that TFG Asset Management UK holds less than 75 per cent. of the Enlarged Share Capital of the Company on Admission. In the event that the Minimum Fundraising Condition is not satisfied, then the terms of the Relationship Agreement shall not come into effect and the Relationship Agreement shall lapse.

Subject to the Minimum Fundraising Condition having been satisfied, TFG Asset Management UK has undertaken to the Company that:

- transactions and arrangements between the Company and TFG Asset Management UK must be conducted at arm's length and on a normal commercial basis and approved by a majority of the Independent Directors.
- TFG Asset Management UK shall not take any action that would have the effect of preventing the Company from complying with its obligations under the AIM Rules.

- TFG Asset Management UK shall not propose or procure (so far as it is properly able to do so) the proposal of a shareholder resolution which is intended to circumvent the proper application of the AIM Rules.
- TFG Asset Management UK shall not propose the removal of any Independent Director such that the Company would no longer be able to comply with the relevant recommendations of the QCA Code and explain its non-compliance with such relevant recommendations of the QCA Code as required under the AIM Rules.
- TFG Asset Management UK may not propose or procure the proposal of a shareholder resolution which is intended to cancel the issuer's admission to trading on AIM without the approval of a majority of the Independent Directors.

TFG Asset Management UK's obligations under the Relationship Agreement shall lapse (or shall cease to become effective, as the case may be) in the event that (i) the Minimum Fundraising Condition is not satisfied; or (ii) it ceases to hold at least 30 per cent. of the voting rights in the Company or (iii) the shares held by TFG Asset Management UK (on behalf of the Relevant Funds) cease to be admitted to trading on AIM.

Amendments to the Articles of Association

As part of the Subscription, TFG Asset Management UK and the Company have agreed to make, subject to the passing of the Resolutions, certain amendments to the Articles of Association dealing with conflicts of interest.

The proposed amendments are set out in Resolution 8 such that directors, who have complied with the notification requirements of section 177 of the Act, may vote and count in the quorum on transactions or arrangements with the Company on which they have declared their interests in accordance with the Act.

It is understood that the Nominated Directors will not be conflicted on any matter relating to TFG Asset Management UK simply on account of being a Nominated Director, provided that some other reason for a conflict has not arisen (for example, by subsequently being employed by TFG Asset Management UK).

Board changes

Subject to the Resolutions being passed, all of the Company's current Non-Executive Directors (being Amanda Radford, Dr. Felicity Gabbay, Dr. Bruce Campbell and Prof. Stephen Holgate CBE) will step down from the Board at the conclusion of the General Meeting.

It is the intention of the Company to appoint two new independent Non-Executive Directors to the Board in due course.

Martin Murphy

Pursuant to the Subscription Agreement, subject to the passing of the Resolutions, Martin Murphy shall be appointed as a Non-Executive Director of the Company.

Martin Murphy is a seasoned healthcare veteran with over 23 years of leadership experience in life sciences investment. Martin previously served as Chair of Investment Committee and CEO of Syncona Limited, a FTSE 250 healthcare investment company, where he helped raise \$3 billion in funds and built Syncona to become the pre-eminent UK life sciences company founder and builder. Additionally, he serves as Chair of the Commercial Advisory Board at the British Heart Foundation CureHeart Programme and is founding investor of NASDAQ-listed Autolus Therapeutics. Between 2002-2012, he served as Managing Director of MVM Life Science Partners LLP's London office and European business. Martin holds a PhD from the University of Cambridge and an MA in Biochemistry from the University of Oxford.

New LTIPS

The legacy LTIP is approaching the end of its 10 year life and the Company, in conjunction, with TFG Asset Management UK, its largest shareholder, has concluded that it should be replaced with a new, simpler, structure of market value options ensuring that payouts are perfectly aligned with the shareholder experience.

Resolution 2 seeks authority from shareholders to adopt and operate the LTIPs for a period of 10 years from the date of the meeting.

Under the Act, grants of awards pursuant to an “employee share scheme” do not require any specific share authorities to do so. The Non-Employee LTIP, on account of non-executive directors being eligible to participate in it, does not meet the requirements of an “employee share scheme” for the purposes of the Act. Accordingly, the Board will require the specific authority from Shareholders to make awards under the Non-Employee LTIP and as such the Board is proposing that Shareholders approve Resolutions 5 and 7.

In the event that the Resolutions are passed, the Company intends to make the following grants of options under the LTIPs. The vesting date for each Option granted will be the third anniversary of the date of grant. The options may be exercised during the period of 7 years commencing on the third anniversary of the date of grant (i.e. expiring the day before the 10th anniversary of grant).

In the event that the Minimum Fundraising Condition is satisfied, the options below will be granted to ensure the holders receive the percentage of Enlarged Share Capital as set out below (the below is on the basis the full £19 million is raised pursuant to the Fundraising):

<i>Name</i>	<i>Option Scheme</i>	<i>Issue Date</i>	<i>Share Options to be granted over Ordinary Shares</i>	<i>Exercise price</i>	<i>Expiry date</i>	<i>Percentage of Enlarged Share Capital</i>
Mark Parry-Billings	LTIP	16.01.2025	11,526,606	£0.02	15.01.2035	1.0%
Martin Murphy	LTIP	16.01.2025	23,053,213	£0.02	15.01.2035	2.0%
Richard Marsden	LTIP	16.01.2025	11,526,606	£0.02	15.01.2035	1.0%
Joseph Colliver	LTIP	16.01.2025	10,373,946	£0.02	15.01.2035	0.9%
Total			56,480,371			

In the event that the Minimum Fundraising Condition is not satisfied, the following options will be granted:

<i>Name</i>	<i>Option Scheme</i>	<i>Issue Date</i>	<i>Share Options to be granted over Ordinary Shares</i>	<i>Exercise price</i>	<i>Expiry date</i>	<i>Percentage of Enlarged Share Capital</i>
Mark Parry-Billings	LTIP	16.01.2025	11,026,606	£0.02	15.01.2035	1.0%
Martin Murphy	LTIP	16.01.2025	22,053,213	£0.02	15.01.2035	2.0%
Richard Marsden	LTIP	16.01.2025	11,026,606	£0.02	15.01.2035	1.0%
Joseph Colliver	LTIP	16.01.2025	9,923,946	£0.02	15.01.2035	0.9%
Total			54,030,371			

A summary of the principal terms of the LTIPs is set out in the Appendix to the Notice of General Meeting.

5. IMPORTANT IMPLICATIONS OF THE MINIMUM FUNDRAISING CONDITION NOT BEING SATISFIED – CANCELLATION

The Non Underwritten Fundraising is subject to and conditional upon, the Minimum Fundraising Condition.

In the event that the Non-Underwritten Fundraising does not raise, in aggregate, a minimum of £2.9 million for the Company, no element of the Non-Underwritten Fundraising will proceed. All monies shall be returned to Qualifying Shareholders who participated in the Open Offer and no Placing Shares, Open Offer Shares or Director Subscription Shares will be issued by the Company.

The results of the Non-Underwritten Fundraising are inherently uncertain and the Company and the Directors cannot give any guarantee that the Minimum Fundraising Condition will be satisfied or indeed any funds raised at all beyond the Subscription.

In the event that the Minimum Fundraising Condition is not satisfied, TFG Asset Management UK would hold 86.9 per cent. of the Enlarged Share Capital.

Following the approval of the Resolutions at the General Meeting, if the Minimum Fundraising Condition is not satisfied, the Company intends to apply for the cancellation of its Ordinary Shares from trading on AIM in early 2025 and a separate circular will be sent to the Company's shareholders following Admission requesting that Shareholders approve such Cancellation in accordance with rule 41 of the AIM Rules. In the event that the Minimum Fundraising Condition is not satisfied, given Tetragon Asset Management UK's level of shareholding and the inability of the public markets to adequately fund the Company, the Directors believe that the Cancellation is in the best interests of the Company and its shareholders as a whole.

A resolution to approve the Cancellation requires the approval of 75 per cent. of those Shareholders who actually vote in such general meeting. TFG Asset Management UK, which at such time would hold 86.9 per cent. of the Enlarged Share Capital, would therefore be able to pass such resolution on its own, notwithstanding how many other Shareholders may vote against.

TFG Asset Management UK has notified the Company that should this be the case, it would vote "for" such resolution and approve the Cancellation.

Following such Cancellation, Shareholders would then hold their Ordinary Shares in an unquoted company for which there may be much less liquidity than were they traded on AIM. Shareholders should read and understand the Risk Factors in Part III.

In the event that the Minimum Fundraising Condition is not satisfied and the Company applies for Cancellation, the principal effects of the Cancellation would be that:

- there will not be a formal market mechanism enabling the Shareholders to trade Ordinary Shares;
- while the Ordinary Shares will remain freely transferrable, the liquidity and marketability of the Ordinary Shares will, in the future, be more constrained than at present and the value of such shares may be adversely affected as a consequence;
- in the absence of a formal market and quote, it may be more difficult for Shareholders to determine the market value of their investment in the Company at any given time;
- the regulatory and financial reporting regime applicable to companies whose shares are admitted to trading on AIM will no longer apply and the Company will no longer be subject to the UK Market Abuse Regulation or the Disclosure Guidance and Transparency Rules and so will therefore no longer be required to disclose significant shareholdings in the Company;
- shareholders will no longer be afforded the protections given by the AIM Rules and the requirement that the Company seek Shareholder approval for certain corporate actions, where applicable, including substantial transactions, reverse takeovers, related party transactions and fundamental changes in the Company's business;
- the levels of transparency and corporate governance within the Company may not be as stringent as for a company quoted on AIM;
- Cavendish will cease to be the Company's nominated adviser and the Company will cease to have a broker;
- the Relationship Agreement will have no effect;
- stamp duty will be payable on transfers of Ordinary Shares as the Ordinary Shares will no longer be traded on AIM;
- the Cancellation may have personal taxation consequences for Shareholders. Shareholders who are in any doubt about their tax position should consult their own professional independent tax adviser.

Shareholders should also note that the Takeover Code may continue to apply to the Company following the Cancellation for a period of two years, provided (and depending on when the Cancellation might take effect) the Company continues to have its place of central management and control in the UK, Channel Islands or Isle of Man. Further details on the applicability of the Takeover Code post any Cancellation will be set out in a circular and regulatory announcement in due course should the Minimum Fundraising Condition not be met.

The Company will also continue to be bound by the Act (which requires shareholder approval for certain matters) following the Cancellation.

The above considerations are not exhaustive and Shareholders should seek their own independent advice when assessing the likely impact of the Cancellation on them.

Process for Cancellation

Under the AIM Rules, any Cancellation can only be effected by the Company after securing a special resolution of Shareholders in a general meeting and the expiry of a period of 20 clear Business Days from the date on which notice of the Cancellation is given to the London Stock Exchange. In addition, a period of at least five clear Business Days following Shareholders' approval of the Cancellation is required before the Cancellation may become effective.

In the event that the Minimum Fundraising Condition is not satisfied, the Company will send a circular to Shareholders convening a meeting to approve the necessary resolution in accordance with rule 41 of the AIM Rules.

Intentions of TFG Asset Management UK if the Minimum Fundraising Condition is satisfied

In the event that the Minimum Fundraising Condition is satisfied, TFG Asset Management UK will hold less than 75 per cent. of the Enlarged Share Capital and the Relationship Agreement, governing the behaviour between TFG Asset Management UK and the Company, will also take effect. Please see paragraph 4 of Part II for information regarding the intentions of TFG Asset Management UK.

6. CURRENT TRADING AND FUTURE PROSPECTS

The Company has spent much of 2024 preparing for its Clinical Trial to investigate SNG001 in mechanically ventilated patients infected with a range of respiratory viruses. This has included collaboration with leading respiratory and intensive care experts to characterise the clinical need, confirming commercial viability, designing the Clinical Trial, assessing feasibility of Clinical Trial delivery, and working with external parties on technologies that will be used in the Clinical Trial.

The proceeds of the Subscription, subject to Shareholder approval at the General Meeting, provides the Company with the necessary funds to commence the Clinical Trial.

7. ADMISSION OF THE NEW ORDINARY SHARES

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective at 8.00 a.m. on 17 January 2025.

CREST accounts of the investors in the Fundraising who hold their Ordinary Shares in CREST will be credited with their New Ordinary Shares on 17 January 2025. In the case of investors in the New Ordinary Shares holding their Ordinary Shares in certificated form, it is expected that certificates will be dispatched within 10 business days of Admission. Pending dispatch of the share certificates or the crediting of CREST accounts, the Registrar will certify any instruments of transfer against the register.

8. RELATED PARTY TRANSACTIONS

The Subscription

TFG Asset Management UK (on behalf of the Relevant Funds) is a substantial shareholder in the Company holding 10 per cent. or more of the Existing Ordinary Shares and has agreed to subscribe for up to 900,000,000 Subscription Shares (subject to clawback) at the Issue Price, representing 86.9 per cent. of the Enlarged Share Capital (in the event that the Minimum Fundraising Condition is not satisfied).

The participation in the Fundraising by TFG Asset Management UK constitutes a related party transaction for the purposes of Rule 13 of the AIM Rules. The Directors who are independent of TFG Asset Management UK (which as at the date of this document is all of them) consider, having consulted with the Company's nominated adviser, Cavendish, that the terms upon which TFG Asset Management UK is participating in the Subscription are fair and reasonable insofar as the Company's Shareholders are concerned.

The Director Subscriptions

The conditional subscriptions for the Director Subscription Shares by Participating Directors pursuant to the Director Subscriptions constitute related party transactions pursuant to Rule 13 of the AIM Rules. The Non-Participating Directors, being deemed independent for the purpose of assessing the Director Participation, having consulted with the Company's nominated adviser, Cavendish, consider that the terms of the participation in the Director Subscriptions by the Participating Directors are fair and reasonable insofar as the Company's Shareholders are concerned.

9. TAKEOVER CODE

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

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

A Rule 9 Offer 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.

Following Admission, TFG Asset Management UK (in its capacity as discretionary investment manager for and on behalf of the Relevant Funds) will be interested in a maximum of 958,000,000 shares, representing a maximum 86.9 per cent. of the voting rights of the Company (on the assumption that the Minimum Fundraising Condition is not satisfied). Therefore, on Admission, and assuming that no other person converts any convertible securities or exercises any options or any other right to subscribe for shares in the Company, TFG Asset Management UK would be interested in a maximum of 958,000,000 shares, representing approximately 86.9 per cent. of the enlarged voting rights of the Company.

Rule 9 of the Takeover Code further provides, among other things, that where any person who, together with persons acting in concert with that person holding shares carrying more than 50 per cent. of the voting rights of a company, acquires any further shares carrying voting rights, then such person will not generally be required to make a general offer to the other shareholders to acquire the balance of their shares. Following Admission, TFG Asset Management UK (on behalf of the Relevant Funds) will hold shares carrying more than 50 per cent. of the voting rights of the Company and may accordingly increase their aggregate interests in the Ordinary Shares without incurring any obligation to make a Rule 9 Offer.

In the event that the Proposals are approved at the General Meeting, TFG Asset Management UK will not be restricted from making an offer for the Company.

TFG Asset Management UK is presumed to be acting in concert (as defined in the Takeover Code) with its members, any discretionary investment funds discretionarily managed by it or TFG Asset Management L.P. (including the Relevant Funds) and Tetragon Financial Management LP. As such TFG Asset Management UK is presumed to be interested in the Ordinary Shares in the Company held by the Relevant Funds for the purposes of the Takeover Code.

