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

If you have sold or otherwise transferred all of your Existing Ordinary Shares, before the date that the Existing Ordinary Shares are marked "Ex-Entitlement" to the Open Offer by the London Stock Exchange, you should immediately send this document together with the accompanying Form of Proxy and (if applicable) Application Form, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, this document and any accompanying documents should not be distributed, sent or transmitted in, or into, the United States or any jurisdiction where to do so might constitute a violation of local securities laws or regulations, or in any jurisdiction that would render the Open Offer Shares offered or sold to an applicant by the Company, to not be offered or sold via an "offshore transaction" as defined in Regulation S. If you have sold or otherwise transferred only part of your holding of Existing Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

This document, which comprises an admission document, has been prepared in accordance with the AIM Rules for Companies in connection with the proposed application for admission of the issued and to be issued Ordinary Share capital of Rosebank Industries plc (the **"Company"** or **"Rosebank"**) to trading on AIM, a market operated by the London Stock Exchange plc (the "**London Stock Exchange**"). This document does not constitute an offer or any part of an offer of transferable securities to the public within the meaning of sections 85 and 102B of the FSMA. This document is not an approved prospectus for the purposes of section 85 of the FSMA or the Prospectus Regulation Rules of the UK Financial Conduct Authority (the "**FCA**"), and it has not been drawn up in accordance with the Prospectus Regulation Rules of the FCA or filed with the FCA.

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

This document, including the information incorporated by reference, should be read in its entirety and, in particular, Part 4 entitled 'Risk Factors' that describes certain risks associated with an investment in the Company.

Not for general circulation
in the United States

ROSEBANK INDUSTRIES PLC

(Incorporated and registered in Jersey under the Companies (Jersey) Law 1991 (as amended) with registered number 154528)

Proposed Acquisition of Electrical Components International
Institutional Capital Raise of 380,000,000 Ordinary Shares at 300 pence per share
Open Offer of up to 2,248,643 Ordinary Shares at 300 pence per share
Admission of the Enlarged Share Capital to trading on AIM
and
Notice of General Meeting

Financial Adviser and Nominated Adviser
Investec

Financial Adviser
Barclays

Financial Adviser
Citigroup

The Company and the Directors, whose names appear on page 5 of this document, accept responsibility for the information contained in this document and declare that, to the best of the knowledge of the Company and the Directors, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import, or make it misleading.

Your attention is drawn to the letter from the Chief Executive of the Company which is set out in Part 1 (*Letter from the Chief Executive of Rosebank Industries plc*) of this document and which contains, among other things, the Directors' unanimous recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting.

The Existing Ordinary Shares are admitted to trading on AIM. Application will be made to the London Stock Exchange for the New Ordinary Shares proposed to be issued in connection with the Capital Raise to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings on AIM will commence at 8.00 a.m. on 3 July 2025.

The Placing is conditional, *inter alia*, on: (i) the Transaction Resolutions being passed at the General Meeting; (ii) Admission occurring not later than 8.00 a.m. on 3 July 2025 (or such later date determined by the Company in consultation with the Banks being no later than 8.00 a.m. on 14 September 2025); and (iii) the Placing Agreement becoming unconditional in all respects and not having been terminated in accordance with its terms. Admission is not conditional upon Acquisition Completion.

The New Ordinary Shares will, upon Admission, rank in full for all dividends and other distributions declared, paid or made in respect of the Ordinary Shares following Admission, and otherwise will rank *pari passu* in all respects with the Existing Ordinary Shares. No application is being made for the New Ordinary Shares to be admitted to the Official List of the FCA or to any other recognised investment exchange.

As the Acquisition is classified as a reverse takeover under the AIM Rules, upon Acquisition Completion occurring, the admission of the Ordinary Shares then in issue will be cancelled and application will be made for the immediate readmission of the Enlarged Share Capital to trading on AIM. Acquisition Completion is subject to certain conditions (including regulatory clearances and Admission occurring) being satisfied (or, if permitted, waived) by no later than 6 March 2026 (or such later date as the parties may agree) and there is no guarantee that these conditions will be satisfied (or waived). Readmission is expected to occur shortly following Acquisition Completion.

The notice of a general meeting to be held at the offices of Investec Bank plc, 30 Gresham Street, London EC2V 7QP at 11.00 a.m. on 1 July 2025 is set out at the end of this document. The accompanying Form of Proxy for use in connection with the General Meeting should be completed by Shareholders and returned as soon as possible but, in any event, so as to be received by the Company's registrars, Equiniti (Jersey) Limited ("**Equiniti**") at c/o Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, by no later than 48 hours (excluding non-working days) before the time appointed for the General Meeting or adjourned meeting or, in the case of a poll taken otherwise than at or on the same day as the General Meeting or any adjourned meeting, not later than 48 hours (excluding non-working days) before the time appointed for the taking of the poll at the meeting at which it is to be used. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting (and any adjournment thereof) by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf. **Whether or not you intend to be present at the General Meeting, you are recommended to complete, sign and return the Form of Proxy or complete your CREST electronic proxy appointment (as applicable), as instructed above. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.**

Shareholders who hold their Existing Ordinary Shares in certificated form should have received an Application Form together with this document. CREST Shareholders (who will not receive an Application Form) will receive a credit to their appropriate stock accounts in CREST in respect of the Open Offer Entitlements which will be enabled for settlement from 8.00 a.m. on 12 June 2025. Only Shareholders with a registered address in the UK or Jersey and who have not been invited to participate in the Institutional Capital Raise or the Connected Persons Subscription will be eligible to participate in the proposed issue of Open Offer Shares. Applications under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim arising out of a sale or transfer of Existing Ordinary Shares prior to the Ex-Entitlement Date.

The latest time and date for acceptance and payment in full under the Open Offer is 11.00 a.m. on 27 June 2025. The procedure for application and payment is set out in paragraph 2(a) (*Procedure for application and payment for Qualifying Shareholders*) of Part 8 (*Terms and conditions of the Open Offer*) of this document and, for Qualifying Shareholders who hold their Existing Ordinary Shares in certificated form only, in the accompanying Application Form. If you do not wish to participate in the Open Offer or are not eligible to participate in the Open Offer then you should not return your Application Form or send a USE Instruction through CREST.

Investec Bank plc ("**Investec**"), which is authorised in the UK by the Prudential Regulation Authority (the "**PRA**") and regulated in the UK by the PRA and the FCA, has been appointed as financial adviser to the Company in connection with the Acquisition and nominated adviser in connection with Admission and Readmission. Investec is acting solely for the Company and is not acting for any other person in connection with the Acquisition, Admission and Readmission and accordingly will not be responsible to anyone other than the Company for providing the protections afforded to clients of Investec or for providing advice in relation to the Acquisition, Admission and Readmission, the contents of this document or any transaction,

arrangement or any other matter referred to in this document or otherwise. Investec's responsibilities as the Company's nominated adviser 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 of the Company or to any other person in respect of such person's decision to acquire shares in the Company in reliance on any part of this document.

Each of Barclays Bank PLC ("**Barclays**") and Citigroup Global Markets Limited ("**Citigroup**") has been appointed as financial adviser to the Company in connection with the Acquisition. Each of Barclays and Citigroup, are authorised by the PRA and regulated in the UK by the FCA and the PRA. Each of Barclays and Citigroup is acting solely for Rosebank and no one else in connection with the Acquisition and will not be responsible to anyone other than Rosebank for providing the protections afforded to its respective clients or for providing advice in connection with the Acquisition, the contents of this document or any transaction, arrangement or other matter referred to in this document.