10. WAIVER OF RULE 9 OF THE TAKEOVER CODE

Pursuant to the Takeover Code, the Panel may waive the requirement for a general offer to be made in accordance with Rule 9 of the Takeover Code if, amongst other things, the shareholders of a company who are independent of the person who would otherwise be required to make an offer, and any person acting in concert with it, pass an ordinary resolution on a poll approving such a waiver.

TFG Asset Management UK (on behalf of the Relevant Funds) is interested in shares which carry 28.6 per cent. of the Company's voting rights. Assuming that the Fundraising is completed and irrespective of whether the Minimum Fundraising Condition is satisfied or not, and assuming that no person exercises any options or other rights to subscribe for Ordinary Shares, as at Admission TFG Asset Management UK would be interested in Ordinary Shares carrying over 50 per cent. or more of the Company's voting rights. Ordinarily, the acquisition by any person, together with persons acting in concert with that person, of an interest in shares which increases the percentage of shares carrying voting rights to 30 per cent. or more would result in the person having to make a mandatory Rule 9 Offer.

The Panel has been consulted and has agreed, subject to the passing of the Rule 9 Waiver Resolution by the Independent Shareholders on a poll at the General Meeting, to waive the obligation of TFG Asset Management UK to make a mandatory offer for the ordinary shares in the capital of the Company not already owned by them which would otherwise arise following completion of the Proposals. Accordingly, the Company is proposing the Rule 9 Waiver Resolution to seek the approval of Independent Shareholders to the Rule 9 Waiver Resolution.

In addition, TFG Asset Management UK will not be restricted from making a subsequent offer in the future for the Company in the event that the Rule 9 Waiver is approved by Independent Shareholders and the Proposals take place.

Your attention is drawn to Part II (Additional Information) of this document which sets out certain further information and financial information that is required to be disclosed in this document pursuant to the rules contained in the Takeover Code.

Under Rule 25.2 of the Takeover Code, only the Directors who are independent of TFG Asset Management UK are able to make a recommendation to the Independent Shareholders with respect to the proposed Rule 9 Waiver Resolution. As at the date of this document, all Directors are independent of TFG Asset Management UK.

The Directors believe it is in the best interests of the Company that the Rule 9 Waiver Resolution be passed and hereby recommend that Independent Shareholders vote in favour of the Rule 9 Waiver Resolution. Cavendish, as the Company's independent financial adviser, has provided formal advice to the Directors that it considers the terms of the Proposals to be fair and reasonable and in the best interests of Shareholders and the Company as a whole. In providing this advice, Cavendish has taken into account the Directors' commercial assessments. In accordance with the requirements of the Takeover Code, TFG Asset Management UK is not permitted to vote on the Rule 9 Waiver Resolution in respect of its aggregate holding of 58 million Ordinary Shares.

11. GENERAL MEETING

The General Meeting will be held at the offices of Fieldfisher LLP, Riverbank House, 2 Swan Lane, London EC4R 3TT at 10.30 a.m. on 16 January 2025. The Resolutions proposed for consideration at the General Meeting are set out in full in the Notice of General Meeting at the end of this document. Voting on the Resolutions to be proposed at the General Meeting shall be held on a poll rather than on a show of hands. The General Meeting is being held for the purpose of considering and, if thought fit, passing the Resolutions set out in full in the Notice of General Meeting, as summarised below:

- Resolution 1 is the Rule 9 Waiver Resolution which, as required by the Takeover Code, will be taken on a poll vote of Independent Shareholders, who will be entitled to one vote for each Ordinary Share in the capital of the Company held by them at 6.00 p.m. on 15 January 2025. TFG Asset Management UK will not vote on the resolution. Resolution 1 is an ordinary resolution to approve the Rule 9 Waiver;
- Resolution 2 is an ordinary resolution to approve the adoption of the LTIPs;
- Resolution 3 is an ordinary resolution appointing Martin Murphy as a non-executive director of the Company;
- Resolution 4 is an ordinary resolution granting the Directors the authority to allot the New Ordinary Shares pursuant to the Fundraising;

- Resolution 5 is an ordinary resolution to grant the Directors authority to grant awards under the Non-Employee LTIP which does not meet the definition of an “employee share scheme” under the Act and therefore a specific authority to allot is required in order to make grants pursuant to it;
- Resolution 6 is a special resolution to grant the Directors authority to issue the New Ordinary Shares pursuant to the Fundraising for cash free of pre-emption rights;
- Resolution 7 is a special resolution to grant the Directors authority to grant awards under the Non-Employee LTIP which does not meet the definition of an “employee share scheme” under the Act for cash and therefore a specific disapplication of pre-emption rights is required in order to make grants pursuant to it; and
- Resolution 8 is a special resolution which amends the Articles of Association in the manner further described in paragraph 4 of Part I of this document.

The Fundraising is conditional upon all of the Resolutions being passed.

Explanatory notes in respect of each of the Resolutions, and details of the action you should take in order to appoint a proxy to attend and vote on your behalf at the General Meeting, are set out at the end of the Notice of General Meeting.

The Chairman and the Board have decided that the fairest way for the General Meeting to proceed would be by way of poll. This means that every Shareholder present in person or by proxy has one vote for every Ordinary Share held.

Conducting a meeting by way of a poll ensures that all Shareholders are given the opportunity to participate in the decision-making of the Company and have their votes recorded even if they do not attend the meeting in person.

12. IMPORTANCE OF VOTING AND ACTION TO BE TAKEN IN RELATION TO THE GENERAL MEETING

You will find accompanying this document a Form of Proxy for use at the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to complete the Form of Proxy in accordance with the instructions printed on it and to return it as soon as possible and in any case so as to be received by the Company’s registrars, Link Group at Link Group, Central Square, 29 Wellington Street, Leeds LS1 4DL no later than 10.30 a.m. on 14 January 2025.

If you hold your Existing Ordinary Shares in uncertificated form in CREST, you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual. Further details are also set out in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by Link Group (CREST ID RA10) by no later than 10.30 a.m. on 14 January 2025 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting).

Shareholders can also vote electronically by using Link Group’s Signal Shares share portal service at www.signalshares.com.

The return of the Form of Proxy or transmission of a CREST Proxy Instruction or other electronic vote will not prevent you from attending the meeting and voting in person if you wish.

Your attention is drawn to paragraph 14 in Part I of this document.

13. INDEPENDENT ADVICE

Cavendish has provided advice to the Directors, in accordance with the requirements of paragraph 4(a) of Appendix 1 to the Takeover Code, in relation to the granting of the Rule 9 Waiver.

This advice was provided by Cavendish to the Directors of the Company only and, in providing such advice, Cavendish has taken into account the Directors' commercial assessments as well as TFG Asset Management UK's future intentions in relation to the Company (as set out in paragraph 4 of Part II of this document).

14. RECOMMENDATIONS

The Directors consider that all of the Resolutions are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of all the Resolutions as they intend to do in respect of their entire beneficial holdings, amounting in aggregate to 2,215,532 Ordinary Shares, representing approximately 1.09 per cent. of the entire issued share capital.

If any of the Resolutions are not approved by Shareholders at the General Meeting, the Fundraising will not proceed. As such, the anticipated proceeds of the Fundraising would not become available to the Company. There is no certainty that other funding would be available on suitable terms or indeed at all and the Clinical Trial would not be able to proceed. It is uncertain whether the Company could carry on its business as it is presently carried on.

The Directors are not making any recommendation to Qualifying Shareholders as to whether or not they should participate in the Open Offer. Qualifying Shareholders should consider whether the Ordinary Shares remain a suitable investment in light of their own personal circumstances and investment objectives.

Members of the public are not eligible to take part in the Placing.

If you are in any doubt as to what action you should take in respect of this document, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent professional adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

Yours faithfully,

Mark Parry-Billings
Chairman

PART II

INFORMATION IN RESPECT OF THE RULE 9 WAIVER

1. RESPONSIBILITY

- 1.1. The Directors, whose names appear in paragraph 2 below, accept responsibility for the information contained in this document and opinions expressed herein other than the information relating to TFG Asset Management UK and its intentions for which TFG Asset Management UK and Reade Griffith (a designated member and controller of TFG Asset Management UK) accept responsibility (as set out in paragraph 1.2 below). To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2. TFG Asset Management UK and Reade Griffith (a designated member and controller of TFG Asset Management UK) accept responsibility for the information contained in this document in relation to itself including opinions expressed herein and TFG Asset Management UK's intentions. To the best of the knowledge and belief of TFG Asset Management UK and Reade Griffith (which have taken all reasonable care to ensure that such is the case) the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. DIRECTORS

The Directors of the Company are:

- Mark Parry-Billings (*Non-Executive Chairman*)
- Richard Marsden (*Chief Executive Officer*)
- Joseph Colliver (*Chief Financial Officer*)
- Amanda Radford (*Non-Executive Director*)
- Dr. Felicity Gabbay (*Non-Executive Director*)
- Dr. Bruce Campbell (*Non-Executive Director*)
- Prof. Stephen Holgate CBE (*Non-Executive Director*).

3. INFORMATION ON TFG ASSET MANAGEMENT UK

- 3.1. TFG Asset Management UK (formerly Polygon Global Partners LLP) is a limited liability partnership, incorporated in England and Wales. TFG Asset Management UK is a UK-based investment management firm with two designated members, Reade Griffith and Patrick Dear. Reade Griffith controls the voting rights of TFG Asset Management UK. An antecedent firm to TFG Asset Management UK was originally founded in 2002. TFG Asset Management UK is an FCA authorised and regulated entity. TFG Asset Management UK is part of TFG Asset Management L.P., a diversified alternative asset management business. TFG Asset Management L.P. is a Cayman Islands limited partnership registered as an investment adviser under the US Investment Advisers Act of 1940. TFG Asset Management L.P. is part of Tetragon, a closed-ended investment company that invests in a broad range of assets, including public and private equities and credit (including distressed securities and structured credit), convertible bonds, real estate, venture capital, legal assets, infrastructure and bank loans. Where appropriate, through TFG Asset Management L.P., Tetragon seeks to own all, or a portion, of asset management companies with which it invests in order to enhance the returns achieved on its capital. Tetragon's investment objective is to generate distributable income and capital appreciation. It aims to provide stable returns to investors across various credit, equity, interest rate, inflation and real estate cycles. Tetragon is a Guernsey closed-ended investment company, with an external manager, Tetragon Financial Management LP. Tetragon is traded on Euronext Amsterdam and on the Specialist Fund Segment of the main market of the London Stock Exchange. Tetragon's net asset value as of 31 October 2024 was approximately \$3.1 billion.

3.2. TFG Asset Management UK's registered office is situated at 4 Sloane Terrace, London, SW1X 9DQ.

3.3. The members of TFG Asset Management UK and their respective functions are:

Reade Griffith	Designated member
Patrick Dear	Designated member
TFG Asset Management L.P.	LLP member
TFG Asset Management UK Limited	LLP member

3.4. TFG Asset Management L.P. comprises:

- LCM Asset Management – a specialist in below-investment grade U.S. broadly-syndicated leveraged loans.
- BentallGreenOak – a real estate-focused principal investing, lending and advisory firm.
- Westbourne River Partners – an alternative asset management firm focused on event-driven investing in European small and mid-cap equities.
- Equitix – an integrated core infrastructure asset management and primary project platform.
- Hawke's Point – an asset management business that provides capital to companies in the mining and resource sectors.
- Tetragon Credit Partners – a structured credit investing business focused on control CLO equity as well as a broader series of offerings across the CLO capital structure.
- Banyan Square Partners – a private equity firm focused on non-control equity investments, as well as opportunistic investments in public equity and credit instruments.
- Contingency Capital – a multi-product global asset management business that sponsors and manages investment funds focused on credit-oriented legal assets.
- Acasta Partners – an alternative investment firm employing a multidisciplinary approach to investing.

3.5. The Proposals are not expected to have a material effect on TFG Asset Management UK's earnings, assets or liabilities. TFG Asset Management UK (in its capacity as discretionary investment manager on behalf of the Relevant Funds) will fund the subscription for the Subscription Shares out of the existing cash resources of the Relevant Funds.

3.6. TFG Asset Management UK does not intend that the payment of interest on, repayment of or security for any liability of theirs will depend to any significant extent on the business of the Company.

3.7. TFG Asset Management UK is presumed to be acting in concert (as defined in the Takeover Code) with its members, any discretionary investment funds discretionarily managed by it or TFG Asset Management L.P. (including the Relevant Funds) and Tetragon Financial Management LP.

3.8. There is no agreement, arrangement or understanding between TFG Asset Management UK, Cavendish, any director or Shareholder of Synairgen or any person having any connection with or dependence on, or which is conditional on, the outcome of the proposals set forth in this document.

4. INTENTIONS OF TFG ASSET MANAGEMENT UK

As set out above, the Rule 9 Waiver enables TFG Asset Management UK to support the strategy and continued development of the Group and thereby the value of their current investment in the Company.

Subject to the Minimum Fundraising Condition being satisfied, TFG Asset Management UK has confirmed to the Company that, following any increase in its interests as a result of the Proposals, TFG Asset Management UK does not intend:

- a. to change the location of Synairgen plc's place of business (including its headquarters) or the functions of its headquarters;
- b. to redeploy any of Synairgen plc's fixed assets

- c. to seek any change in Synairgen plc's research and development function;
- d. to seek any change in the general nature of Synairgen plc's business;
- e. to require Synairgen plc to make any change to the trading of the Ordinary Shares on AIM;
- f. to cause Synairgen plc to effect any material change with regard to: (a) the continued employment of its employees and managers; and (b) the conditions of employment or balance of skills and functions of the management of Synairgen plc;
- g. for there to be any effect on Synairgen plc's broader strategic plans or places of business (including its headquarters and headquarters functions);
- h. that Synairgen plc will make any changes to the current employer pension contribution arrangements, the accrual of benefits for existing members or the rights of admission of new members under any pension scheme.

However, in the event that the Minimum Fundraising Condition is not satisfied, TFG Asset Management UK has requested that the Company apply for Cancellation.

TFG Asset Management UK has confirmed to the Company that TFG Asset Management UK does not believe that the Rule 9 Waiver Proposals will impact on its existing business in any way.

The Directors approve of TFG Asset Management UK's intentions as set out above.