No liability whatsoever is accepted by Investec, Barclays or Citigroup for the accuracy of any information or opinion contained in this document or for the omission of any material information for which it is not responsible. Apart from the responsibilities and liabilities, if any, which may be imposed on Investec, Barclays and Citigroup by the FSMA or the regulatory regime established thereunder, no representation or warranty, express or implied, is made by Investec, Barclays or Citigroup as to any of the contents of this document, and each of Investec, Barclays and Citigroup accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this document.

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, subscribe for or otherwise acquire, any securities by any person in any circumstances or jurisdiction in which such offer or solicitation would be unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company. The distribution of this document in certain jurisdictions may be restricted by law. No action has been or will be taken to permit the possession, issue or distribution of this document (or any other offering or publicity material relating to the New Ordinary Shares) in any jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, neither this document, nor any advertisement, nor any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this document (or any other offering materials or publicity relating to the New Ordinary Shares) comes should inform themselves about and observe any such restrictions. None of the Company or any of its affiliates or advisers, accepts any legal responsibility to any person, whether or not a prospective investor, for any such restrictions.

The New Ordinary Shares have not been and will not be registered under the US Securities Act of 1933 (the "**US Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, within the United States as defined in Regulation S under the US Securities Act ("**Regulation S**"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Subject to certain limited exceptions, the New Ordinary Shares are being offered and sold outside the United States only pursuant to Regulation S.

Although the Company is currently an 'investing company' until Acquisition Completion for the purposes of the AIM Rules, it has not held and will not be holding itself out as an investment company under the United States Investment Company Act of 1940 (the "**US Investment Company Act**") which is a different concept to an investing company under the AIM Rules.

A copy of this document has been delivered to the registrar of companies in accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002 (as amended), and it has given, and has not withdrawn, its consent to its circulation. The Jersey Financial Services Commission has given, and has not withdrawn, its consent under Article 2 of the Control of Borrowing (Jersey) Order 1958 (as amended) to the issue of securities in the Company. It must be distinctly understood that, in giving these consents, neither the registrar of companies nor the Jersey Financial Services Commission takes any responsibility for the financial soundness of the Company or for the correctness of any statements made, or opinions expressed, with regard to it. The Jersey Financial Services Commission is protected by the Control of Borrowing (Jersey) Law 1947 (as amended) against liability from the discharge of its functions under that law.

As required by the AIM Rules, the Company will update the information provided in this document by means of a supplement to it, if a material new factor, mistake or inaccuracy relating to the information included in this document occurs prior to Admission or Readmission. This document, and any supplement thereto, will be made public in accordance with the AIM Rules.

Copies of this document, together with all information incorporated into this document by reference to another source, will be available during normal business hours on any day (except Saturdays, Sundays, bank and public holidays) free of charge to the public at the offices of Simpson Thacher & Bartlett LLP, CityPoint, One Ropemaker Street, London EC2Y 9HU from the date of this document to the date one month from the date of Readmission. A copy of this document will be available on the Company's website at https://www.rosebankindustries.com.

Table of Contents

	Page
IMPORTANT INFORMATION	1
DIRECTORS, SECRETARY AND ADVISERS	5
CAPITAL RAISE STATISTICS	6
EXPECTED TIMETABLE OF PRINCIPAL EVENTS	7
PART 1 LETTER FROM THE CHIEF EXECUTIVE OF ROSEBANK INDUSTRIES PLC	8
PART 2 INFORMATION ON ROSEBANK, ECI AND THE ENLARGED GROUP	16
PART 3 SUMMARY OF THE TERMS OF THE ACQUISITION	19
PART 4 RISK FACTORS	21
PART 5 DIRECTORS, MANAGEMENT AND CORPORATE GOVERNANCE	38
PART 6 HISTORICAL FINANCIAL INFORMATION OF THE GROUP	41
PART 7 HISTORICAL FINANCIAL INFORMATION OF THE ECI GROUP	42
PART 8 TERMS AND CONDITIONS OF THE OPEN OFFER	133
PART 9 TAXATION	151
PART 10 ADDITIONAL INFORMATION	160
PART 11 DEFINITIONS	208
NOTICE OF GENERAL MEETING	216

IMPORTANT INFORMATION

FORWARD LOOKING STATEMENTS

This document includes statements that are, or may be deemed to be, 'forward-looking statements'. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms 'believes', 'estimates', 'plans', 'projects', 'anticipates', 'expects', 'intends', 'may', 'will', or 'should', or, in each case, their negative or other variations or comparable terminology.

All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are or will be important factors that could cause the Group's actual results to differ materially from those indicated in these statements. These factors include, but are not limited to, those described in Part 4 (*Risk Factors*) of this document which should be read in conjunction with the other cautionary statements that are included in this document. Any forward-looking statements in this document reflect the Company's current views, intentions, beliefs or expectations with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the Group's operations, results of operations, growth strategy and liquidity.

These forward-looking statements speak only as at the date of this document. Subject to any applicable obligations, the Company undertakes no obligation to update publicly or review any forward-looking statement, whether as a result of new information, future developments or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or individuals acting on behalf of the Company or the Group are expressly qualified in their entirety by this paragraph. Prospective investors should specifically consider the factors identified in this document which could cause actual results to differ before making an investment decision.

INFORMATION TO DISTRIBUTORS

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

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

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

NOTICE TO INVESTORS

The distribution of this document in certain jurisdictions may be restricted by law. No action has been taken by the Company or the Banks to permit a public offering of the New Ordinary Shares, or the possession or distribution of this document (or any other offering or publicity materials relating to the New Ordinary Shares) in any other jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, neither this document nor any advertisement may be distributed or published in any other

jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this document comes are required by the Company and the Banks to inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

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 other than the Open Offer Shares to which it relates or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, such Open Offer Shares by any person in any circumstances in which such offer or solicitation is unlawful.

This document does not constitute an offer or any part of an offer of transferable securities to the public within the meaning of sections 85 and 102B of the FSMA or the Prospectus Regulation. This document is not an approved prospectus for the purposes of section 85 of the FSMA or the UK Prospectus Regulation and a copy of it has not been, and will not be, delivered to the FCA in accordance with the Prospectus Regulation Rules or delivered to or approved by any other authority which could be a competent authority for the purposes of the UK Prospectus Regulation. No New Ordinary Shares have been or will be offered to the public in the UK other than pursuant to an exemption under section 86 of the FSMA. The distribution of the Application Form outside the UK and Jersey may be restricted by law and therefore persons outside the UK and Jersey into whose possession the Application Form comes should inform themselves about and observe any restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

NO INCORPORATION OF WEBSITE INFORMATION

The contents of the Company's website, ECI's website or any website mentioned in this document or any website directly or indirectly linked to these websites have not been verified and do not form part of this document and prospective investors should not rely on such information.

CURRENCIES AND EXCHANGE RATE

Unless otherwise indicated in this document, all references to "pounds sterling", "sterling", "GBP" or "£" are to the lawful currency of the UK.

Unless otherwise indicated in this document, all references to "Euros", "euros" or "€" are to the lawful currency of the Eurozone.

Unless otherwise indicated in this document, all references to "Dollars", "US dollars", "USD", "US$" or "$" are to the lawful currency of the United States.

Currency conversion is based on USD / GBP exchange rate of 1.300, as of 6 June 2025, the date of the announcement of the Acquisition; and EUR / GBP exchange rate of 1.186, as of 6 June 2025, the date of the announcement of the Acquisition.

PRESENTATION OF FINANCIAL INFORMATION

Group

The audited results of the Group for the seven months ended 31 December 2024 are incorporated by reference into this document (see Part 6 (*Historical Financial Information of the Group*) of this document). Since the Company was incorporated on 31 May 2024, it has carried out minimal trading activities and therefore has limited historical financial information data (audited or unaudited) upon which prospective investors may base an evaluation of the Company. The Group currently prepares its results in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("**IFRS**") and will continue to do so immediately post Readmission.

ECI Group

ECI Equity Holding Company, Inc. ("**ECI Target**"), via two further holding companies in its corporate structure, is the parent company of Energy Holdings (Cayman) Ltd ("**Energy Holdings**"), which is the entity within the ECI Group at which level the ECI Group's consolidated financial statements are prepared and audited. ECI Target, together with Energy TopCo Ltd and Energy MidCo Ltd (the "**Excluded Entities**"), was incorporated in connection with the acquisition by funds managed and/or advised by Cerberus Capital Management, L.P. ("**Cerberus**") of the ECI Group in 2018, solely for the purpose of holding the equity

interests in Energy Holdings and its subsidiaries. The Excluded Entities have not traded since their incorporation and have engaged in limited activity other than ordinary course corporate actions and filings connected with their ownership of the ECI Group. Therefore, the financial information referred to below relates to Energy Holdings and its subsidiaries rather than ECI and its subsidiaries, and therefore excludes any historical financial information in respect of the Excluded Entities.

Energy Holdings has historically prepared its consolidated financial statements in accordance with US generally accepted accounting principles ("**US GAAP**") and, unless otherwise indicated, the financial information prepared at the Energy Holdings level set out in Part 7 (*Historical Financial Information of the ECI Group*) of this document has been prepared under US GAAP. As at the date of this document, the Directors have not had sufficient access to the accounting records of the ECI Group in order to prepare a complete reconciliation of the US GAAP accounts to IFRS. However, the Directors believe that there are limited differences between the US GAAP accounts presented in Part 7 (*Historical Financial Information of the ECI Group*) of this document and any conversion of this financial information under IFRS. Rosebank currently prepares its financial information under IFRS and (assuming Acquisition Completion occurs) the Enlarged Group will continue to do so immediately post Readmission.

The audited consolidated financial statements for Energy Holdings and its subsidiaries for the years ended 31 December 2022, 31 December 2023 and 31 December 2024 are set out in section A of Part 7 (*Historical Financial Information of the ECI Group*) of this document. Section B of Part 7 (*Historical Financial Information of the ECI Group*) of this document contains financial information for Energy Holdings and its subsidiaries for the years ended 31 December 2022, 31 December 2023 and 31 December 2024 which has been adjusted based on certain alternative performance measures, and includes adjusted financial information for the four months ended 30 April 2025. The financial information from which the adjusted financial information for the four months ended 30 April 2025 has been derived is extracted from the unaudited management accounts of ECI, is unaudited and is prepared on a consistent basis with the accounting policies applied to the audited consolidated financial statements presented in section A of Part 7 (*Historical Financial Information of the ECI Group*) of this document (as it relates to the financial information presented).

Unless otherwise specified, the financial information included in this document is presented in pounds sterling, in respect of the Company and the Group, and US$ in respect of the ECI Group, including Energy Holdings and its subsidiaries.

Non-US GAAP financial measures in connection with the ECI Group

This document contains certain non-US GAAP financial measures and ratios ("**Non-GAAP Measures**"), including EBITDA, Adjusted EBITDA, Adjusted Operating Profit, Pro forma Adjusted EBITDA, Pro forma Adjusted Operating Profit, Pre-acquisition EBITDA, Pre-acquisition Operating Profit, Pre-acquisition Revenue and Pro forma Revenue, that are not required by, or presented in conformity with, US GAAP.

Rosebank management uses these measures to evaluate the operating performance of the ECI Group and believes that these measures are helpful to investors as a means of evaluating the ECI Group's performance. However, these Non-GAAP Measures are not measures of operating performance under US GAAP, or any other generally accepted accounting principles.

The Non-GAAP Measures are each defined below:

- "EBITDA" is defined as net income adjusted for interest, tax, depreciation and amortisation;
- "Adjusted EBITDA" is defined as EBITDA before the impact of "Adjusting Items";
- "Adjusted Operating Profit" is defined as net income adjusted for interest, tax, amortisation of intangibles and before the impact of the "Adjusting Items";
- "Pre-acquisition EBITDA" and "Pre-acquisition Operating Profit" are defined as the pre-acquisition results of the businesses acquired;
- "Pro forma Adjusted EBITDA" is defined as Adjusted EBITDA including the Pre-Acquisition EBITDA;
- "Pro forma Adjusted Operating Profit" is defined as Adjusted Operating Profit including Pre-acquisition Operating Profit;
- "Pre-acquisition Revenue" is defined as the Pre-acquisition Revenue of the businesses acquired; and

- "Pro forma Revenue" is defined as revenue including Pre-acquisition Revenue.

Certain of the financial measures above are calculated on an adjusted basis. "Adjusting items" include those items presented in section B of Part 7 (*Historical Financial Information of the ECI Group*) of this document. The presentation of financial measures on an adjusted basis is not in conformity with US GAAP or any other generally accepted accounting principles.

Reconciliations of each of the Non-GAAP Measures to the most directly comparable measure prepared in accordance with US GAAP are presented in section B of Part 7 (*Historical Financial Information of the ECI Group*) of this document.

You should not consider such measurements as superior to, or substitutes for, operating profit or profit before tax (determined in accordance with US GAAP) as a measure of the ECI Group's operating performance. Non-GAAP Measures presented in this document may not be comparable to other similarly titled measures used by other companies. You should use the Non-GAAP Measures to supplement, rather than replace, your evaluation of the performance of the ECI Group under US GAAP.

ROUNDING

Certain financial and statistical information contained in this document has been rounded to the nearest whole number or the nearest decimal place. Therefore, the actual arithmetic total of the numbers in a column or row in a certain table may not conform exactly to the total figure given for that column or row. In addition, certain percentages presented in the tables in this document reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

PRESENTATION OF MARKET AND OTHER DATA

Market, economic and other data used throughout this document is sourced from various independent sources. The Company confirms that such data has been accurately reproduced and, so far as it is aware and is able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

RISK FACTORS

The attention of prospective investors is drawn in particular to the risk factors set out in Part 4 (*Risk Factors*) of this document.

INTERPRETATION

Certain terms used in this document are defined and certain technical and other terms used in this document are explained at Part 11 (*Definitions*) of this document.

All dates and times referred to in this document are, unless otherwise stated, references to the date or time in London, United Kingdom.

GOVERNING LAW

Unless otherwise stated, statements made in this document are based on the law and practice currently in force in England and Wales.

DIRECTORS, SECRETARY AND ADVISERS

Directors	Justin Dowley (Non-Executive Chairman) Simon Peckham (Chief Executive) Matt Richards (Group Finance Director) Christopher Miller (Senior Independent Director)
Company Secretary	Prism Cosec Limited
Business address of Rosebank and its Directors	Rosebank Industries plc 20 North Audley Street London W1K 6WE
Registered office	26 New Street St Helier Jersey JE2 3RA
Nominated adviser and financial adviser	Investec Bank plc 30 Gresham Street London EC2V 7QP
Financial adviser	Barclays Bank PLC 1 Churchill Place London E14 5HP
Financial adviser	Citigroup Global Markets Limited Citigroup Centre, 33 Canada Square London E14 5LB
UK and US legal advisers to the Company	Simpson Thacher & Bartlett LLP CityPoint One Ropemaker Street London EC2Y 9HU
Jersey legal advisers to the Company	Carey Olsen Jersey LLP 47 Esplanade St. Helier Jersey JE1 0BD
UK and US legal advisers to the Financial Advisers	Linklaters LLP One Silk Street London EC2Y 8HQ
Registrars	Equiniti (Jersey) Limited 26 New Street St Helier Jersey JE2 3RA
Receiving agent	Equiniti Limited Aspect House Spencer Road, Lancing West Sussex BN99 6DA
Reporting accountants to the Company	Ernst & Young LLP 1 More London Place London SE1 2AF
Auditor to the Company	Deloitte LLP 1 New Street Square London EC4A 3HQ
PR Adviser to the Company	Montfort 3rd Floor 123 Victoria Street London SW1E 6DE