5. INTERESTS AND DEALINGS

5.1. Definitions and interpretation

For the purposes of this paragraph 5:

- a. "acting in concert" has the meaning attributed to it in the Takeover Code;
- b. an "arrangement" includes any indemnity or option arrangements and any agreement or understanding, formal or informal, of whatever nature, relating to Relevant Securities which may be an inducement to deal or refrain from dealing;
- c. a "connected adviser" has the meaning attributed to it in the Takeover Code;
- d. "control" means a holding, or aggregate holdings, of shares in the capital of a company carrying 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether the holding or aggregate holdings give de facto control;
- e. "dealing or dealt" include:
 - i. acquiring or disposing of Relevant Securities, the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights allocated to Relevant Securities or general control of Relevant Securities;
 - ii. taking, granting, acquiring, disposing of, entering into, closing out, terminating, exercising (by either party) or varying an option (including a traded option contract) in respect of any Relevant Securities;
 - iii. subscribing or agreeing to subscribe for Relevant Securities (whether in respect of new or existing securities);
 - iv. exercising or converting any Relevant Securities carrying conversion or subscription rights;
 - v. acquiring, disposing of, entering into, closing out, exercising (by either party) of any rights under, or varying of, a derivative referenced directly or indirectly, to Relevant Securities;
 - vi. entering into, terminating or varying the terms of any agreement to purchase or sell Relevant Securities;
 - vii. redeeming or purchasing of, or taking or exercising an option over, any of its own Relevant Securities by the Company; and

- viii. any other action resulting, or which may result, in an increase or decrease in the number of Relevant Securities in which a person is interested or in respect of which he has a short position;
- f. “derivative” includes any financial product whose value in whole or in part is determined, directly or indirectly, by reference to the price of an underlying security;
- g. “disclosure date” means 19 December 2024, being the latest practicable date prior to the publication of this document;
- h. “disclosure period” means the period of 12 months ending on the disclosure date;
- i. being “interested” in Relevant Securities includes where a person:
 - i. owns Relevant Securities; or
 - ii. has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to Relevant Securities or has general control of them; or
 - iii. by virtue of any agreement to purchase, option or derivative, has the right or option to acquire Relevant Securities or to call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
 - iv. is party to any derivative whose value is determined by reference to their price and which results, or may result, in his having a long position in them;
- j. “Relevant Securities” means securities which comprise equity share capital (or derivatives referenced thereto) and securities convertible into rights to subscribe for and options (including traded options) in respect of any such securities; and
- k. “short position” means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require any other person to purchase or take delivery.

5.2. Interests in the Ordinary Shares

- a. As at the Latest Practicable Date, the interests, rights to subscribe and short positions of the Directors, all of which are beneficial unless otherwise stated, in the Ordinary Share capital of the Company (including persons connected with the Directors within the meaning of section 252 of the Act), together with options in respect of Ordinary Shares under the Company’s share ownership plans, were as follows:

Name	As at the Latest Practicable Date		As at Admission	
	Number of Existing Ordinary Shares	Percentage of Existing Ordinary Shares	Number of Ordinary Shares	Percentage of Enlarged Share Capital
Mark Parry-Billings	–	0.00%	–	0.00%
Richard Marsden	995,771	0.49%	1,995,771	0.17%
Joseph Colliver	–	0.00%	250,000	0.02%
Amanda Radford	–	0.00%	–	0.00%
Dr. Felicity Gabbay	–	0.00%	–	0.00%
Dr. Bruce Campbell	332,830	0.16%	332,830	0.03%
Prof. Stephen Holgate	886,931	0.44%	886,931	0.08%
Total	<u>2,215,532</u>	<u>1.09%</u>	<u>3,465,532</u>	<u>0.30%</u>

Should the Minimum Fundraising Condition be satisfied and the £19 million raised, the Directors will be granted the following options:

<i>Name</i>	<i>Option Scheme</i>	<i>Issue Date</i>	<i>Share Options Over Ordinary Shares</i>	<i>Exercise price (£)</i>	<i>Expiry Date</i>	<i>Percentage of Enlarged Share Capital*</i>
Mark Parry-Billings	LTIP	16/01/2025	11,526,606	£0.02	15/01/2035	1.0 %
Martin Murphy	LTIP	16/01/2025	23,053,213	£0.02	15/01/2035	2.0 %
Richard Marsden	LTIP	16/01/2025	11,526,606	£0.02	15/01/2035	1.0 %
Joseph Colliver	LTIP	16/01/2025	10,373,946	£0.02	15/01/2035	0.9 %
Total			56,480,371			4.9%

* Percentage of Enlarged Share Capital should the Minimum Fundraise Condition be satisfied.

- b. As at the Latest Practicable Date, and immediately following Admission, on the assumption that no person exercises any options or other rights to subscribe for Ordinary Shares or New Ordinary Shares the maximum interests, rights to subscribe and short positions of TFG Asset Management UK in the ordinary share capital of the Company were, and are expected to be, as follows:

<i>Name</i>	<i>As at the Latest Practicable Date</i>		<i>Following the Proposals</i>	
	<i>Number of shares held prior to Admission</i>	<i>Shares to be issued as part of the Proposals</i>	<i>Total Number of Shares held at Admission</i>	<i>Percentage interest at Admission</i>
TFG Asset Management UK	58,000,000 ¹	900,000,000	958,000,000 ¹	86.9%

¹ In its capacity as discretionary investment manager for and on behalf of the Relevant Funds.

No designated member of TFG Asset Management UK holds any shares in the Company.

- c. As at the Latest Practicable Date, and insofar as is known to the Company, there are no interests, rights to subscribe and short positions of persons presumed to be acting in concert with the Company.
- d. As at the Latest Practicable Date, and insofar as is known to the Company, the following persons had an interest in the Company's issued Ordinary Share capital which is notifiable under Rule 5 of the Disclosure Guidance and Transparency Rules of the FCA:

<i>Shareholder</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Existing Ordinary Shares</i>
TFG Asset Management UK	58,000,000	28.6%

5.3. Dealings in the Ordinary Shares

There have been no dealings in relevant securities of the Company by the Directors (or members of their immediate families) during the disclosure period.

There have been no dealings in relevant securities of the Company by TFG Asset Management UK, its designated members or any person acting in concert during the disclosure period.

5.4. General

- a. As at the Latest Practicable Date, save as disclosed in paragraphs 5.2(a), 5.2(b) and 5.2(d), none of:
- i. the Directors;

- ii. TFG Asset Management UK;
- iii. the members of TFG Asset Management UK;
- iv. any persons acting or presumed to be acting in concert with TFG Asset Management UK; nor
- v. any persons acting or presumed to be acting in concert with the Company,

had an interest or right to subscribe for any relevant securities of the Company (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, nor had any of the foregoing dealt in any relevant securities of the Company during the Disclosure Period.

- b. As at the Latest Practicable Date, neither the Company, nor TFG Asset Management UK, nor any persons acting or presumed to be acting in concert with it has borrowed or lent any relevant securities of the Company.
- c. Save as disclosed in this Document, as at the Latest Practicable Date, neither the Company, nor any of the Directors (including persons connected with the Directors within the meaning of section 252 of the Act) has any interest or right to subscribe for any relevant securities of TFG Asset Management UK (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.
- d. All information relating to the financial position of the Company required by Rules 24.3(a) and 24.3(c) of the City Code on Takeovers and Mergers may be found in (i) the audited consolidated accounts for the Company for the financial years ended 31 December 2021, 31 December 2022 and 31 December 2023 which can be found on the Company's website at <https://www.synairgen.com/investors/presentations#financials>, (ii) the interim results announcement for the 6 months ended 30 June 2024 which can be found at <https://www.synairgen.com/investors/presentations/interim>. These accounts and the interim results announcement are hereby incorporated into this document. With respect to the other documents incorporated by reference, any Shareholder may request a hard copy (hard copies will not be provided unless requested). Hard copies may be requested by contacting Link Group or telephone number 0371 664 0421.
- e. All information relating to the financial position of the TFG Asset Management UK required by Rules 24.3(a) and 24.3(c) of the City Code on Takeovers and Mergers may be found in (i) the members report and financial statements for TFG Asset Management UK for the financial years ended 31 December 2022 and 31 December 2023 which can be found on the Company's website at <https://www.synairgen.com/investors/>. Hard copies may be requested by contacting Link Group or telephone number 0371 664 0421.
- f. There is no agreement, arrangement or understanding by which the beneficial ownership of any Ordinary Shares acquired by TFG Asset Management UK (on behalf of the Relevant Funds) will be transferred to any other person.

6. MARKET QUOTATIONS

The following table sets out the middle market quotations for an Existing Ordinary Share, as derived from the AIM appendix of the Daily Official List of London Stock Exchange, for the first Business Day of each of the six months immediately preceding the date of this document and on 19 December 2024 (being the latest practicable date prior to the publication of this document):

<i>Date</i>	<i>Price per Existing Ordinary Share (pence)</i>
19 December 2024	3.745
29 November 2024	4.390
1 November 2024	4.765
1 October 2024	3.425
2 September 2024	3.585
1 August 2024	4.100
1 July 2024	4.675

7. DIRECTOR SERVICE AGREEMENTS AND LETTERS OF APPOINTMENT

<i>Director</i>	<i>Position</i>	<i>Date of agreement and term</i>	<i>Current annual remuneration (including other benefits)</i>	<i>Compensation on early termination</i>	<i>Notice Period</i>
Richard Marsden	CEO	19.10.2004	£310,000	None	12 months
Joseph Colliver	CFO	10.10.2023	£210,000	None	6 months
Mark Parry-Billings	Non-Executive Chairman	10.10.2024	£65,000	None	3 months
Professor Sir Stephen Holgate	Non-Executive Director	19.10.2004	£40,000	None	3 months
Flic Gabbay	Non-Executive Director	29.09.2022	£45,000	None	3 months
Bruce Campbell	Non-Executive Director	11.04.2006	£40,000	None	3 months
Amanda Radford	Non-Executive Director	30.11.2022	£45,000	None	3 months

Except as stated above, no service contracts between the Directors and the Company have been entered into or amended in the six months prior to the date of this document.

Save as disclosed above, there are no other contracts of service between Directors of the Company and the Company or any of its subsidiaries.

Other than as set forth in this document, there are no management incentivisation arrangements proposed, and no such arrangements have been discussed, between TFG Asset Management UK and any of the Directors.

8. MATERIAL CONTRACTS

The following are the only material contracts (not being contracts entered into in the ordinary course of business which have been entered into by the Company or any of its subsidiaries within the two years immediately preceding the date of this document).

8.1. Subscription Agreement

An agreement dated 20 December 2024 made between the Company and TFG Asset Management UK pursuant to which TFG Asset Management UK (on behalf of the Relevant Funds) has conditionally subscribed for a maximum of 900,000,000 Subscription Shares at the Issue Price (raising £18 million for the Company (before expenses)).

The Subscription Shares are subject to clawback from Placing Shares issued pursuant to the Placing and Open Offer Shares issued pursuant to the Open Offer (should the Minimum Fundraising Condition be satisfied).

The maximum number of New Ordinary Shares to be issued pursuant to the Placing and the Open Offer is capped at 298,750,002 New Ordinary Shares. In which case, the Company would raise £19 million and TFG Asset Management UK would subscribe for 649,999,998 Subscription Shares.

The Subscription Agreement is conditional *inter alia*, upon:

- (a) the passing, without amendment, of the Resolutions, including the Rule 9 Waiver Resolution at the General Meeting; and
- (b) Admission becoming effective by no later than 8.00 a.m. on 17 January 2025.

Pursuant to the Subscription Agreement, TFG Asset Management UK has the right to nominate two directors to the board (each a “**Nominated Director**”) for so long as it (on behalf of the Relevant Funds) holds at least 30 per cent. of the voting rights in the Company. One of the Nominated Directors to be appointed will be Martin Murphy, who, subject to the passing of the Resolutions will join as a Non-Executive Director.

Each of the Nominated Directors shall act in the interest of shareholders as a whole, shall not represent TFG Asset Management UK at Board meetings and shall be capable at all times of exercising independent judgement. The Nominated Directors themselves shall be under no obligation to pass any information (confidential information, inside information or otherwise) to TFG Asset Management UK.

At such time as Mark Parry-Billings is no longer the chair of the Board, TFG Asset Management UK has the right to nominate the person to be appointed as the new chair as one of the two Nominated Directors. For the avoidance of doubt Mark Parry-Billings is not a Nominated Director and is considered upon appointment to be an Independent Director for QCA Code purposes.

As at the date of this document, the Board considers Amanda Radford and Dr. Felicity Gabbay to be Independent Directors for QCA Code purposes.

In addition to any executive directors and any Non-Executive Directors who are considered non-independent pursuant to the QCA Code, the intention is that at least two members of the Board will be Independent Directors. To the extent that at any time the Board does not maintain two Independent Directors, the Company will comply with any relevant disclosure requirements set forth in the QCA Code with respect thereto.

TFG Asset Management UK shall also have the right to appoint an observer (the “**Investor Observer**”) to the Board of the Company for so long as it holds at least 30 per cent. of the voting rights in the Company, provided that this right shall only be exercised if there is only one or no Nominated Director appointed.

In the event that a Nominated Director or an Investor Observer leaves/retires/is removed, TFG Asset Management UK has a right to replace them with another person in their place.

A Nominated Director may be removed pursuant to a shareholder vote in the event that TFG Asset Management UK (on behalf of the Relevant Funds) no longer holds the requisite percentage of the voting rights in the Company.

An Investor Observer will be capable of being removed by the Board in the event that TFG Asset Management UK (on behalf of the Relevant Funds) no longer holds the requisite percentage of the voting rights in the Company.

The Company has also granted TFG Asset Management UK information rights, subject to TFG Asset Management UK being bound by confidentiality obligations. The Company may not share inside information with TFG Asset Management UK unless TFG Asset Management UK consents to be an insider and accordingly be bound by the prohibitions in the Market Abuse Regulation and the Criminal Justice Act relating to insider dealing and market abuse.

TFG Asset Management UK’s rights under the Subscription Agreement shall lapse in the event that it ceases to hold at least 30 per cent. of the voting rights in the Company.

8.2. Relationship Agreement

An agreement dated 20 December 2024 made between the Company and TFG Asset Management UK pursuant to which the parties have agreed to regulate the relationship between themselves.

Pursuant to the Relationship Agreement, and subject to the Minimum Fundraising Condition being satisfied, TFG Asset Management UK has undertaken to the Company that:

- (a) transactions and arrangements between the Company and TFG Asset Management UK must be conducted at arm's length and on a normal commercial basis and approved by a majority of the Independent Directors;
- (b) TFG Asset Management UK shall not take any action that would have the effect of preventing the Company from complying with its obligations under the AIM Rules;
- (c) TFG Asset Management UK shall not propose or procure (so far as it is properly able to do so) the proposal of a shareholder resolution which is intended to circumvent the proper application of the AIM Rules;
- (d) TFG Asset Management UK shall not propose the removal of any Independent Director such that the Company would no longer be able to comply with the relevant recommendations of the QCA Code and explain its non-compliance with such relevant recommendations of the QCA Code as required under the AIM Rules; and
- (e) TFG Asset Management UK may not propose or procure the proposal of a shareholder resolution which is intended to cancel the issuer's admission to trading on AIM without the approval of a majority of the Independent Directors.

TFG Asset Management UK's obligations under the Relationship Agreement shall lapse in the event that (i) the Minimum Fundraising Condition is not satisfied; or (ii) it ceases to hold at least 30 per cent. of the voting rights in the Company or (iii) the shares held by TFG Asset Management UK (on behalf of the Relevant Funds) cease to be admitted to trading on AIM.

8.3. Placing Agreement

An agreement dated 20 December 2024 made between the Company and Cavendish, pursuant to which the Company has appointed Cavendish, subject to certain conditions and as agent of the Company, to carry out the Placing.

The agreement contains certain customary representations and warranties from the Company in favour of Cavendish, as to the accuracy of the information in this document and certain other matters concerning the Company and an indemnity from the Company to Cavendish and its affiliates in respect of certain liabilities and claims that may arise or be made against them in connection with the Placing. The Company has agreed to pay Cavendish certain fees and commissions in connection with the Placing and certain costs and expenses related to the same, together with any applicable VAT.

8.4. Director Subscription Agreements

Agreements dated 20 December 2024 made between the Company and the Participating Directors pursuant to which the Participating Directors have agreed, subject to certain conditions, to subscribe for the Subscription Shares.

There are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by TFG Asset Management UK or any of its subsidiaries within the two years immediately preceding the date of this document.