CAPITAL RAISE STATISTICS

Number of Existing Ordinary Shares in issue as at the date of this document	20,000,000
Aggregate number of Placing Shares and US Private Placement Shares	380,000,000
Number of Connected Persons Shares*	4,359,010
Maximum number of Open Offer Shares to be offered by the Company	2,248,643
Issue Price per New Ordinary Share	300 pence
Number of Ordinary Shares in issue immediately following Admission	406,607,653
Placing Shares and US Private Placement Shares as a percentage of the issued share capital of the Company immediately following Admission	93.46%
Open Offer Shares as a percentage of the issued share capital of the Company immediately following Admission	0.55%
Connected Persons Shares as a percentage of the issued share capital of the Company immediately following Admission	1.07%
Aggregate gross proceeds of the Institutional Capital Raise	£1.14 billion
Aggregate net proceeds of the Institutional Capital Raise	£1.12 billion**
Gross proceeds of the Open Offer	£6.7 million
Gross proceeds of the Connected Persons Subscription	£13.1 million
Number of Ordinary Shares in issue immediately following Readmission	406,607,653
ISIN of the Ordinary Shares	JE00BSBJ5M88
ISIN of the Basic Entitlements	JE00BTPLRW12
ISIN of the Excess Entitlements	JE00BTPLS514
SEDOL of the Basic Entitlements	BTPLRW1
SEDOL of the Excess Entitlements	BTPLS51
LEI	2138005KFPHBAEW69F51

Note: The above statistics assume that the Open Offer is fully subscribed.

* Comprises Ordinary Shares subscribed for by the Connected Persons outside of the Institutional Capital Raise and the Open Offer subject to, inter alia, the passing of the Transaction Resolutions, as detailed in the paragraph entitled "Connected Persons Subscription" in Part 10 (*Additional Information*) of this document.

** Based on the estimated total expenses payable by the Company in connection with the Capital Raise, Admission and Readmission which will amount to approximately £23.5 million (excluding value added tax).

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	Date
Suspension of the Company's Existing Ordinary Shares from trading on AIM	2 June 2025
Announcement of the Acquisition and Capital Raise	7.00 a.m. on 6 June 2025
Record Date for entitlements under the Open Offer	9 June 2025
Ex-Entitlement Date for the Open Offer	11 June 2025
Publication of this document (including Notice of General Meeting), Application Form (if applicable) and the Form of Proxy	11 June 2025
Existing Ordinary Shares recommence trading on AIM	11 June 2025
Open Offer Entitlements credited to stock accounts in CREST of CREST Shareholders	12 June 2025
Recommended latest time and date for requesting withdrawal of Open Offer Entitlements from CREST	4.30 p.m. on 23 June 2025
Latest time and date for depositing Open Offer Entitlements into CREST	3.00 p.m. on 24 June 2025
Latest time and date for splitting of Application Forms (to satisfy bona fide market claims only)	3.00 p.m. on 25 June 2025
Latest time and date for receipt of Forms of Proxy and receipt of electronic proxy appointments	11.00 a.m. on 27 June 2025
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on 27 June 2025
General Meeting	11.00 a.m. on 1 July 2025
Announcement of the results of the Open Offer	1 July 2025
Admission and commencement of dealings in the New Ordinary Shares on AIM	8.00 a.m. on 3 July 2025
Expected date for CREST accounts to be credited (where applicable), in relation to Capital Raise	3 July 2025
Despatch of definitive share certificates, in relation to the Capital Raise	by 17 July 2025
Acquisition Completion, Readmission and commencement of dealings in the Enlarged Share Capital on AIM	Expected during Q3 2025

Note:

Each of the dates and times in the above timetable are subject to change at the absolute discretion of the Company.

Acquisition Completion is subject to, inter alia, regulatory clearances (the timing of which is currently expected to be during the third quarter of 2025 however this is not guaranteed) and Admission occurring.

Acquisition Completion is expected to occur no later than 10 business days after the satisfaction or waiver (if applicable) of the conditions set out in the Acquisition Agreement, with Readmission expected to occur shortly following Acquisition Completion. The Longstop Date for satisfaction of such conditions in the Acquisition Agreement is 6 March 2026 (or such later date as the Company and the Seller may agree).

PART 1
LETTER FROM THE CHIEF EXECUTIVE OF ROSEBANK INDUSTRIES PLC

Incorporated and registered in Jersey with registered number 154528

Directors:	*Registered office*:
Justin Dowley (*Non-Executive Chairman*)	26 New Street
Simon Peckham (*Chief Executive*)	St Helier
Matt Richards (*Group Finance Director*)	Jersey JE2 3RA
Christopher Miller (*Senior Independent Director*)	

11 June 2025

Dear Shareholder

Proposed Acquisition of ECI, Capital Raise of up to 386,607,653 Ordinary Shares at 300 pence per share, Readmission of the Enlarged Group to trading on AIM and Notice of General Meeting

1. Introduction

On 6 June 2025, the Company announced that it has conditionally agreed to acquire ECI, a predominantly US-based market-leading manufacturing business providing critical electrical distribution systems to a range of diversified industrial end markets (the "**Acquisition**"). ECI will be acquired, for cash, for an enterprise value of less than $1.9 billion (£1.5 billion) on a debt and cash free basis, subject to adjustments, representing slightly over 9x expected 2025 Adjusted EBITDA and 9.8x 2024 Pro forma Adjusted EBITDA. The consideration will be satisfied on completion by the payment of approximately $1.0 billion in cash (subject to certain adjustments including locked box purchase price protections), which, together with the repayment of the existing indebtedness of the ECI Group, will be funded by the Institutional Capital Raise and New Financing Facilities.

2. Summary information on ECI

Founded in 1953, ECI is one of the world's leading suppliers of electrical distribution systems, control box assemblies, and other critical engineered components for diversified markets. With approximately 20,000 employees and 39 global manufacturing locations, ECI is the trusted partner to blue chip companies with over 450 customers and a best-in-class customer retention rate.

3. Background to and reasons for the Acquisition

The purpose of this document is to set out the principal terms of the Acquisition and the Open Offer and to explain why the Directors believe that the Acquisition and the Capital Raise are in the best interests of the Company and Shareholders as a whole and to recommend that Shareholders vote in favour of all of the Resolutions at the General Meeting. The Directors and the Rosebank Co-Founders have undertaken to vote in favour of the Resolutions (or procure to do so) in respect of their Existing Ordinary Shares, comprising in aggregate, 1,729,730 Existing Ordinary Shares (being approximately 8.64% of the Existing Ordinary Share capital of the Company).

You should read the whole of this document and not just rely on the information contained in this letter. In particular, you should consider carefully the "Risk Factors" set out in Part 4 (*Risk Factors*) of this document.

ECI is a US-based, market-leading manufacturing business providing critical electrical solutions to a range of diversified industrial end markets ranging from appliances and smart industrial equipment to specialist vehicle manufacturers and HVAC.

ECI has been privately owned by funds managed and/or advised by Cerberus since 2018 and has significant opportunities identified for profit improvement. ECI has been successful at achieving growth from smaller acquisitions; recent and possible further acquisitions provide further future synergy opportunities and a tail of manufacturing facilities that can be optimised.