9. SIGNIFICANT CHANGE

Save as set out above, there has been no significant change in the financial or trading position of the Company since the publication of the annual audited accounts of the Company for the 12 months ended 31 December 2023 (being the date to which the Company's most recent annual report has been prepared).

10. RATINGS AND OUTLOOK

As at the date of this document, neither the Company nor TFG Asset Management UK have any public current credit rating or outlook from a ratings agency.

11. MISCELLANEOUS

- a. Save as disclosed in this document, no agreement, arrangement or commitment (including any inducement fee arrangement or other arrangement having a similar or comparable financial or economic effect) exists between TFG Asset Management UK or any persons acting or presumed to be acting in concert with TFG Asset Management UK in respect of the Company and any of the Directors, or recent directors, Shareholders or recent shareholders of the Company having any connection with or dependence upon or which is conditional on the outcome of the Proposals or the Rule 9 Waiver Resolution.
- b. There are no relationships (personal, financial or commercial), arrangements or understandings between TFG Asset Management UK or any persons acting in concert with TFG Asset Management UK and any of the Directors or any of their respective close relatives and related trusts.
- c. Save as disclosed in this document, there are no agreements, arrangements or understandings between TFG Asset Management UK or any persons acting in concert with TFG Asset Management UK in respect of the Company whereby any relevant securities of the Company to be acquired pursuant to the Rule 9 Waiver will be transferred to any other persons.
- d. There are no relationships (personal, financial or commercial), arrangements or understandings between TFG Asset Management UK or any persons acting in concert with TFG Asset Management UK and Cavendish or any person who is, or presumed to be, acting in concert with Cavendish.
- e. The Proposals will not affect the earnings, assets or liabilities of the Company or TFG Asset Management UK, save for an increase in the Company's cash, and equal decrease in the cash held by the Relevant Funds as a result of TFG Asset Management UK's participation in the Subscription.
- f. There are no ratings or ratings outlooks provided by ratings agencies in respect of the Company or TFG Asset Management UK.
- g. All share prices are derived from the AIM Appendix of the Daily Official List of the London Stock Exchange.
- h. Figures and percentages appearing in this document have been rounded to the nearest decimal place. Accordingly, figures and percentages may not sum as a result of such rounding.

12. CONSENT

Cavendish has given, and has not withdrawn, its written consent to the issue of this document with the inclusion of its name and references to it in the form and in the context in which it appears.

13. DOCUMENTS INCORPORATED BY REFERENCE

The following information is incorporated by reference into this document pursuant to Rule 24.15 of the Takeover Code and is available free of charge on the Company's website at: www.synairgen.com

- a. the audited preliminary results of the Company for 52 weeks to 31 December 2023;
- b. the unaudited consolidated interim report and accounts of the Company for 26 weeks to 30 June 2024;
- c. the audited consolidated annual report and accounts of the Company for 52 weeks ended 31 December 2022;
- d. the unaudited consolidated interim report and accounts of the Company for 26 weeks to 30 June 2022;
- e. the audited consolidated annual report and accounts of the Company for the 52 weeks ended 31 December 2021;

- f. the incorporation document of TFG Asset Management UK;
- g. the audited members' report and financial statements of TFG Asset Management UK for the years ended 31 December 2022 and 31 December 2023;

Any Shareholder, person with information rights or other person to whom this document is sent may request, in writing or verbally, a hard copy of each of the documents above incorporated by reference in this document. Hard copies will only be provided where valid requests are received from such persons. Requests for copies of any such documents should be directed to Link Group on 0371 664 0421 if calling within the United Kingdom or 0371 664 0421 if calling from outside the United Kingdom. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.30 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection on the Company's website at www.synairgen.com from the date of posting of this document up to the date of the General Meeting:

- a. the memorandum of association and articles of association of the Company;
- b. the incorporation document of TFG Asset Management UK;
- c. the unaudited consolidated interim report and accounts of the Company and the audited consolidated annual report and accounts of the Company as set out in paragraph 13 above;
- d. the audited members' report and financial statement of TFG Asset Management UK for the years ended 31 December 2022 and 2023;
- e. the current service agreements referred to in paragraph 7 above;
- f. the material contracts referred to in paragraph 8 above;
- g. the written consent of Cavendish referred to in paragraph 11 above; and
- h. this document.

PART III

RISK FACTORS

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

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

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

RISKS RELATING TO THE MINIMUM FUNDRAISING CONDITION AND THE CANCELLATION

The Non-Underwritten Fundraising is subject to, and conditional upon, the Minimum Fundraising Condition being satisfied. If the Minimum Fundraising Condition is not satisfied, the Company will subsequently apply for the cancellation of the admission of the Company's Ordinary Shares from trading on AIM.

Each element of the Non-Underwritten Fundraising (being the Placing, Open Offer and Director Subscriptions) is subject to, and conditional upon, the Minimum Fundraising Condition being satisfied.

In the event that the Non-Underwritten Fundraising does not raise, in aggregate, a minimum of £2.9 million for the Company, no element of the Non-Underwritten Fundraising will proceed. All monies shall be returned to Qualifying Shareholders who participated in the Open Offer and no Placing Shares, Open Offer Shares or Director Subscription Shares will be issued by the Company.

The results of the Non-Underwritten Fundraising are inherently uncertain and the Company and the Directors cannot give any guarantee that the Minimum Fundraising Condition will be satisfied or indeed any funds raised at all beyond the Subscription and the Director Subscriptions.

In the event that the Minimum Fundraising Condition is not satisfied, TFG Asset Management UK would hold 86.9 per cent. of the Enlarged Share Capital.

Following the approval of the Resolutions at the General Meeting, if the Minimum Fundraising Condition is not satisfied, the Company intends to apply for the cancellation of its Ordinary Shares from trading on AIM in early 2025 and a separate circular will be sent to the Company's shareholders following Admission requesting that Shareholders approve such Cancellation in accordance with rule 41 of the AIM Rules. If this is the case, given Tetragon Asset Management UK's level of shareholding and the inability of the public markets to adequately fund the Company, the Directors believe that the Cancellation is in the best interests of the Company and its Shareholders as a whole.

A resolution to approve the Cancellation requires the approval of 75 per cent. of those Shareholders who actually vote in such general meeting. TFG Asset Management, which at such time would hold 86.9 per

cent. of the Enlarged Share Capital, would therefore be able to pass such resolution on its own, notwithstanding how many other Shareholders may vote against.

TFG Asset Management UK has notified the Company that should this be the case, it would vote “for” such resolution and approve the Cancellation.

Following such Cancellation, Shareholders would then hold their Ordinary Shares in an unquoted company for which there may be much less liquidity than were they traded on AIM.

In the event that the Minimum Fundraising Condition is not satisfied, the Cancellation will have several effects some of which may be adverse to Shareholders.

In the event that the Minimum Fundraising Condition is not satisfied and the Company applies for Cancellation, the principal effects of the Cancellation would be that:

- there will not be a formal market mechanism enabling the Shareholders to trade Ordinary Shares;
- while the Ordinary Shares will remain freely transferrable, the liquidity and marketability of the Ordinary Shares will, in the future, be more constrained than at present and the value of such shares may be adversely affected as a consequence;
- in the absence of a formal market and quote, it may be more difficult for Shareholders to determine the market value of their investment in the Company at any given time;
- the regulatory and financial reporting regime applicable to companies whose shares are admitted to trading on AIM will no longer apply and the Company will no longer be subject to the UK Market Abuse Regulation or the Disclosure Guidance and Transparency Rules and so will therefore no longer be required to disclose significant shareholdings in the Company;
- shareholders will no longer be afforded the protections given by the AIM Rules and the requirement that the Company seek Shareholder approval for certain corporate actions, where applicable, including substantial transactions, reverse takeovers, related party transactions and fundamental changes in the Company’s business;
- the levels of transparency and corporate governance within the Company may not be as stringent as for a company quoted on AIM;
- Cavendish will cease to be the Company’s nominated adviser and the Company will cease to have a broker;
- the Relationship Agreement will have no effect;
- stamp duty will be payable on transfers of Ordinary Shares as the Ordinary Shares will no longer be traded on AIM; and
- the Cancellation may have personal taxation consequences for Shareholders. Shareholders who are in any doubt about their tax position should consult their own professional independent tax adviser.

Shareholders should also note that the Takeover Code may continue to apply to the Company following the Cancellation for a period of two years, provided (and depending on when the Cancellation might take effect) the Company continues to have its place of central management and control in the UK, Channel Islands or Isle of Man. Further details on the applicability of the Takeover Code post any Cancellation will be set out in a circular in due course should the Minimum Fundraising Condition not be met.

The Company will also continue to be bound by the Act (which requires shareholder approval for certain matters) following the Cancellation.

The above considerations are not exhaustive and Shareholders should seek their own independent advice when assessing the likely impact of the Cancellation on them.

RISKS RELATING SPECIFICALLY TO THE GROUP AND ITS BUSINESS

The development of SNG001 is inherently uncertain and pharmaceuticals have high failure rates. The SG021 Clinical Trial may not have a successful outcome in terms of data generated.

There is a high failure rate in the development of pharmaceuticals and there is a substantial risk of adverse, undesirable, unintended or inconclusive results from testing or clinical trials, which may substantially delay, or halt entirely, or make uneconomic, any further development of SNG001 and may prevent or limit its commercial use.

The Clinical Trial (SG021) may be challenging to complete within the proposed timelines

There are inherent uncertainties in running any substantial clinical trial and risks exist that may impact the Company's ability to complete the Clinical Trial within the proposed timelines. These may include, but are not limited to:

- Delays to receiving all necessary initial regulatory and related approvals in order to begin the Clinical Trial – the requirements for and the speed of regulatory approval may vary from country to country and any substantial changes required by an individual authority will have to be implemented for the whole study;
- Any clinical trial is a heavily regulated activity – any amendments or changes to the protocol will require consideration, review by relevant authorities and implementation that may introduce delays;
- There may be competition from other clinical trials for the recruitment of suitable patients that may cause delays and may also require the Clinical Trial to be conducted in additional countries;
- While the use of SNG001 as a broad-spectrum antiviral treatment is supported by its mode of action and pre-clinical and clinical data in SARS-CoV-2, there is limited clinical data on the effect of the drug across other different viruses;
- Serious adverse event(s) at an incidence and severity to require assessment potentially leading to regulatory interactions/actions, study interruption and/or protocol amendments that might lead to overall delays in recruitment;
- Respiratory virus season may be mild, leading to fewer hospitalisations for more severe disease resulting in slow recruitment to the study and delayed timelines.

The Group is dependent on third party supply, manufacturing and clinical service relationships

The Group utilises the expertise and resources of third parties in a number of areas including the conduct of clinical trials and the manufacture and supply of SNG001 and its delivery in the patient setting. This strategy creates risks for the Group by placing critical aspects of the Group's business in the hands of third parties whom the Group may not be able to manage or control adequately.

In addition, regulatory requirements for pharmaceutical products tend to make the substitution of suppliers and contractors costly and time-consuming. Alternative suppliers may not be able to manufacture products effectively or on time or obtain the necessary manufacturing licences from applicable regulatory authorities.

Supplies of SNG001 are subject to on-going stability studies that might be impacted by any study delays or changes

The required Drug Product and Placebo have been manufactured in advance of the initiation of the Clinical Trial. The stability of the Drug Product and/or delays in the study might indicate the need for another batch to be manufactured. Options are in place to mitigate with provision for further batch manufacture if needed.

The current Drug Substance inventory is subject to an ongoing stability study that could indicate it is nearing the end of its shelf-life. To mitigate for potential loss of drug substance inventory, and reduce any other risks to Drug Product supplies, manufacture of an additional Drug Product batch is planned.

Synairgen is a relatively small company and is dependent on a small team of key personnel and scientific and clinical collaborators

The Company's success is highly dependent on the expertise and experience of a small team of key personnel and scientific and clinical advisers/contractors. Whilst the Company has entered into employment and other agreements with each of these key personnel, the retention of such personnel cannot be guaranteed. Should key personnel leave or no longer be party to agreements or collaborations with the

Company, the Company's business prospects, financial condition and/or results of operations could be adversely affected. The loss of certain key personnel may make the running of a large clinical study such as the proposed Clinical Trial for SNG001 very challenging for the Company. To mitigate this risk, the Company has contracted with certain key partners to provide services to the Company, including Clinical Research Organisation (CRO) services, regulatory affairs consultants and clinical management services.

The Group is dependent solely on SNG001 for its short and medium term success

The Group is dependent solely on SNG001 for its short and medium term success. If the Clinical Trial of SNG001 is ultimately unsuccessful or inconclusive, whilst SNG001 has other potential applications, it will have a material adverse effect on the financial condition and prospects of the Group.

The regulatory approval processes of the EMA, FDA and other comparable regulatory agencies may be lengthy, time-consuming and unpredictable

The Group's long-term future success is dependent upon its ability to complete the Clinical Trial, and thereafter ensure continuation of development ultimately leading to regulatory submission and approval enabling commercialisation of SNG001. There can be no assurance that SNG001 will be successful in SG021 or future clinical trials or receive regulatory approval. SNG001 could take a significantly longer time to gain regulatory approvals than expected or may never gain regulatory approvals. A drug which has received approval in one territory may not succeed in getting approval in other territories and different regulators in different jurisdictions may also have different criteria and endpoints in order for regulatory approval and Marketing Authorisations to be granted.

Intellectual property

The Group has existing granted patents and additionally has filed two patent applications with regards to the completed studies of SNG001 in COVID-19 and COPD. In addition, the Company holds trade secrets and has confidentiality agreements to protect the intellectual property related to SNG001, its technologies and candidates. The Group's success depends in large part on its ability to obtain and maintain patent and other intellectual property protection in the United Kingdom, Europe, the United States and in other countries with respect to its proprietary assets.

Further, there can be no assurance that others have not developed or will not develop similar pharmaceuticals, duplicate any of the Group's products or design around any patents which may be granted to the Group. Others may hold or receive patents which contain claims having a scope that covers products developed by the Group. No assurance can be given that others will not independently develop or otherwise acquire substantial equivalent techniques or otherwise gain access to the Group's unpatented proprietary technology or disclose such technology or that the Group can ultimately protect meaningful rights to such unpatented proprietary technology.

The Group's products could infringe patents and other intellectual property rights of third parties

SNG001 may infringe or may be alleged to infringe existing patents or patents that may be granted in the future which may result in costly litigation and could result in the Group having to pay substantial damages or limit the Group's ability to commercialise its products.

Because some patent applications in Europe and the United States may be maintained in secrecy until the patents are issued, patent applications in Europe, the United States and many foreign jurisdictions are typically not published until 18 months after filing and publications in the scientific literature often lag behind actual discoveries the Company cannot be certain that others have not filed patents that may cover its technologies, its product candidates or their use. Additionally, pending patent applications which have been published can, subject to certain limitations, be later amended in a manner that could cover the Company's assets and their use, including SNG001. As a result, the Company may become party to, or threatened with, future adversarial proceedings or litigation regarding patents with respect to its products and technology.

In the event that a company is sued for patent infringement, it would need to demonstrate that its products or methods either do not infringe the patent claims of the relevant patent or that the patent claims are invalid.

If a company is found to infringe a third party's patent, the infringing party could be required to obtain a licence from such third party to continue developing and marketing its products and technology or a company might elect to enter into such a licence in order to settle litigation or in order to resolve disputes prior to litigation. However, a company may not be able to obtain any required licence on commercially reasonable terms or at all. Even if a company is able to obtain a licence, it could be non-exclusive, thereby giving its competitors access to the same technologies licensed to the company, and could require the company to make substantial royalty payments. The infringing party could also be forced, including by court order, to cease commercialising the infringing technology or products. A finding of infringement could prevent the infringing party from commercialising its products or force it to cease some of its business operations, which could materially harm its business.

Any such claims are likely to be expensive to defend, and some of its competitors may be able to sustain the costs of complex patent litigation more effectively because they have substantially greater resources. Moreover, even if a company is successful in defending any infringement proceedings, it may incur substantial costs and divert management's time and attention in doing so, which could materially adversely affect the company's business, results of operations or financial condition.

GENERAL RISKS RELATING TO AN INVESTMENT IN THE ORDINARY SHARES

Following Admission, TFG Asset Management UK (on behalf of the Relevant Funds) will hold at a minimum 61.4 per cent. of the Enlarged Share Capital and will therefore be able to exert control over the Group, and its interests may differ from or conflict with those of other Shareholders.

On Admission, TFG Asset Management UK will hold at least 61.4 per cent. and may hold up to 86.9 per cent. of the Enlarged Share Capital, depending on whether the Minimum Fundraising Condition is satisfied. TFG Asset Management UK will be able to exercise significant influence over the Group and the Group's operations, business strategy and those corporate actions which require the approval of Shareholders.

The interests of TFG Asset Management UK may not be aligned with those of other shareholders, which may have a material adverse effect on the trading price of the Ordinary Shares if the Company's Ordinary Shares remain admitted to trading on AIM. This concentration of ownership might also have the effect of delaying or preventing a change of control of the Company despite such change of control being acceptable to other shareholders.

The Relationship Agreement has been entered into to ensure that the Company is capable at all times of carrying on its business independently of TFG Asset Management UK. However, the Relationship Agreement is conditional upon the Minimum Fundraising Condition being satisfied. If that is the case, the Relationship Agreement contains undertakings from TFG Asset Management UK that, among other things:

- Transactions and arrangements between the Company and TFG Asset Management UK must be conducted at arm's length and on a normal commercial basis and approved by a majority of the Independent Directors.
- TFG Asset Management UK shall not take any action that would have the effect of preventing the Company from complying with its obligations under the AIM Rules.
- TFG Asset Management UK shall not propose or procure (so far as it is properly able to do so) the proposal of a shareholder resolution which is intended to circumvent the proper application of the AIM Rules.
- TFG Asset Management UK shall not propose the removal of any Independent Director such that the Company would no longer be able to comply with the relevant recommendations of the QCA Code and explain its non-compliance with such relevant recommendations of the QCA Code as required under the AIM Rules.
- TFG Asset Management UK may not propose or procure the proposal of a shareholder resolution which is intended to cancel the issuer's admission to trading on AIM without the approval of a majority of the Independent Directors.

In the event that the Minimum Fundraising Condition is not satisfied, the terms of the Relationship Agreement will not come into effect and the Company and other Shareholders will not benefit from the protections

therein. In this case, TFG Asset Management UK will be able to exercise all of its powers as a Shareholder holding 86.9 per cent. of the Enlarged Share Capital. Notwithstanding the terms of the Relationship Agreement, there could be instances when TFG Asset Management UK has interests that diverge from those of the other Shareholders and TFG Asset Management UK has the ability to exercise control over the business of the Group and determine the outcome of matters submitted to a vote of shareholders. In particular, TFG Asset Management UK could pass or block shareholder resolutions requiring approval by a simple majority, such as the appointment or re-election of directors, irrespective of the vote of any other Shareholder. TFG Asset Management UK's control over the Group could also have the effect of delaying or deterring a change in control of the Group, could deprive investors of an opportunity to receive a premium for their Shares as part of a sale of the Group and might affect the value of the Shares. Furthermore, future acquisitions by the Group may result in an increase in the shareholding of TFG Asset Management UK in the Group.

Furthermore, pursuant to the Subscription Agreement, TFG Asset Management UK has the right to nominate two Nominated Directors to the board for so long as it holds at least 30 per cent. of the voting rights in the Company. Each of the Nominated Directors shall act in the interest of shareholders as whole, shall not represent TFG Asset Management UK at Board meetings and shall be capable at all times of exercising independent judgement.

There can be no assurance that TFG Asset Management UK will continue to support the strategy of the Group as described in Paragraph 4 of Part II or that TFG Asset Management UK will not take decisions relating to the Group which could adversely affect the business, financial condition and results of operations of the Group.

General

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

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

Share price volatility and liquidity

Following Admission, the market price of the Ordinary Shares may be subject to wide fluctuations in response to many factors which may or may not be outside of the control of the Company, including changes in the performance of the market as a whole, stock market fluctuations and general economic conditions or changes in political sentiment. This may substantially affect the market price of the Ordinary Shares irrespective of the progress the Company may make in terms of developing and expanding its products or its actual financial, trading or operational performance. These factors could include the performance of the Company, purchases or sales of the Ordinary Shares, legislative changes and market, economic, political or regulatory conditions or price distortions resulting from limited liquidity in the Company's shares.

Investment risk and AIM

The New Ordinary Shares will be admitted to AIM and it is emphasised that no application is being made for admission of the New Ordinary Shares to the Official List or to any other stock exchange. An investment in shares quoted on AIM may be less liquid and may carry a higher risk than an investment in shares quoted on the Official List. The rules of AIM are less demanding than those of the Official List. Further, London Stock Exchange has not itself examined or approved the contents of this Document. 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.

Issue of additional Ordinary Shares

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

Dilution

Regardless of whether a Qualifying Shareholder takes up his/her/its entitlements under the Open Offer, the effect of the Fundraising will be a reduction of his/her/its proportionate ownership and voting interests in the Company (unless a Shareholder applies for and obtains Excess Shares under the Open Offer to such an extent that his/her/its proportionate interest is not reduced). Shareholders will experience greater dilution in their ownership of, and voting interests in, the Company to the extent they do not subscribe in full for their Basic Open Offer Entitlement and/or Excess Open Offer Entitlements. Those Shareholders in a Restricted Jurisdiction, subject to certain exceptions, will, in any event, not be able to participate in the Open Offer.

In the event that the Minimum Fundraising Condition is not satisfied, neither the Open Offer nor the Placing will proceed and dilution will be significant.

Legislation and tax status

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

General economic climate

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

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

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

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

PART IV

SOME QUESTIONS AND ANSWERS ABOUT THE OPEN OFFER

The questions and answers set out in this Part IV: “Some Questions and Answers about the Open Offer” are intended to be in general terms only and, as such, you should read Part V: “Terms and Conditions of the Open Offer” of this document for full details of what action to take.

If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other appropriate independent financial adviser duly authorised under the FSMA if you are in the United Kingdom, or if not, from another appropriately authorised independent financial adviser.

The Open Offer is not being extended into the United States or in any other Restricted Jurisdiction where such offer is not permitted pursuant to applicable securities laws.

This Part IV deals with general questions relating to the Open Offer and more specific questions relating principally to persons resident in the United Kingdom who hold their Ordinary Shares in certificated form only. If you are an Overseas Shareholder, you should read paragraph 6 of Part V: “Terms and Conditions of the Open Offer” of this document and you should take professional advice as to whether you are eligible and/or you need to observe any formalities to enable you to take up your Basic Open Offer Entitlement. If you hold your Existing Ordinary Shares in uncertificated form (that is, through CREST) you should read Part V: “Terms and Conditions of the Open Offer” of this document for full details of what action you should take. If you are a CREST sponsored member, you should also consult your CREST sponsor. If you do not know whether your Existing Ordinary Shares are in certificated or uncertificated form, please contact Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL or you can contact them on Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

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

1. WHAT IS AN OPEN OFFER?

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

The Open Offer is being made on the basis of 1 Open Offer Share for every 0.67836216 Existing Ordinary Share held by Qualifying Shareholders on the Record Date.

This Open Offer is an invitation by the Company to Qualifying Shareholders to apply to acquire up to an aggregate of 298,750,002 new Ordinary Shares at a price of 2 pence per share. If you hold Ordinary Shares on the Record Date or have a *bona fide* market claim, other than where you are a Shareholder with a registered address or located in the United States or, subject to certain exceptions, any other Restricted Jurisdiction, you will be entitled to subscribe for Open Offer Shares under the Open Offer.

Shareholders will also be offered the opportunity to apply for additional shares in excess of their entitlement to the extent that other Qualifying Shareholders do not take up their entitlement in full. The Issue Price is a 46.6 per cent. discount to the closing middle market price of 3.745 pence per Ordinary Share on 19 December 2024.

The Excess Application Facility allows Qualifying Shareholders to apply for Open Offer Shares in excess of their Basic Open Offer Entitlements. Applications made under the Excess Application Facility will be scaled

back at the Company's discretion if applications are received from Qualifying Shareholders for more than the available number of Excess Shares. Unlike in a rights issue, Application Forms are not negotiable documents and neither they nor the Basic Open Offer Entitlements can themselves be traded.

The Open Offer is subject to the Minimum Fundraising Condition being satisfied.

2. WHAT IS THE MINIMUM FUNDRAISING CONDITION?

The Open Offer is conditional upon, and subject to, the Minimum Fundraising Condition being satisfied (which is that the Non-Underwritten Fundraising raises, in aggregate, a minimum of £2.9 million for the Company (before expenses)).

The results of the Placing and the Open Offer are inherently uncertain and the Company and the Directors cannot give any guarantee that the Minimum Fundraising Condition will be satisfied or indeed any funds raised at all, other than the Subscription.

The Company will, in its sole discretion but in consultation with Cavendish, assess whether the Minimum Fundraising Condition has been satisfied.

3. WHAT HAPPENS IF THE MINIMUM FUNDRAISING CONDITION IS NOT SATISFIED?

If the Minimum Fundraising Condition is not satisfied, the Open Offer, the Director Subscriptions and the Placing will not proceed.

All monies shall be returned to Qualifying Shareholders who participated in the Open Offer and Placing Shares, Director Subscription Shares nor Open Offer Shares will be issued by the Company. Any applications made by Qualifying Shareholders will be rejected. In such circumstances, application monies will be returned (at the applicant's sole risk), without payment of interest, as soon as practicable thereafter. Any Basic Open Offer Entitlements admitted to CREST will thereafter be disabled.

In the event that the Minimum Fundraising Condition is not satisfied, TFG Asset Management UK would hold 86.9 per cent. of the Enlarged Share Capital.

The Company would then apply for the cancellation of its Ordinary Shares from trading on AIM and a separate circular will be sent to the Company's shareholders following Admission requesting that Shareholders approve such Cancellation in accordance with rule 41 of the AIM Rules.

A resolution to approve the Cancellation requires approval of a majority of 75 per cent. of those Shareholders who actually vote in such general meeting. TFG Asset Management UK, who at which point would hold 86.9 per cent. of the Enlarged Share Capital, would therefore be able to pass such resolution on its own, notwithstanding how many other Shareholders may vote against.

TFG Asset Management UK has notified the Company that should this be the case, it would vote "for" such resolution and approve the Cancellation.

Shareholders at that point would then hold their Ordinary Shares in a private company for which there may be much less liquidity than on AIM. Shareholders should read and understand paragraph 5 of Part I of this document and the Risk Factors in Part III.

4. WHAT HAPPENS IF THE MINIMUM FUNDRAISING CONDITION IS SATISFIED?

If the Minimum Fundraising Condition is satisfied and the Non-Underwritten Fundraising raises, in aggregate, more than £2.9 million, TFG Asset Management UK would hold at least 61.4 per cent. of the Enlarged Share Capital. Please see paragraph 4 of Part II for information regarding the intentions of TFG Asset Management UK.

The Company would issue the Placing Shares to Placees, Open Offer Shares to Qualifying Shareholders and Director Subscription Shares to the Participating Directors, subject to a maximum of, in aggregate, 298,750,002 new Ordinary Shares to be issued pursuant to the Non-Underwritten Fundraising.

The Subscription Shares subscribed for by TFG Asset Management UK are subject to clawback as set out in paragraph 3 of Part I of this document.

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

If you receive an Application Form and are neither a holder with a registered address nor located in the United States nor, subject to certain exceptions, any other Restricted Jurisdiction, then you should be eligible to participate in the Open Offer as long as you have not sold all of your Existing Ordinary Shares before 20 December 2024 (the time when the Existing Ordinary Shares are expected to be marked “ex-entitlement” by the London Stock Exchange).

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

If you hold your Existing Ordinary Shares in certificated form and do not have a registered address and are not located in the United States nor, subject to certain exceptions, any other Restricted Jurisdiction, you will be sent an Application Form that shows:

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

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

If you would like to apply for any of or all of the Open Offer Shares comprised in your Basic Open Offer Entitlement or any Excess Open Offer Entitlement you should complete the Application Form in accordance with the instructions printed on it and the information provided in this document. Completed Application Forms should be posted, along with a cheque or banker's draft drawn in the appropriate form, in the accompanying pre-paid envelope or returned to Link Group (who will act as receiving agent in relation to the Open Offer), by post to Link Group, Corporate Actions, Central Square, 29 Wellington Street Leeds LS1 4DL or by hand (during normal office hours only) Link Group, Corporate Actions, Central Square, 29 Wellington Street Leeds LS1 4DL so as to be received by no later than 11.00 a.m. on 15 January 2025, after which time Application Forms will not be valid.

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

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

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

If you do not return your Application Form subscribing for the Open Offer Shares to which you are entitled by 11.00 a.m. on 15 January 2025, the Company has made arrangements under which the Company has agreed to issue the Open Offer Shares to other Qualifying Shareholders under the Excess Application Facility.

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

7.2 **If you want to take up some but not all of your Basic Open Offer Entitlement**

If you want to take up some but not all of the Open Offer Shares to which you are entitled, you should write the number of Open Offer Shares you want to take up in Box 6 of your Application Form; for example, if you are entitled to take up 600 shares but you only want to take up 300 shares, then you should write '300' in Box 6. To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example, '300') by £0.02, which is the price in pounds of each Open Offer Share (giving you an amount of £6 in this example). You should write this amount in Box 9, rounding up to the nearest whole pence and this should be the amount your cheque or banker's draft is made out for. You should then return the completed Application Form, together with a cheque or banker's draft for that amount, in the accompanying pre-paid envelope (for use only by Shareholders with registered addresses in the United Kingdom) or return by post to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL, or by hand (during normal office hours only), to the Receiving Agent, Link Group, Corporate Actions, Central Square, 29 Wellington Street Leeds, LS1 4DL so as to be received by the Receiving Agent by no later than 11.00 a.m. on 15 January 2025, after which time Application Forms will not be valid. If you post your Application Form by first-class post, you should allow at least four Business Days for delivery.

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

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

A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 24 January 2025.

7.3 **If you want to take up all of your Basic Open Offer Entitlement**

If you want to take up all of the Open Offer Shares to which you are entitled, all you need to do is send the Application Form (ensuring that all joint holders sign (if applicable), together with your cheque or banker's draft for the amount (as indicated in Box 5 of your Application Form), payable to Link Market Services Limited re: Synairgen plc Open Offer A/C and crossed "A/C Payee Only", in the accompanying pre-paid envelope or return to Link Group by post to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL or by hand (during normal office hours only) to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL so as to be received by no later than 11.00 a.m. on 15 January 2025, after which time Application Forms will not be valid. If you post your Application Form by first-class post, you should allow at least four Business Days for delivery.