The Rosebank Board believes that the Acquisition is an excellent first transaction for Rosebank's "Buy, Improve, Sell" strategy and that it will deliver excellent returns for Rosebank's shareholders, for the following reasons:

ECI is a good industrial business with:

A. A strong position across several critical markets

- Approximately 80% of ECI's revenue is derived from markets in North America where it is an overall market leader
- ECI has established leading positions in key sectors: it holds a leading position in the Access Equipment & Machinery, Mirrors, and Agriculture & Construction markets in North America. Additionally, ECI maintains a leading presence in the energy transition market across North America, as well as being a market leader in Appliances and HVAC in North America
- ECI is deeply embedded across a diverse set of large blue-chip customers and their supply chains with its ability to provide flexible and customised solutions
- ECI has performed creditably in spite of economic volatility in 2025 with EBITDA margin and operating margin increasing by approximately 2%, due to delivery of agreed pricing and operational efficiencies. ECI is gaining market share from smaller and less flexible competitors. Sales headwinds are confined to certain end markets for its transportation segment, with other segments proving resilient.

B. End markets benefit from electrification growth trends

- ECI is well positioned to capitalise on the high-growth trends in energy transition, smart industrial applications, automation, data centres, industry AI, and the semiconductor markets. The global shift towards electrification and automation is advantageous for ECI's Electrification and Industrial division, which is well placed to benefit from significant market growth
- ECI's Electrification and Industrial division accounted for approximately 44% of 2024 revenue and approximately 55% of 2024 Adjusted EBITDA (excluding central costs), achieved through expansion into favourable end markets, including via M&A
- The Electrification and Industrial division is expected to benefit from higher regulatory standards tied to safety and energy transition and increased infrastructure spending
- The Electrification and Industrial division is also expected to benefit from market opportunities, such as the opportunity to capture increased share with existing customers, an increasing content per unit trend, and increasing demand for wire harness suppliers with dual capabilities
- The design of electrical systems across these end markets is becoming increasingly complex and ECI is well positioned to benefit from increasing content-per-unit trends
- Further margin improvement is already built into ECI's sales pipeline with approximately 76% of the pipeline coming from the higher margin Electrification and Industrial division. Achieving this new revenue mix will naturally lead to margin improvement

C. Well-positioned geographical footprint

- ECI is a global business, with approximately 78% of its revenues coming from North American customers. ECI operates in a region with a fast-growing economy and significant opportunities for global expansion

D. Clean balance sheet

- ECI boasts a clean balance sheet, presenting opportunities for future growth
- Reduced leverage levels paired with deleveraging under Rosebank is expected to assist further M&A and investment in product development

E. High quality and experienced management team

- ECI is led by a high-quality and experienced management team who will continue the journey of improving ECI with the support of Rosebank
- ECI's CEO, Mike Balsei, has 30+ years of experience working for global businesses in the electrical distribution systems industry, having joined ECI in 2020. ECI's CFO, Alex DeDominicis, has 30+ years of experience leading global finance in the manufacturing industries, having joined ECI in 2019

F. Strong positioning to mitigate potential tariff impact

- ECI's top 35 customers have either accepted the full pass through of any applicable tariffs or, in limited cases, agreed to the transfer of production or an alternative mechanism in order to mitigate the tariffs
- Approximately 95% of ECI's imports from Mexico are USMCA compliant and therefore tariff free. Tariffs have been fully recovered on the remaining 5%
- Tariff protection has been agreed in the Acquisition Agreement against 100% of pre-completion and 5/6th of post-completion unrecovered US-Mexican tariffs until June 2026
- Tariffs regarding rest of the world remain de-minimis and ECI are working with customers to relocate production away from China where necessary. ECI has previous experience of relocating significant production from Chinese to other facilities

Rosebank believes there are opportunities to improve ECI, including:

A. Operational restructuring

- There are a number of ongoing restructuring projects with full run-rate impact becoming visible in 2025 and further margin improvement projects in the pipeline. Currently the restructuring efforts are focused on cost savings, end market development, and operational performance improvement through enhanced inventory management, procurement savings, insourcing, pricing discipline, and improving efficiency in plants, warehouses, and logistics
- ECI is also looking to move production and manufacturing capabilities to more cost-effective regions, including continuing the expansion into Asia, and migration to the interior of Mexico and Central America, as part of its strategy to further reduce costs
- ECI is exploring opportunities for consolidation, such as combining its head offices and realising synergies from historic M&A, as well as optimisation of its geographical presence across its 39 global manufacturing locations
- Profit improvement initiatives implemented by ECI in 2024 are not yet fully visible in its financial results, but once visible, and following additional Rosebank initiatives, Rosebank targets an increase of ECI Adjusted EBITDA margin from approximately 15% in 2024 to at least 20% and Adjusted Operating Profit margin expansion from approximately 13% to at least 18%

B. Increased investment

- ECI plans to continue increasing its investment to enhance the quality and efficiency of its operations, including through select strategic acquisitions
- ECI has cultivated strong relationships with wire harness businesses both in North America and globally, is well positioned to capitalise on high-growth industrial end markets and is in a prime position to execute deals in these end markets at disciplined prices with an active M&A pipeline
- ECI will only pursue positive multiple arbitrage and transactions with extensive synergies, which will provide opportunities to expand its platform and grow shareholder value

C. Refocused product mix

- ECI intends to focus on new product launches and new sales opportunities that are weighted (approximately 76%) toward the high margin, high growth end markets served by the Electrification and Industrial division, achieving a new revenue mix that will naturally lead to group-level margin improvement

D. Cost recovery, including through appropriate pricing

- In addition to focusing on growth, ECI is also refining its approach to cost recovery, including through appropriate pricing. ECI is implementing measures to address low-margin work and inflationary pressures by reducing central costs and selling, general and administrative expenses ("SG&A"), consolidating footprint, and introducing appropriate pricing strategies, which is in line with Rosebank's standard approach

- ECI is also instituting new contracts with minimum gross margin acceptance levels and inflation-recovery clauses while exiting work with no associated profit and no potential for margin improvement, ultimately increasing its focus on its higher margin Electrification and Industrial division

E. Reduction in debt burden

- ECI's existing debt burden as at 2024 year end stood at approximately $950 million
- Rosebank aims to reduce ECI's net debt to a level of approximately $550 million and operate at no more than a 3x Adjusted EBITDA leverage ratio, which would allow for more balance sheet flexibility as a result of a reduction in interest expense from approximately $110 million to $40–$45 million and room to invest and grow via both organic and inorganic means which could not be previously achieved in full due in part to capital structure
- After an initial restructuring period, the business is expected to be highly cash generative. Leverage will further reduce as EBITDA grows, and Rosebank's directors expect levered free cash flow to significantly improve under Rosebank ownership
- These strategic initiatives position ECI to capitalise on both its established market leadership and emerging opportunities in high-growth sectors, positioning it with strong underlying cash flows, good visibility over margin improvement actions, and a clear path to achieve targeted returns within Rosebank's usual timetable

4. Principal terms of the Acquisition

On 6 June 2025, Rosebank entered into a share purchase agreement with the Seller (the "**Acquisition Agreement**") pursuant to which Rosebank (or its designee) has conditionally agreed to acquire all of the issued and outstanding shares of common stock of ECI Target.

Acquisition Completion is conditional on, *inter alia*, the approval of the Transaction Resolutions at the General Meeting, Admission occurring and certain regulatory conditions. If the conditions to Acquisition Completion are not satisfied by 6 March 2026 (or such later date as parties may agree) or any fact occurs which prevents the conditions from being satisfied by that date, either party may elect to terminate the Acquisition Agreement.

Further details of the terms of the Acquisition Agreement are set out in Part 3 (*Summary of the Terms of the Acquisition*) of this document.

5. Equity and Debt Capital Raise

On 6 June 2025 in connection with its announcement of the Acquisition, the Company announced that it proposes to undertake the Capital Raise, pursuant to which it proposes to raise, subject to certain conditions, gross proceeds of: (i) approximately £1.1 billion by the conditional placing of 368,282,750 New Ordinary Shares to certain institutional investors outside the United States (the "**Placing**"); (ii) approximately £35 million by the private placement of 11,717,250 New Ordinary Shares to a limited number of institutional investors in the United States (the "**US Private Placement**") and together with the Placing, the "**Institutional Capital Raise**"); (iii) approximately £13.1 million by the subscription for 4,359,010 New Ordinary Shares by the Rosebank Co-Founders and the Non-Executive Directors (the "**Connected Persons Subscription**"); and (iv) up to approximately £6.7 million by way of an open offer available only to Qualifying Shareholders of up to 2,248,643 New Ordinary Shares (the "**Open Offer**"), in each case at the Issue Price.

As indicated in the July 2024 Admission Document, when determining the Issue Price the Directors have had regard to a number of factors, including the issue price at the July 2024 Admission and the underlying assets of the Company. As a result, the New Ordinary Shares will be issued at an Issue Price slightly higher than the issue price at the July 2024 Admission, albeit lower than the market price at which the Company's Ordinary Shares were trading prior to their suspension from trading following the Company's announcement on 2 June 2025 regarding the potential transaction to acquire ECI.

The proceeds of the Institutional Capital Raise will be used to fund the consideration payable to the Seller in respect of the Acquisition and the proceeds of the Open Offer and the Connected Persons Subscription will be used as working capital for the Enlarged Group.

Prior to Acquisition Completion, and in line with the Company's treasury policy, the Rosebank Board intends to convert the proceeds of the Capital Raise into US Dollars and invest the net proceeds on a short-term basis in government securities, gilts and treasury bills, money market funds and/or cash on deposit.

Institutional Capital Raise

Subject to, *inter alia*, the passing of the Transaction Resolutions at the General Meeting (or any adjournment thereof) and Admission becoming effective by 8.00 a.m. on 3 July 2025 (or such later date as determined by the Company in consultation with the Banks being no later than 8.00 a.m. on 14 September 2025): (a) the Managers have, as agent for the Company, conditionally placed 368,282,750 Placing Shares at the Issue Price with certain institutional investors in the UK and elsewhere outside the United States in accordance with the terms of the Placing Agreement, further details of which are set out at paragraph 16.6 (*Placing Agreement*) of Part 10 (*Additional Information*) of this document; and (b) the Company has conditionally placed 11,717,250 US Private Placement Shares at the Issue Price with certain institutional investors in the United States in accordance with the terms set out in the US Private Placement Document. None of the Managers has any involvement in connection with any offers or sales by the Company of the US Private Placement Shares. The Placing and the US Private Placement are fully underwritten by the Managers.

The Institutional Capital Raise is expected to raise, after expenses and commissions (estimated to be approximately £23.5 million (excluding VAT)), aggregate net proceeds of approximately £1.12 billion.

Assuming full take up under the Open Offer, the New Ordinary Shares to be issued pursuant to the Institutional Capital Raise will represent approximately 93.5% of the Enlarged Share Capital. Participants in the Institutional Capital Raise will not be eligible to participate in the Open Offer.

The Placing Shares and US Private Placement Shares will, when issued, be credited as fully paid and rank *pari passu* in all respects with the Existing Ordinary Shares, the Open Offer Shares and the Connected Persons Shares, including the right to receive all dividends and distributions (if any) declared, made or paid in respect of Ordinary Shares after Admission.

The Placing Shares and the US Private Placement 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 may not be offered, sold, pledged, taken up, exercised, resold, transferred or delivered, directly or indirectly, in or into the United States as defined in Regulation S, except pursuant to an exemption from or in a transaction not subject to the registration requirements of the US Securities Act.

Connected Persons Subscription

As part of the Capital Raise and at the same time as the Institutional Capital Raise, the Rosebank Co-Founders and the Rosebank Non-Executive Directors have agreed to subscribe for New Ordinary Shares at the Issue Price with the proceeds to be used as working capital for the Enlarged Group. As a result, it is expected that the Rosebank Co-Founders and Non-Executive Directors will invest approximately £13.1 million in aggregate, equal to approximately 1.1% of the estimated aggregate gross proceeds of the Institutional Capital Raise and the Open Offer. The Connected Persons will not be eligible to participate in the Open Offer.

Further details of the Connected Persons Subscription are set out in paragraph 9 (*Details of the Connected Persons Subscription*) of Part 10 (*Additional Information*) of this document.

Open Offer

The Company considers it important that, where reasonably practicable, all Shareholders have an opportunity to participate in its equity fundraisings. Accordingly, in addition to the Institutional Capital Raise and the Connected Persons Subscription, the Company is proposing to raise up to approximately £6.7 million (before expenses) by way of the Open Offer which is the maximum amount that can be raised by the Company under the Open Offer without an FCA-approved prospectus. This will provide Qualifying Shareholders, being only Shareholders with a registered address in the UK or Jersey and who have not been invited to participate in the Institutional Capital Raise or the Connected Persons Subscription, with an opportunity to participate in the proposed issue of Open Offer Shares on a pre-emptive basis whilst providing the Company with additional capital to invest in its business.

Subject to the terms and conditions of the Open Offer, Shareholders on the Record Date who have not been able to participate in the Institutional Capital Raise or the Connected Persons Subscription will have the opportunity to apply for up to 19 times their holding of Existing Ordinary Shares at the Record Date in addition to their Basic Entitlement of Open Offer Shares at the Issue Price, payable in cash in full on application.

Each Shareholder's Basic Entitlement has been calculated on the basis of 1 Open Offer Share at the Issue Price for every 9 Existing Ordinary Shares held at the Record Date. However, because the Shareholders who have been invited to participate in the Institutional Capital Raise and the Connected Persons Subscription are not eligible to apply for Open Offer Shares, approximately 95% of the Open Offer Shares which would otherwise have been available to such Shareholders will also be made available to Qualifying Shareholders in addition to their Basic Entitlement.

No assurance can be given that the applications for Open Offer Shares as part of the Excess Entitlement will be met in full and valid applications from Qualifying Shareholders may be subject to scaling back or adjustments on a pro rata basis at the sole discretion of the Company, so that the maximum number of Open Offer Shares is not exceeded.

The Open Offer is subject, *inter alia*, to the passing of the Transaction Resolutions at the General Meeting (or any adjournment thereof) and Admission becoming effective by 8.00 a.m. on 3 July 2025 (or such later date as determined by the Company in consultation with the Banks being no later than 8.00 a.m. on 14 September 2025).

Further details of the Open Offer are set out in Part 8 (*Terms and conditions of the Open Offer*) of this document.

New Debt Facilities

On 6 June 2025, the Company entered into a debt commitment letter with certain of its relationship banks ("**Debt Commitment Documents**") under which the relevant arranging and underwriting banks agreed to provide on a fully underwritten basis, a US dollar denominated term loan facility in an amount of $400,000,000 (the "**Facility A**") and a multicurrency revolving facility in an amount of $500,000,000 (the "**Facility B**" and together with Facility A, the "**New Debt Facilities**"). Pursuant to the terms of the debt commitment letter the New Debt Facilities will be made available under a senior term and revolving facility agreement (the "**Facilities Agreement**") that will be executed after the date of this document and will replace the debt commitment letter. The proceeds advanced under the Facility A will be applied towards the repayment of existing indebtedness of the ECI Group and/or transaction costs and other fees, costs and/or expenses. The proceeds of the Facility B will be applied towards financing the ECI Group's working capital requirements and/or general corporate purposes (including, without limitation, repayment of ECI indebtedness). The interest cost of gross drawn down debt will be approximately 6.75%.