7.4 **If you want to apply for more than your Basic Open Offer Entitlement**

Provided you have agreed to take up your Basic Open Offer Entitlement in full, you can apply for further Open Offer Shares under the Excess Application Facility. You should write the number of Open Offer

Shares comprised in your Basic Open Offer Entitlement (as indicated in Box 4 of the Application Form) in Box 6 and write the number of additional Open Offer Shares for which you would like to apply in Box 7. You should then add the totals in Boxes 6 and 7 and insert the total number of Open Offer Shares for which you would like to apply in Box 8.

For example, if you have a Basic Open Offer Entitlement for 600 Open Offer Shares but you want to apply for 900 Open Offer Shares in total, then you should write '600' in Box 6, '300' in Box 7 and '900' in Box 8. To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example, '900') by £0.02, which is the price in pounds sterling of each Open Offer Share (giving you an amount of £18 in this example). You should write this amount in Box 9, rounding up to the nearest whole penny and this should be the amount your cheque or banker's draft is made out for. You should then return the completed Application Form, together with a cheque or banker's draft for that amount, in the accompanying prepaid envelope (for use by Shareholders with registered addresses in the United Kingdom only) or return to Link Group by post to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL or by hand (during normal office hours only) to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL so as to be received by no later than 11.00 a.m. on 15 January 2025, after which time Application Forms will not be valid. If you post your Application Form by first-class post, you should allow at least four Business Days for delivery.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Basic Open Offer Entitlements, such applications will be scaled back at the Company's absolute discretion if applications are received from Qualifying Shareholders for more than the available number of Excess Shares. It should be noted that applications under the Excess Application Facility may not be satisfied in full. A definitive share certificate will then be sent to you for the Open Offer Shares that you take up and otherwise successfully apply for using the Excess Application Facility. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 24 January 2025.

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

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

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

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

- (a) Qualifying CREST Shareholders who held their Existing Ordinary Shares in uncertificated form on 18 December 2024 and who have converted them to certificated form;
- (b) Qualifying Non-CREST Shareholders who bought Existing Ordinary Shares before 20 December 2024 but were not registered as the holders of those shares at the close of business on 18 December 2024; and
- (c) Certain Overseas Shareholders who are not resident in or subject to the laws of a Restricted Jurisdiction.

If you do not receive an Application Form but think that you should have received one or you have lost your Application Form, please contact the shareholder helpline of Link Group, on Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom

will be charged at the applicable international rate. The helpline is open between 9 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

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

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

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

11. CAN I TRADE MY BASIC OPEN OFFER ENTITLEMENT?

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

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

12. WHAT IF I CHANGE MY MIND?

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

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

If you hold shares in the Company directly and you sell some or all of your Existing Ordinary Shares before the ex-entitlement date of 20 December 2024, you should contact the buyer or the person/company through whom you sell your shares. The buyer may be entitled to apply for Open Offer Shares under the Open Offer as set out in the Application Form.

If you sell any of your Existing Ordinary Shares on or after ex-entitlement date of 20 December 2024, you may still take up and apply for the Open Offer Shares as set out on your Application Form.

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

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

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

Post-dated cheques will not be accepted.

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

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

In the event that the Minimum Fundraising Condition is not satisfied, your attention is drawn to question 3 above.

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

You should send your completed Application Form, together with the monies in the appropriate form, in the accompanying pre-paid envelope or return by post or by hand (during normal business hours only) to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL, (who will act as receiving agent in relation to the Open Offer). If you post your Application Form by first-class post, you should allow at least four Business Days for delivery. If you do not want to take up or apply for Open Offer Shares then you need take no further action.

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

The Receiving Agent must receive the Application Form by no later than 11.00 a.m. on 15 January 2025, after which time Application Forms will not be valid. If an Application Form is being sent by first class post in the UK, Qualifying Shareholders are recommended to allow at least four Business Days for delivery.

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

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

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

It is expected that Link Group will post all new share certificates by 24 January 2025.

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

If you bought your Ordinary Shares after the Record Date, but before the ex-date you are likely to be able to participate in the Open Offer in respect of such Ordinary Shares.

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

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

22. WHAT SHOULD I DO IF I LIVE OUTSIDE THE UNITED KINGDOM?

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

23. FURTHER ASSISTANCE

Should you require further assistance please contact the Receiving Agent, Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

PART V

TERMS AND CONDITIONS OF THE OPEN OFFER

IMPORTANT NOTICE

Each element of the Non-Underwritten Fundraising (being the Placing, Open Offer and Director Subscriptions) is subject to, and conditional upon, the Minimum Fundraising Condition being satisfied.

In the event that the Non-Underwritten Fundraising does not raise, in aggregate, a minimum of £2.9 million for the Company, no element of the Non-Underwritten Fundraising will proceed. All monies shall be returned to Qualifying Shareholders who participated in the Open Offer and no Placing Shares, Open Offer Shares or Director Subscription Shares will be issued by the Company.

The results of the Non-Underwritten Fundraising are inherently uncertain and the Company and the Directors cannot give any guarantee that the Minimum Fundraising Condition will be satisfied or indeed any funds raised at all beyond the Subscription.

In the event that the Minimum Fundraising Condition is not satisfied, TFG Asset Management UK would hold 86.9 per cent. of the Enlarged Share Capital.

Following the approval of the Resolutions at the General Meeting, if the Minimum Fundraising Condition is not satisfied, the Company intends to apply for the cancellation of its Ordinary Shares from trading on AIM in early 2025 and a separate circular will be sent to the Company's shareholders following Admission requesting that Shareholders approve such Cancellation in accordance with rule 41 of the AIM Rules.

A resolution to approve the Cancellation requires the approval of 75 per cent. of those Shareholders who actually vote in such general meeting. TFG Asset Management UK, which at such time would hold 86.9 per cent. of the Enlarged Share Capital, would therefore be able to pass such resolution on its own, notwithstanding how many other Shareholders may vote against.

TFG Asset Management UK has notified the Company that should this be the case, it would vote "for" such resolution and approve the Cancellation.

Following such Cancellation, Shareholders would then hold their Ordinary Shares in an unquoted company for which there may be much less liquidity than were they traded on AIM. Shareholders should read and understand paragraph 5 of Part I of this document and the Risk Factors in Part III.

Conversely, if the Minimum Fundraising Condition is satisfied and the Non-Underwritten Fundraising raises, in aggregate, more than £2.9 million, TFG Asset Management UK would hold at least 61.4 per cent. of the Enlarged Share Capital. Please see paragraph 4 of Part II for information regarding the intentions of TFG Asset Management UK.

INTRODUCTION

The purpose of this Part V is to set out the terms and conditions of the Open Offer. Qualifying Shareholders are being offered the right to subscribe for, in aggregate, up to 298,750,002 Open Offer Shares in accordance with the terms of the Open Offer. The Open Offer has not been underwritten.

The Record Date for entitlements under the Open Offer for Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders is 18 December 2024. Qualifying Non-CREST Shareholders will have received Application Forms with this document and Basic Open Offer Entitlements and Excess Open Offer Entitlements are expected to be credited to stock accounts of Qualifying CREST Shareholders in CREST on 23 December 2024.

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

The latest time and date for receipt of a completed Application Form and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate) is 11.00 a.m. on 15 January 2025 with Admission and commencement of dealings in Open Offer Shares expected to take place at 8.00 a.m. on 17 January 2025.

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

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

The Open Offer is an opportunity for Qualifying Shareholders to apply for up to 298,750,002 Open Offer Shares *pro rata* (excepting fractional entitlements) to their current holdings at the Issue Price in accordance with the terms of the Open Offer. Notwithstanding this, the maximum amount which may be raised pursuant to the Placing and the Open Offer is, in aggregate, £5.98 million.

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

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

The Open Offer is conditional upon the Minimum Fundraising Condition being satisfied.

1. THE OPEN OFFER

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

- (a) 1 Open Offer Share for every 0.67836216 Existing Ordinary Shares held by Qualifying Shareholders at the Record Date and so in proportion for any other number of Ordinary Shares then held; and
- (b) further Open Offer Shares in excess of the Basic Open Offer Entitlement through the Excess Application Facility (although such Open Offer Shares will only be allotted to the extent that not all Qualifying Shareholders apply for their Basic Open Offer Entitlement in full).

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

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

If you are a Qualifying Non-CREST Shareholder, the Application Form shows the number of Existing Ordinary Shares registered in your name on the Record Date (in Box 3) and your Basic Open Offer Entitlements (in Box 4).

If you are a Qualifying CREST Shareholder, application will be made for your Basic Open Offer Entitlement and Excess CREST Open Offer Entitlement to be credited to your CREST account. Basic Open Offer

Entitlements and Excess CREST Open Offer Entitlements are expected to be credited to CREST accounts on 23 December 2024. The Existing Ordinary Shares are already admitted to CREST. Accordingly, no further application for admission to CREST is required for the Open Offer Shares. All such shares, when issued and fully paid, may be held and transferred by means of CREST.

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

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

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

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

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

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

2. CONDITIONS AND FURTHER TERMS OF THE OPEN OFFER

It is a fundamental term and condition of the Open Offer that the Minimum Fundraising Condition must be satisfied in order for the Open Offer to proceed.

The principal conditions to the Open Offer are:

- (a) the Minimum Fundraising Condition having been satisfied;
- (b) the passing of the Resolutions without amendment at the General Meeting;
- (c) the Subscription Agreement having become unconditional and not having been terminated in accordance with its terms prior to Admission; and
- (d) Admission becoming effective by no later than 8.00 a.m. on 17 January 2025 (or such later date as Cavendish, and the Company may agree, being not later than 8.00 a.m. on 31 January 2025).

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

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

No temporary documents of title will be issued in respect of Open Offer Shares held in uncertificated form. Definitive certificates in respect of Open Offer Shares taken up are expected to be posted to those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in certificated form by 24 January 2025.

In respect of those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in uncertificated form, the Open Offer Shares are expected to be credited to their stock accounts maintained in CREST by 17 January 2025.

Subject to the passing of the conditions, applications will be made for the Open Offer Shares to be admitted to trading on AIM. Admission of the Open Offer Shares is expected to occur at 8.00 a.m. on 17 January 2025, when dealings in the Open Offer Shares are expected to begin.

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

3. PROCEDURE FOR APPLICATION AND PAYMENT

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

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

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

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

(a) General

Subject to paragraph 6 of this Part V in relation to Overseas Shareholders, Qualifying Non-CREST Shareholders will receive an Application Form. The Application Form shows the number of Existing Ordinary Shares registered in their name on the Record Date in Box 3. It also shows the Basic Open Offer Entitlement allocated to them set out in Box 4. Entitlements to Open Offer Shares are rounded down to the nearest whole number and any fractional entitlements to Open Offer Shares will be aggregated and made available under the Excess Application Facility. Box 5 shows how much they would need to pay if they wish to take up their Basic Open Offer Entitlement in full. Qualifying Non-CREST Shareholders may apply for less than their entitlement should they wish to

do so. Qualifying Non-CREST Shareholders may also hold such an Application Form by virtue of a *bona fide* market claim.

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

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

(b) ***Bona fide market claims***

Applications to acquire Open Offer Shares may only be made on the Application Form and may only be made by the Qualifying Non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked "ex" the entitlement to participate in the Open Offer. Application Forms may not be sold, assigned, transferred or split, except to satisfy *bona fide* market claims up to 3.00 p.m. on 13 January 2025. The Application Form is not a negotiable document and cannot be separately traded. A Qualifying Non-CREST Shareholder who has sold or otherwise transferred all or part of his holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked "ex" the entitlement to participate in the Open Offer, should contact his broker or other professional adviser authorised under FSMA through whom the sale or purchase was effected as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed by the purchaser(s) or transferee(s). Shareholders should note that Excess Open Offer Entitlements will not be subject to Euroclear's market claims process. Qualifying CREST Shareholders claiming Excess Open Offer Entitlements by virtue of a *bona fide* market claim are advised to contact the Receiving Agent to request a credit of the appropriate number of entitlements to their CREST account.

Qualifying Non-CREST Shareholders who have sold all or part of their registered holding should, if the market claim is to be settled outside CREST, complete Box 10 on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Application Form should not, however, be forwarded to or transmitted in or into or from the United States or any Restricted Jurisdiction, nor in or into or from any other jurisdiction where the extension of the Open Offer would breach any applicable law or regulation. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedure set out in paragraph 3.2 of this Part V below.

(c) ***Application procedures***

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

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

Completed Application Forms should be returned by post or by hand (during normal business hours only) to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds

LS1 4DL by no later than 11.00 a.m. on 15 January 2025. The Company reserves the right to treat any application not strictly complying with the terms and conditions of application as nevertheless valid. The Company further reserves the right (but shall not be obliged) to accept either Application Forms or remittances received after 11.00 a.m. on 15 January 2025.

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

- (i) Application Forms received after 11.00 a.m. on 15 January 2025; or
- (ii) Applications in respect of which remittances are received before 11.00 a.m. on 15 January 2025 from authorised persons (as defined in FSMA) specifying the Open Offer Shares applied for and undertaking to lodge the Application Form in due course but, in any event, within two Business Days.

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

(d) **Payments**

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

Cheques will be presented for payment upon receipt. The Company reserves the right to instruct Link Group to seek special clearance of cheques to allow the Company to obtain value for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant member account, as applicable) pending clearance thereof). No interest will be paid on payments. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents and/or cheques sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted. If the Open Offer does not become unconditional, no Open Offer Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Open Offer by cheque or return funds direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn (at the applicant's sole risk), to applicants as soon as practicable following the lapse of the Open Offer. If Open Offer Shares have already been allotted to a Qualifying Non-Crest Shareholder and such Qualifying Non-Crest Shareholder's cheque is not honoured upon first presentation or such Qualifying Non-Crest Shareholder's application is subsequently otherwise deemed to be invalid, the Receiving Agent shall be authorised (in its absolute discretion as to manner, timing and terms) to make arrangements, on behalf of the Company, for the sale of such Qualifying Non-Crest Shareholder's Open Offer Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the

Company. None of the Receiving Agent, either Bank or the Company nor any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying Non-Crest Shareholders.

(e) ***Incorrect Sums***

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

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

(f) ***The Excess Application Facility***

- (i) Provided they choose to take up their Basic Open Offer Entitlement in full, the Excess Application Facility enables a Qualifying Non-CREST Shareholder to apply for Excess Shares. Qualifying Non-CREST Shareholders wishing to apply for Excess Shares may do so by completing Box 7 of the Application Form.
- (ii) If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Basic Open Offer Entitlements, the Excess Shares will be scaled back at the Company's absolute discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.
- (iii) Qualifying Non-CREST Shareholders who wish to apply for Excess Shares must complete the Application Form in accordance with the instructions set out on the Application Form.
- (iv) Should the Open Offer become unconditional and applications for Open Offer Shares by Qualifying Shareholders under the Open Offer exceed 298,750,002 Open Offer Shares, resulting in a scale back of applications, each Qualifying Non-CREST Shareholder who has made a valid application for Excess Shares and from whom payment in full for the Excess Shares has been received will receive a pounds sterling amount equal to the number of Excess Shares applied and paid for but not allocated to the relevant Qualifying Non-CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable thereafter, without payment of interest and at the applicant's sole risk.