The New Debt Facilities shall be available for drawing for purposes of financing the Acquisition and certain Acquisition related purposes on customary European certain funds conventionality subject to Acquisition Completion.

6. No prospectus

The Capital Raise has been structured to maximise the pre-emptive entitlement of Shareholders to the extent reasonably possible without requiring the publication of an FCA-approved prospectus. The Placing, the US Private Placement and the Connected Persons Subscription are being carried out pursuant to exemptions from the requirement to publish an FCA-approved prospectus. In addition, the maximum amount that can be raised by the Company under the Open Offer without an FCA-approved prospectus must not exceed the sterling equivalent of €8 million. This provides eligible Shareholders, being those Shareholders with a registered address in the UK or Jersey and who have not been invited to participate in the Institutional Capital Raise or the Connected Persons Subscription, with an opportunity to participate in the proposed issue of Open Offer Shares on a pre-emptive basis.

The Capital Raise has therefore been structured such that an FCA-approved prospectus is not required to be published, as to do so would have necessitated ECI's financial information being converted from US GAAP to IFRS. The extended timeframe that would have been required to do so would have jeopardised the Company's ability to negotiate the Acquisition in a timeframe acceptable to the Seller.

7. Risk factors and further information

You should read the whole of this document and not just rely upon the information contained in this Part 1. In particular, your attention is drawn to the information set out in Part 4 (*Risk Factors*) and Part 10 (*Additional Information*) of this document.

8. Shareholder actions

The Acquisition constitutes a reverse takeover under the AIM Rules and as such requires the approval of Shareholders which will be sought at the General Meeting convened at 11.00 a.m. on 1 July 2025. Additionally, the Capital Raise is conditional upon (among other things) the approval of Shareholders of certain resolutions in order to ensure the Directors have the necessary authorities and powers to allot the New Ordinary Shares, which will also be sought at the General Meeting.

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM and trading is expected to commence in the New Ordinary Shares at 8.00 a.m. on 3 July 2025. Application will be made to the London Stock Exchange for the Enlarged Share Capital to be readmitted to trading on AIM on Acquisition Completion.

General Meeting

Accompanying this document is a Form of Proxy for use at the General Meeting. The Notice of General Meeting is set out at the end of this document and a description of the Resolutions proposed at the General Meeting is set out at paragraph 6 (*General Meeting and Resolutions*) of Part 10 (*Additional Information*) of this document. Forms of Proxy should be lodged with the Company's Registrar or submitted not later than 48 hours before the time for which the meeting is convened. Completion of the appropriate Form of Proxy does not prevent a member from attending and voting in person if he/she is entitled to do so and so wishes. As an alternative to completing the hard-copy proxy form, you can submit your voting instructions electronically by visiting www.shareview.co.uk.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting (and any adjournment thereof) by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf.

If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform.

Further details for Shareholders on how to vote can be found in the Notice of General Meeting and the Form of Proxy.

Open Offer

(i) Qualifying Non-CREST Shareholders (i.e. qualifying holders of Existing Ordinary Shares who hold their shares in certificated form)

If you are a Shareholder who is a Qualifying Non-CREST Shareholder and wish to participate in the Open Offer, you should carefully read the Application Form accompanying this document and send the Application Form along with the appropriate remittance to the Receiving Agent by no later than 11.00 a.m. on 27 June 2025 and in accordance with the procedures set out in the Application Form and in the terms and conditions of the Open Offer at Part 8 (*Terms and conditions of the Open Offer*) of this document. Qualifying Non-CREST Shareholders should note that their Application Form is not a negotiable entitlement and cannot be traded.

(ii) Qualifying CREST Shareholders (i.e. qualifying holders of Existing Ordinary Shares who hold their shares in uncertificated form through CREST)

Shareholders who are Qualifying CREST Shareholders will not receive an Application Form. Qualifying CREST Shareholders will instead receive a credit to their account in CREST in respect of their Basic Entitlement and also in respect of their Excess Entitlement (an amount equal to 19 times their balance of Existing Ordinary Shares held at the Record Date). The Receiving Agent can be approached during the Open Offer period, if required, to request additional Excess Entitlements credited to the account of a Qualifying CREST Shareholder to facilitate beneficial underlying client instructions. Shareholders should refer to the procedure for application set out in the terms and conditions of the Open Offer at Part 8 (*Terms and conditions of the Open Offer*) of this document.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer. The latest time and date for settlement of relevant CREST instructions in respect of Open Offer Entitlements is 11.00 a.m. on 27 June 2025.

Qualifying CREST Shareholders should note that, although Basic Entitlements will be admitted to 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 Claim Processing Unit.

Qualifying Shareholders with holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as having separate holdings for the purpose of their applications under the Open Offer.

Only Shareholders with a registered address in the UK or Jersey and who have not been invited to participate in the Institutional Capital Raise or the Connected Persons Subscription will be eligible to participate in the proposed issue of Open Offer Shares. Each CREST custodian will need to seek clarification from their clients as to whether they were invited to participate in the Institutional Capital Raise or the Connected Persons Subscription, for the purpose of confirming whether such clients meet the eligibility requirements to be a Qualified Shareholder who can participate in the Open Offer.

9. Related Party Transaction

The participation of funds and accounts under management by direct and indirect investment management subsidiaries of BlackRock Inc. ("**BlackRock**") in the Institutional Capital Raise is regarded as a related party transaction under the AIM Rules. BlackRock is a substantial shareholder for the purposes of the AIM Rules and is participating in the Institutional Capital Raise on the same terms as all other investors. In accordance with the AIM Rules, the Directors confirm that they consider, having consulted with Investec as the Company's Nominated Adviser, that the terms of the Institutional Capital Raise are fair and reasonable insofar as the Shareholders are concerned.

10. Financial advice

The Board has received financial advice from Barclays, Citigroup and Investec in relation to the Acquisition. In providing advice to the Board, Barclays, Citigroup and Investec have each relied upon the commercial assessments of the Board.

11. Recommendation

The Board considers that the Acquisition and Capital Raise are in the best interests of the Company and its Shareholders as a whole and accordingly unanimously recommends that all Shareholders vote in favour of the Resolutions, as the Directors and the Rosebank Co-Founders have undertaken to do, or procure to do, in respect of their own existing shareholdings, which comprise a total of 1,729,730 Existing Ordinary Shares, representing approximately 8.64% of the Existing Ordinary Shares capital of the Company.

Yours faithfully

Simon Peckham
Chief Executive

PART 2
INFORMATION ON ROSEBANK, ECI AND THE ENLARGED GROUP

1. Information on Rosebank

The Rosebank Co-Founders are previous members of the senior management team of Melrose, a company which is listed on the London Stock Exchange. In the period between its founding in 2003 and the launch of Rosebank in July 2024, Melrose created over £6 billion of shareholder value through its 'Buy, Improve, Sell' strategy, under the leadership of the Rosebank Co-Founders.

During the Rosebank Co-Founders' time at Melrose, Melrose acquired a total of six businesses. From the date of Melrose's first acquisition in 2005 to 6 March 2024, being the date upon which the Rosebank Co-Founders transitioned out of their management roles at Melrose, Melrose returned approximately £8.3 billion to its shareholders and generated 3,396% of total shareholder returns, well in excess of the 209% of total shareholder returns generated by the FTSE 100 index during the same period. Across all of the businesses which were sold by Melrose under the leadership of the Rosebank Co-Founders, Melrose generated an average return on equity of 2.5x and an average equity internal rate of return of 27%.

Rosebank's objective is to recreate the same successful 'Buy, Improve, Sell' business model which the Rosebank Co-Founders successfully implemented during their time at Melrose.