(g) ***Effect of valid application***

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

- (i) represents and warrants to the Company that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;

- (ii) agrees with the Company that all applications under the Open Offer and contracts resulting therefrom, and any non-contractual obligations related thereto, shall be governed by and construed in accordance with the laws of England;
- (iii) confirms to the Company that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all the information in relation to the Company contained in this document (including information incorporated by reference);
- (iv) represents and warrants to the Company that he is the Qualifying Shareholder originally entitled to the Basic Open Offer Entitlement;
- (v) represents and warrants to the Company that if he has received some or all of his Basic Open Offer Entitlement from a person other than the Company he is entitled to apply under the Open Offer in relation to such Basic Open Offer Entitlements by virtue of a *bona fide* market claim;
- (vi) requests that the Open Offer Shares to which he will become entitled be issued to them on the terms set out in this document and the Application Form and subject to the Articles;
- (vii) represents and warrants to the Company that he is not, nor is he applying on behalf of any person who is, in the United States or is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application in the United States or to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- (viii) represents and warrants to the Company that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and
- (ix) confirms that in making the application he is not relying and has not relied on the Company or any person affiliated with the Company in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

All enquiries in connection with the procedure for application and completion of the Application Form should be addressed to Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL, or you can contact Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Proxy

Qualifying Non-CREST Shareholders who do not want to take up or apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form. However, you are encouraged to vote at the General Meeting. Please submit your vote by proxy electronically and specify the Chairman of the meeting as your proxy using

Link Group's Signal Shares share portal service at www.signalshares.com or in hard copy form if you request a hard copy Form of Proxy from the Company's registrar, Link Group.

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

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

(a) **General**

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

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

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

If for any reason Basic Open Offer Entitlements and/or the Excess CREST Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by, 3.00 p.m. on 23 December 2024, or such later time and/or date as the Company may decide, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Basic Open Offer Entitlement and Excess CREST Open Offer Entitlement which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying Non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive an Application Form.

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

(b) **Market claims**

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

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

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

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

(d) **Content of USE Instruction in respect of Basic Open Offer Entitlements**

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

- (i) the number of Open Offer Shares for which application is being made (and hence the number of the Basic Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Basic Open Offer Entitlement. This is GB00BRCCMJ59;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Basic Open Offer Entitlements are to be debited;
- (v) the participant ID of Link Group in its capacity as a CREST receiving agent. This is 7RA33;
- (vi) the member account ID of Link Group in its capacity as a CREST receiving agent. This is 22599SYN;
- (vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 15 January 2025; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 15 January 2025.

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

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

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 15 January 2025 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 17 January 2025 (or such later time and date as the Company, and Cavendish may determine being no later than 8.30 a.m. on 31 January 2025), the Open Offer will lapse, the Basic Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a

Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

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

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

- (i) the number of Excess Shares for which application is being made (and hence being delivered to the Receiving Agent);
- (ii) the ISIN of the Excess CREST Open Offer Entitlement. This is GB00BRCCMK64;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;
- (v) the participant ID of Link Group Ltd in its capacity as a CREST receiving agent. This is 7RA33;
- (vi) the member account ID of Link Group in its capacity as a CREST receiving agent. This is 22599SYN;
- (vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of Excess Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 15 January 2025; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application in respect of an Excess CREST Open Offer Entitlement under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 15 January 2025.

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

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

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 15 January 2025 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 17 January 2025 (or such later time and date as the Company and the Cavendish may determine being no later than 8.30 a.m. on 31 January 2025), the Open Offer will lapse, the Basic Open Offer Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

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

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

such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Application Form.

A holder of an Application Form who is proposing to deposit the entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Basic Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 15 January 2025. After depositing their Basic Open Offer Entitlement into their CREST account, Qualifying CREST Shareholders will shortly thereafter receive a credit for their Excess CREST Open Offer Entitlement, which will be managed by the Receiving Agent.

In particular, having regard to normal processing times in CREST and on the part of the Receiving Agent, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Basic Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST, is 3.00 p.m. on 10 January 2025 and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Basic Open Offer Entitlements from CREST is 4.30 p.m. on 9 January 2025 in either case so as to enable the person acquiring or (as appropriate) holding the Basic Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Basic Open Offer Entitlements and the entitlement to apply under the Excess Application Facility, as the case may be, prior to 11.00 a.m. on 15 January 2025.

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

(g) **Validity of application**

A USE Instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 15 January 2025 will constitute a valid application under the Open Offer.

(h) **CREST procedures and timings**

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE Instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 15 January 2025. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(i) **Proxy**

If a Qualifying CREST Shareholder does not wish to apply for the Open Offer Shares under the Open Offer, they should take no action. They are however, encouraged to vote at the General Meeting by submitting your vote by proxy electronically and specifying the Chairman of the meeting as your proxy using Link Group' Signal Shares share portal service at

www.signalshares.com or in hard copy form if you request a hard copy Form of Proxy from the Company's registrar, Link Group.

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

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

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

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

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

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

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

Should the Open Offer become unconditional and applications for Open Offer Shares by Qualifying Shareholders under the Open Offer exceed, in aggregate, 298,750,002 Open Offer Shares, resulting in a scale back of applications under the Excess Application Facility, each Qualifying CREST Shareholder who has made a valid application pursuant to his Excess CREST Open Offer Entitlement, and from whom payment in full for the excess Open Offer Shares has been received, will receive a pounds sterling amount equal to the number of Open Offer Shares validly applied and paid for but which are not allocated to the relevant Qualifying CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable following the completion of the scale back, without payment of interest and at the applicant's sole risk by way of cheque or CREST payment, as appropriate. Fractions of Open Offer Shares will be aggregated and made available under the Excess Application Facility.

All enquiries in connection with the procedure for applications under the Excess Application Facility and Excess CREST Open Offer Entitlements should be addressed to Link Group,

Corporate Actions, Central Square, 29 Wellington Street Leeds, LS1 4DL. Link Group can be contacted on 0371 664 0321 from within the UK. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

(l) **Effect of valid application**

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

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

- (ix) represents and warrants to the Company that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and confirms that in making the application he is not relying and has not relied on the Company or any person affiliated with the Company in connection with any investigation of the accuracy of any information contained in this document or his investment decision.
- (m) **Company's discretion as to the rejection and validity of applications**
The Company may in its sole discretion, but shall not be obliged to:
- (i) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part V;
 - (ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
 - (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "first instruction") as not constituting a valid application if, at the time at which the Receiving Agent receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
 - (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE Instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.
- (n) **Lapse of the Open Offer**
In the event that the Open Offer does not become unconditional by 8.00 a.m. on 17 January 2025 or such later time and date as the Company and Cavendish determine (being no later than 8.30 a.m. on 31 January 2025), the Open Offer will lapse, the Basic Open Offer Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

4. MONEY LAUNDERING REGULATIONS

4.1 Holders of Application Forms

To ensure compliance with the Money Laundering Regulations, Link Group may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf the Application Form is lodged with payment (which requirements are referred to below as the "**verification of identity requirements**"). If the Application Form is submitted by a UK regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of the Receiving Agents. Link will require to see such documentation. In such case, the lodging agent's stamp should be inserted on the Application Form.

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

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

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

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

The verification of identity requirements will not usually apply:

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

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

- (a) if payment is made by cheque in sterling drawn on a branch in the United Kingdom of a bank or building society which bears a UK bank sort code number in the top right hand corner the following applies. Cheques should be made payable to Link Market Services Limited re: Synairgen plc Open Offer A/C in respect of an application by a Qualifying Shareholder and crossed “A/C Payee Only”. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted details of the name of the account holder on the back of the cheque and have either added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. The name of the account holder should be the same as the name of the shareholder shown on page 1 of the Open Offer Application Form; or
- (b) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in paragraph 4.1(a) above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force, the agent should provide with the Application Form written confirmation that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Receiving Agent. If the agent is not such an

organisation, it should contact Link Group, Corporate Actions, Central Square, 29 Wellington Street Leeds, LS1 4DL.

To confirm the acceptability of any written assurance referred to in (b) above, or in any other case, the acceptor should contact Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

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

If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 11.00 a.m. on 15 January 2025, Link Group has not received evidence satisfactory to it as aforesaid, Link Group may, at its discretion, as agent of the Company, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest to the account at the payee bank from which such monies were originally debited (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid).

4.2 Basic Open Offer Entitlements in CREST

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

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

5. ADMISSION, SETTLEMENT AND DEALINGS

The result of the Open Offer is expected to be announced on 15 January 2025. Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. Subject to the Open Offer becoming unconditional in all respects (save only as to Admission), it is expected that Admission of the Open Offer Shares will become effective and that dealings in the Open Offer Shares, fully paid, will commence at 8.00 a.m. on 17 January 2025.

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

Basic Open Offer Entitlements and Excess CREST Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 15 January 2025 (the latest date for applications under the Open Offer). If the condition(s) to the Open Offer described above are satisfied, Open Offer Shares will be

issued in uncertificated form to those persons who submitted a valid application for Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company.

On 17 January 2025, the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Open Offer Shares with effect from Admission. The stock accounts to be credited will be accounts under the same CREST participant IDs and CREST member account IDs in respect of which the USE Instruction was given. Notwithstanding any other provision of this document, the Company reserves the right to send Qualifying CREST Shareholders an Application Form instead of crediting the relevant stock account with Basic Open Offer Entitlements and Excess CREST Open Offer Entitlements, and to allot and/or issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agents in connection with CREST.

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

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

6. OVERSEAS SHAREHOLDERS

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

6.1 General

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

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

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

No person receiving a copy of this document and/or an Application Form and/or a credit of Basic Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such Application Form and/or credit of Basic

Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such Application Form and/or credit of Basic Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

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

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

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

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

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

Overseas Shareholders who wish, and are permitted, to apply for Open Offer Shares should note that payment must be made in sterling denominated cheques or where such Overseas Shareholder is a Qualifying CREST Shareholder, through CREST. Due to restrictions under the securities laws of the United States and the Restricted Jurisdictions, Shareholders in the United States or who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Jurisdiction (subject to certain exceptions) will not qualify to participate in the Open Offer and will not be sent an Application Form nor will their stock accounts in CREST be credited with Basic Open Offer

Entitlements. No public offer of Open Offer Shares is being made by virtue of this document or the Application Forms into the United States or any Restricted Jurisdiction.

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

6.2 **United States**

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

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

Any person who acquires Open Offer Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this document or the Application Form and delivery of the Open Offer Shares, that they are not, and that at the time of acquiring the Open Offer Shares they will not be, located in the United States or a resident of the United States.

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

The Company will not be bound to allot or issue any Open Offer Shares to any person with an address in, or who is otherwise located in, the United States in whose favour an Application Form or any Open Offer Shares may be transferred. In addition, the Company reserves the right to reject any USE Instruction sent by or on behalf of any CREST member with a registered address in the United States in respect of the Open Offer Shares. In addition, until 45 days after the commencement of the Open Offer, an offer, sale or transfer of the Open Offer Shares within the United States by a dealer (whether or not participating in the Open Offer) may violate the registration requirements of the US Securities Act.

6.3 **Restricted Jurisdictions**

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

or into any Restricted Jurisdiction or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Restricted Jurisdiction except pursuant to an applicable exemption.

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

6.4 **Other overseas territories**

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

6.5 **Representations and warranties relating to Overseas Shareholders**

(a) **Qualifying Non-CREST Shareholders**

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

(b) **Qualifying CREST Shareholders**

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

6.6 Waiver

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

7. TIMES AND DATES

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

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

8. TAXATION

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

9. FURTHER INFORMATION

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

10. GOVERNING LAW AND JURISDICTION

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

The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this document or the Application Form. By taking up Open Offer Shares, by way of their Basic Open Offer Entitlement and the Excess Application Facility (as applicable), in accordance with the instructions set out in this document and, where applicable, the Application Form, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

PART VI

SYNAIRGEN PLC

(Incorporated under the Companies Act 1985 and registered in England and Wales with registered number 05233429)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a general meeting of Synairgen plc (the “**Company**”) will be held at Fieldfisher LLP, Riverbank House, 2 Swan Lane, London, EC4R 3TT at 10.30 a.m. on 16 January 2025 to consider and, if thought fit, to pass the following resolutions. Resolutions 1 to 5 (inclusive) will be proposed as ordinary resolutions and Resolutions 6 to 8 (inclusive) will be proposed as special resolutions.

ORDINARY RESOLUTIONS

1. **THAT** the waiver granted by the Takeover Panel of the obligation that would otherwise arise on TFG Asset Management UK, to make an offer to the shareholders of the Company pursuant to Rule 9 of the Takeover Code as a result of the Subscription (as described in the circular to shareholders of the Company dated 20 December 2024, of which this notice forms part (the “**Circular**”)), be and is hereby approved.
2. **THAT**, conditional on the passing of Resolution 1, the rules of the Synairgen Long Term Incentive Plan 2024 (the “**Employee LTIP**”) and the Synairgen Non-Employee Long Term Incentive Plan 2024 (the “**Non-Employee LTIP**”) (together the “**LTIPs**”), each produced in draft to this meeting (the terms of which are summarised in the appendix to this notice of meeting) and, for the purposes of identification, initialled by the Chairman, be and are hereby approved and the directors be authorised to make the grants thereunder and are authorised to:
 - a. do all acts and things which they may consider necessary or expedient for the purposes of implementing and giving effect to the LTIPs; and
 - b. establish further plans based on the LTIPs but modified to take account of local taxation (including introducing tax favoured arrangements such as growth shares, EMI options or other arrangements), exchange control or securities laws in any relevant territories, provided that any shares made available under such further plans are treated as counting against the limits on individual or overall participation in the LTIPs.
3. **THAT**, conditional on the passing of Resolution 1, Martin Murphy be appointed as a non-executive director of the Company.
4. **THAT**, conditional on the passing of Resolution 1, in addition to any other authorities granted to the directors pursuant to section 551 of the Companies Act 2006 (the “**Act**”) prior to the date of the passing of this resolution, the directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Act to exercise all powers of the Company to allot shares in the Company, and grant rights to subscribe for or to convert any security into shares of the Company (such shares, and rights to subscribe for or to convert any security into shares of the Company being “relevant securities”) provided that this authority shall be limited to:
 - a. the allotment of up to 900,000,000 Ordinary Shares in connection with the Subscription (as defined in the Circular);
 - b. the allotment of up to 298,750,002 Ordinary Shares in connection with the Placing (as defined in the Circular); and
 - c. the allotment of up to 1,250,000 Ordinary Shares in connection with the Director Subscriptions (as defined in the Circular),
 - d. the allotment of up to 298,750,002 Ordinary Shares in connection with the Open Offer (as defined in the Circular),

and unless previously renewed, revoked, varied or extended, this authority shall expire at the earlier of the date which is 15 months from the date of the passing of this resolution and the conclusion of the

next annual general meeting of the Company except that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such an offer or agreement as if this authority had not expired.

5. **THAT**, conditional on the passing of Resolution 1, in addition to any other authorities granted to the directors pursuant to section 551 of the Act on or prior to the date of the passing of this resolution (including in relation to Resolution 4, if passed), the directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Act to exercise all powers of the Company to allot shares in the Company, and grant rights to subscribe for or to convert any security into shares of the Company (such shares, and rights to subscribe for or to convert any security into shares of the Company being “relevant securities”) provided that this authority shall be limited to the allotment of 34,579,819 Ordinary Shares in connection with grants to be made pursuant to the Non-Employee LTIP, and unless previously renewed, revoked, varied or extended, this authority shall expire at the earlier of the date which is 15 months from the date of the passing of this resolution and the conclusion of the next annual general meeting of the Company except that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such an offer or agreement as if this authority had not expired.

SPECIAL RESOLUTIONS

6. **THAT**, conditional on the passing of Resolution 1 and 4, in addition to any other authorities granted to the directors pursuant to section 570 of the Act prior to the passing of this resolution, the directors be and they are empowered, pursuant to section 570(1) and 571(1) of the Act, as applicable, to allot equity securities (as defined in section 560 of the Act) of the Company for cash pursuant to the authority of the directors under section 551 of the Act conferred by Resolution 4, and/or where such allotment constitutes an allotment of equity securities by virtue of section 560(2) of the Act, as if section 561(1) of the Act did not apply to such allotment provided that the power conferred by this resolution shall be limited to:
 - a. the allotment of up to 900,000,000 Ordinary Shares in connection with the Subscription;
 - b. the allotment of up to 298,750,002 Ordinary Shares in connection with the Placing (as defined in the Circular);
 - a. the allotment of up to 1,250,000 Ordinary Shares in connection with the Director Subscriptions (as defined in the Circular),
 - b. the allotment of up to 298,750,002 Ordinary Shares in connection with the Open Offer (as defined in the Circular),

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

7. **THAT**, conditional on the passing of Resolutions 1 and 5, in addition to any other authorities granted to the directors pursuant to section 570 of the Act prior to the passing of this resolution, the directors be and they are empowered, pursuant to section 570(1) and 571(1) of the Act, as applicable, to allot equity securities (as defined in section 560 of the Act) of the Company for cash pursuant to the authority of the directors under section 551 of the Act conferred by Resolution 5, and/or where such allotment constitutes an allotment of equity securities by virtue of section 560(2) of the Act, as if section 561(1) of the Act did not apply to such allotment provided that the power conferred by this resolution shall be limited to the allotment of 34,579,819 Ordinary Shares in connection with grants to be made pursuant to the Non-Employee LTIP and unless previously renewed, revoked, varied or extended this power shall expire on the earlier of the conclusion of the next annual general meeting of the Company and the date falling 18 months after the date of the passing of this resolution except that the Company may before the expiry of this power make an offer or agreement which would or might require equity

securities to be allotted under this authority after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.

8. **THAT**, conditional on the passing of Resolution 1, the articles of association of the Company as they are in force as at the date of this document be amended as follows:

(a) A new definition of “*MARKET RULES*” be inserted in Article 1.1 (immediately following the definition of “*LONDON STOCK EXCHANGE*” as follows:

“*MARKET RULES*” means any law, regulation or stock or financial market rule in force or effect from time to time applicable in the United Kingdom or elsewhere to the Company as a result of its securities being listed or admitted to trading (as the case may be) on AIM or any other stock exchange on which the ordinary shares are listed for trading from time to time, including, without limitation, the AIM Rules for Companies, the Disclosure Guidance and Transparency Rules of the FCA the UK Market Abuse Regulation, the City Code, the Financial Services and Markets Act 2000 and the Criminal Justice Act 1993;

(b) Article 109 be deleted in its entirety and be replaced with the following:

Transactions or other arrangements with the company – s. 177 and 182 of the CA 2006

109 Each Director shall declare the nature and extent of any interest, direct or indirect, in any proposed or existing transaction or arrangement with the Company to the other Directors in accordance with sections 177 and 182 of the CA 2006. Provided that a Director has complied with those provisions (any such Director being a “**Conflicted Director**”), the Conflicted Director shall be entitled to attend, speak, vote and count in the quorum at any meeting of the Board or of a committee of the Board on any resolution concerning any such transaction or arrangement so-declared. Notwithstanding the above, a Conflicted Director shall not be entitled to receive any board papers or other information in relation to any proposed or existing transaction or arrangement with the Company in which they have declared an interest in accordance with this Article if such disclosure would, in the opinion of the Board (for which purposes the Conflicted Director shall not be in attendance) acting in good faith:

109.1 jeopardise any solicitor-client, litigation or other privilege; or

109.2 contravene any applicable law or regulation, the Market Rules, any fiduciary duty or any binding agreement entered into between the Company or any other company of the in the Company's group with any other person.

(c) The following heading, currently “**Conflicts of Interest**” is amended to read “**Conflicts of Interest – s. 175 of the CA 2006**”

(d) Article 110 is amended to read “[*INTENTIONALLY LEFT BLANK*]”

20 December 2024

Registered Office:

Mailpoint 810 Level F, South Block
Southampton, General Hospital
Tremona Road,
Southampton
SO16 6YD2

By order of the Board:

Simon Holden
Company Secretary

Notes to the Notice of General Meeting:

1. Entitlement to vote

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), the Company specifies that only Shareholders entered on the register of members of the Company at close of business on 15 January 2025 (or in the event that this meeting is adjourned, on the register of members at close of business on the day preceding the date fixed for the adjourned meeting) shall be entitled to vote at the meeting in respect of the number of ordinary shares of the Company registered in their name at that time. Changes to the register after the relevant time shall be disregarded in determining the rights of any person to vote at the meeting.

2. Voting on a poll

In order to comply with the Takeover Code, Resolution 1 will be taken on a poll of independent shareholders. TFG Asset Management UK will not be entitled to vote on the Resolution. All other resolutions will also be taken on a poll. On a vote by show of hands, every Shareholder who is present in person has one vote and every duly appointed proxy who is present has one vote. On a poll vote, every Shareholder who is present in person or by way of a proxy has one vote for every Ordinary Share of which he/she is a holder. The "Vote Withheld" option on the proxy form is provided to enable you to abstain on any particular resolution. However it should be noted that a "Vote Withheld" is not a vote in law and will not be counted in the calculation of the proportion of votes "For" and "Against" a resolution.

3. Appointment of proxies

Usually, a Shareholder is entitled to appoint one or more proxies to exercise all or any of his or her rights to attend and to speak and vote at the meeting. A proxy need not be a Shareholder of the Company. A Shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder.

4. Appointment of proxy using hard copy proxy form

A Form of Proxy is enclosed. To appoint more than one proxy, please photocopy the form. Please state each proxy's name and the number of shares in relation to which each proxy is appointed (which, in aggregate, should not exceed the number of shares held by you) in the boxes indicated on the form. Please also indicate if the proxy form is one of multiple forms being returned. All proxy forms must be signed and should be returned together in the same envelope. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form. In order for your vote to be counted, Link Group must receive your completed Form of Proxy by 10.30 a.m. on 14 January 2025.

5. Appointment of a proxy online

You may submit your proxy electronically using the Share Portal service at www.signalshares.com. Shareholders can use this service to vote or appoint a proxy online. The voting deadline is 10.30 a.m. on 14 January 2025. Shareholders will need to use the unique personal identification Investor Code ("IVC") printed on your share certificate. If you need help with voting online, please contact our registrar, Link Group's portal team on 0371 664 0391 or via email at shareholderenquiries@linkgroup.co.uk. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the UK will be charged at the applicable international rate. Lines are open 9.00 a.m. to 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales.

6. Appointment of proxies through CREST

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/site/public/EUI>). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & International Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID: RA10) by no later than 10.30 a.m. on 14 January 2025. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

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

In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

7. Changing proxy instructions

To change your proxy instructions, simply submit a new proxy form. Note that the cut-off time for receipt of proxy appointments also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. If the Company receives more than one appointment of a proxy in respect of any one share, the appointment received last revokes each earlier appointment and the Company's decision as to which appointment was received last is final.

8. Termination of proxy appointments

In order to revoke a proxy appointment you must notify the Company of the termination at least three hours before the commencement of the meeting.

9. Corporate representatives

A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

10. Joint shareholders

In the case of joint Shareholders, the vote of the senior Shareholder who tenders a vote, whether in person (including by corporate representative) or by proxy, shall be accepted to the exclusion of the votes of the other joint Shareholders. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members.

11. Issued shares and total voting rights

As at the date of this Notice of General Meeting, the Company's issued ordinary share capital comprised of 202,660,697 ordinary shares of one penny each fully paid. The Company does not hold any shares in treasury. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at the date of this Notice of General Meeting is 202,660,697.

Appendix to the Notice of General Meeting

Summary of the principal terms of the Synairgen Long Term Incentive Plan 2025 and the Synairgen Non-Employee Long Term Incentive Plan 2025

Operation

The remuneration committee of the board of Directors of the Company (the “**Committee**”) will supervise the operation of the Synairgen Long Term Incentive Plan 2025 (the “**Employee LTIP**”) and the Synairgen Non-Employee Long Term Incentive Plan 2025 (the “**Non-Employee LTIP**”) (together the “**LTIPs**”).

Unless stated otherwise, the terms set out below apply to both LTIPs.

Eligibility

Any employee (including an executive Director) of the Company and its subsidiaries will be eligible to participate in the Employee LTIP at the discretion of the Committee, except where the individual is required or intends to imminently retire from such employment.

Any Director of the Company or person otherwise providing services to, or otherwise engaged by, a member of the Company’s group will be eligible to participate in the Non-Employee LTIP at the discretion of the Committee.

Form of awards

The Committee may grant awards in the form of share options. The Committee shall decide before an option is granted the price at which shares may be acquired by the exercise of that option, but the price shall not be less than the higher of: (i) the middle-market quotation for an ordinary share of the Company (“**Share**”) as quoted on the London Stock Exchange on the dealing day immediately preceding the grant of the option (or such other value reasonably determined by the Committee); or (ii) the nominal value of a Share.

The Committee may also decide to satisfy share-based awards in cash for instance to avoid breach of securities laws.

Grant of awards

The Committee may grant awards to acquire Shares within six weeks following: (i) the date on which the LTIPs are approved by shareholders; or (ii) the Company’s announcement of its results for any period. The Committee may also grant awards at any other time when it considers there are exceptional circumstances which justify the granting of awards.

An award may not be granted more than ten years after shareholder approval of the LTIPs.

Awards are not transferable, except on death. Awards are not pensionable.

Individual limit

An employee may not receive awards in any financial year over more than 25 million Shares.

Overall limits

The LTIPs may operate over new issue Shares, treasury Shares or Shares purchased in the market.

In any ten calendar year period, commencing from the date of the General Meeting approving the rules (so that legacy awards granted before this date do not count towards the limits), the Company may not issue (or grant rights to issue) more than 100 million Shares under the LTIPs and any other employee share plan adopted by the Company. Where the Company decides to satisfy awards through the issue of fewer Shares (such as through the issue of such number of Shares as have a value equal to the gain), the award will be regarded as having been made over such number of Shares.

Vesting of awards

Awards normally vest three years after grant to the extent that the applicable conditions (if any) have been satisfied and provided the participant is still employed in the Company's group. Vested options are then normally exercisable up until the tenth anniversary of grant unless they lapse earlier.

Leaving employment

In the case of awards under the Employee LTIP, if a participant ceases to hold employment or be a director within the Company's group before such award has vested as a result of voluntary resignation, circumstances permitting the Company to dismiss the Participant without due notice (whether or not it chooses to do so), termination as a result of a material breach by the Participant of their contract, in the case of a director or former director, their ceasing to be eligible to serve as a director or as a result of a criminal act, their unvested award will lapse.

If a participant leaves employment or ceases to be a director with the Company's group for any other reason they will normally retain their unvested award which will vest on the normal vesting date with no acceleration of vesting. However, in exceptional cases, the Committee may, at its discretion, permit or require awards to vest at the time of cessation.

The extent to which an award will vest in these situations will depend upon two factors: (i) the extent to which any vesting conditions have been satisfied; and (ii) the pro-rating of the award to reflect the reduced period of time between its grant and the date of cessation relative to the three-year vesting period. The Committee can decide not to pro-rate an award if it regards it as inappropriate to do so in the particular circumstances.

Where an option is exercisable following cessation of employment, it will normally be exercisable for 12 months from the date it vests.

If a participant holding a vested award leaves the Company's employment or ceases to be a director, the individual will normally be able to exercise that vested award within 12 months of the date of cessation, unless the reason for such cessation is the individual's misconduct in which case the award will lapse unless the Committee determine otherwise.

A participant will be treated as ceasing to be a director or employee on the earlier of becoming under notice (whether given or received) and ceasing to be a director or employee of a Group company.

Ceasing to provide services

The leaver treatment set out above for awards under the Employee LTIP will also generally apply to awards under the Non-Employee LTIP, provided that references to a participant ceasing to be an employee or director with the Company's group shall be read as a reference to a participant ceasing to serve as a non-executive director and ceasing to provide services, or otherwise being engaged by, the Company's group.

Corporate events

In the event of a takeover or winding up of the Company (not being an internal corporate reorganisation) all unvested awards will vest early subject to: (i) the extent that any vesting conditions have, in the opinion of the Committee, been satisfied at that time; and (ii) the pro-rating of the awards to reflect the reduced period of time between their grant and vesting relative to the three-year vesting period. The Committee can decide not to pro-rate an award if it regards it as inappropriate to do so in the particular circumstances.

In the event of an internal corporate reorganisation, the Committee may decide that instead of awards vesting early they will be replaced by equivalent new awards over shares in a new holding company.

If a demerger, special dividend or other similar event is proposed which, in the opinion of the Committee, would affect the market price of Shares to a material extent, then the Committee may decide that awards will vest on the basis which would apply in the case of a takeover as described above.

Malus and clawback

The LTIPs include malus and clawback provisions under which the Committee may, in its discretion, reduce the number of Shares held under an award before it vests and/or seek to recover some or all of any overpayment of Shares or cash received, in the three-year period following the vesting of an award.

In particular, malus and clawback may be operated by the Committee in the following circumstances:

- a material misstatement of the audited accounts of a member of the Company's group;
- a material error in the calculations or assumptions on which vesting of an award was based; or
- action or conduct of a relevant individual which amounts to fraud or gross misconduct.

The Committee may require the satisfaction of clawback in a number of ways, including by way of a reduction in the vesting, or size of, any other award or bonus (including future awards or bonus) and/or a requirement to make a cash payment.

Dividend equivalents

A participant will receive a payment in Shares on or shortly following the vesting of their award, of an amount equivalent to the dividends that would have been paid on those Shares between the time when the award was granted and the time when it vests. The Committee may decide to disapply payment of dividend equivalents in relation to all or part of a special dividend.

Participants' rights

An award will not confer any shareholder rights until the option has been exercised and a participant has received their Shares.

Rights attaching to Shares

Any Shares allotted when an award vests or is exercised will rank equally with Shares then in issue (except for rights arising by reference to a record date prior to their allotment).

Variation of capital

In the event of any variation of the Company's share capital or in the event of a demerger, payment of a special dividend or similar event which materially affects the market price of the Shares, the Committee may make such adjustment as it considers appropriate to the number of Shares subject to an award and/or the option exercise price payable.

Alterations to the LTIPs

The Committee may, at any time, amend the LTIPs in any respect, provided that the prior approval of shareholders is obtained for any amendments that are to the advantage of participants in respect of the rules governing eligibility, limits on participation, the overall limits on the issue of Shares or the transfer of treasury Shares, the basis for determining a participant's entitlement to, and the terms of, the Shares or cash to be acquired and the adjustment of awards.

The requirement to obtain the prior approval of shareholders will not, however, apply to any minor alteration made to benefit the administration of the LTIPs, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any member of the Company's group. In particular, the Committee may introduce sub-plans or alternative arrangements which have the substantially the same economic impact where the Committee concludes that it is appropriate to do so in respect of either or both subsisting and future awards.

If the proposed alterations are to the material disadvantage of participants the Board must invite participants to indicate if they approve the alterations and if so the alterations must be approved by a majority of the participants that respond.

US based participants

If a participant is subject to tax in the US, the terms of their award may also be subject to further provisions designed to comply with section 409A of the US Internal Revenue Code (if relevant), which could shorten the exercise period for that participant.