2. Information on ECI

With a full spectrum of engineering capabilities, ECI has over 450 customers globally. It offers a wide range of electrical and electronic solutions across industrial technology, specialty transportation, as well as heating, ventilation and air conditioning and appliance end-markets. ECI has approximately 20,000 employees worldwide and 39 manufacturing locations globally, with North America representing approximately 78% of its 2024 revenue. The ECI Group reported Pro forma Revenue of $1,281 million, Pro forma Adjusted EBITDA of $193 million and Pro forma Adjusted Operating Profit of $166 million for 2024. Headquartered in St. Louis, Missouri and founded in 1953, ECI has been privately owned by funds managed and/or advised by Cerberus since 2018.

ECI powers smart, connected, and electrified solutions that enable the most advanced technologies to solve the most complex challenges. ECI provides end-to-end solutions for the design, manufacturing, assembly and integration of wire harnesses, control boxes and other value-added components across various industries and markets. Leveraging extensive product, technology and systems knowledge, it aims to deliver efficient, high-quality products. Its tailored engineering solutions are aligned with the product and process innovations required for sustainability.

ECI is also one of the world's leading suppliers of electrical Low Voltage ("LV") and High Voltage ("HV") distribution systems, control box assemblies and other critical engineered components for diversified markets. ECI holds extensive LV capabilities with newly acquired and expanding HV capabilities; it recently opened the largest dedicated HV wire harness facility for Commercial, Industrial and Recreational EVs in North America.

Moreover, ECI continues to grow through strategic partnerships and acquisitions. These partnerships expand ECI's expertise in diversified markets and allow ECI to continue to provide the most advanced electrical solutions to customers across the globe.

3. Current trading and future prospects

(i) Rosebank

There has been no change to the Rosebank Board's expectation since the publication of its annual report and accounts for the seven month period ended 31 December 2024 (available at: https://www.rosebankindustries.com).

The Rosebank Board is very pleased about the opportunity presented by the Acquisition, which offers a number of operational improvement possibilities and is expected to benefit from a return in key markets in 2025.

(ii) The Enlarged Group

In the year ended 31 December 2024, ECI's end markets faced macroeconomic headwinds, especially in the appliances and cyclical transportation sectors. At the same time, the high interest rate environment and low consumer spending have also driven a softening of ECI's key markets. ECI has, however, been able to adapt its pricing, whilst maintaining market share in its key sectors, to more than offset the inflationary headwinds over the period, with a focused diversification strategy centred around high-value electrification and industrial end markets. Throughout the year, ECI demonstrated the ability to improve operations through plant performance and enterprise-wide material cost savings initiatives, driving significant margin improvement despite recent market softening whilst at the same time retaining strong market share in its key sectors.

4. Market Overview

Industry

Rosebank will operate ECI through two business segments—(i) Electrification and Industrial; and (ii) Appliances and HVAC. The underlying markets for both segments are underpinned by secular megatrends and are expected to grow further, benefitting from overall market recovery. For example, innovation is required to address the impact of energy transition, developing new solutions that increase demand, especially for industrial, appliances and HVAC solutions, while constant technological development drives demand for new opportunities for ECI's Electrification and Industrial division.

Electrification and Industrial

Rosebank sees the Electrification and Industrial division as a key growth driver, with increasing demand for electrification and emerging industrial applications in diverse customer end markets.

The segment is expected to see significant customer spending driven by heightened regulatory standards related to safety and energy transition. The markets are also expected to benefit from increased infrastructure spending and a greater need for automation in manufacturing, warehouses and fulfilment centres. The electrification of specialty transportation fleet represents another area of emerging growth. ECI is favourably geared towards high growth and high value end market segments like data centres, AI and high-tech industrial applications.

Rosebank believes that there is significant opportunity to increase share with existing customers as the markets see a continued trend for increased complexity and content per unit, which plays well to ECI's strengths as a leading player in these markets.

Appliances and HVAC

Outdated appliances consume more energy compared to similar, newer units. Increased energy efficiency comes with more technologically advanced devices, increasing the amount of wire harness content and technology per device.

HVAC solutions are relevant in both residential and commercial applications. The industry is rapidly evolving as global demand continues to grow and new use cases are developed. Industry drivers include heightened regulatory focus on energy efficiency, but also lowering interest rates are a tailwind for increased commercial construction and new housing starts for both single and multi-families, driving spending across appliances and HVAC. Another avenue of significant growth in HVAC comes from data centre cooling, AI and high-tech industrial sectors, which have seen significant investment in recent years.

Similar to the electrification and industrial segments, there is a growing focus on the ability to handle complexity in units and support customers with high-quality engineering solutions, areas in which ECI excels.

5. Strategy of the Enlarged Group

Rosebank's strategy is to acquire quality industrial or manufacturing businesses with strong fundamentals whose performance may be improved. Through investing in acquired businesses, changing management focus and delivering operational improvements, Rosebank seeks to increase and realise the value in such businesses typically over a three-to-five-year investment horizon and to return the proceeds to shareholders.

The Acquisition is the first transaction for Rosebank's "Buy, Improve, Sell" strategy. Rosebank's strategy is to further improve ECI's existing strong platform through operational restructuring, increased investment, focused product mix, cost recovery and leverage reduction as follows:

- executing the identified restructuring projects to deliver improvements with significant further opportunities available;
- capturing the opportunities to drive the quality and efficiency of the businesses including through acquisitions;
- focusing new opportunities and designs toward high margin and high growth end markets, served by the Electrification and Industrial division;
- enhancing focus on appropriate margin targets and inflation recovery; and
- leverage is expected to further reduce as EBITDA grows, and Rosebank expects levered free cash flow to significantly improve under Rosebank ownership, opening a wider scope for driving restructuring and growth.

Since 2021, ECI has made eight strategic investments as part of its overall strategy to diversify and expand into favourable end markets through mergers and acquisitions. Through this transition, ECI has positioned itself to benefit from high-growth electrification and industrial end markets including energy transition, smart industrial applications, automation and data centres. Information regarding ECI's historical strategic investments is as follows:

1. acquisition of Flex-Tec, Inc. in June 2024, a premier supplier of high-quality electrical wire harnesses and cable assemblies to leading customers in the commercial LED, smart lighting controls and industrial technology end markets;

2. acquisition of Aerosystems International, Inc. in April 2023, a specialty manufacturer and supplier of electrical distribution and control systems primarily serving the aerospace end market;

3. acquisition of Manufacturing Resource Group Inc. in December 2022, a provider of specialised manufacturing and in-house engineering services for customers serving key industrial tech end markets;

4. acquisition of Britech in December 2022, a specialty manufacturer of wire harnesses, cable assemblies and box builds primarily serving the semiconductor industry as well as HVAC and related industrial technology end markets;

5. acquisition of BHC Cable Assemblies in January 2022, a manufacturer of wire harnesses, cable assemblies and electromechanical assemblies for the medical, aerospace, renewable energy and entertainment markets;

6. acquisition of Rochester Industrial Control in August 2021, a manufacturer of high-voltage wire harnesses, cables and electromechanical assemblies for the commercial electric vehicle, oil and gas and medical markets;

7. acquisition of Promark Electronics Inc. in July 2021, a manufacturer of wire harnesses and electromechanical assemblies utilised by commercial electronic vehicles and other technically-complex, mission-critical products; and

8. acquisition of Omni Connection International in May 2021, a manufacturer of wire harnesses and connection systems for automotive suppliers.

ECI does not have any joint ventures or material investments that are in progress. However, Rosebank plans to continue making select strategic acquisitions to expand ECI's platform and grow shareholder value. Reduced leverage after the initial restructuring period will support the pursuit of attractive opportunities and will allow Rosebank to continue increasing ECI's presence in the electrification and industrial markets. Rosebank has an extensive list of potential targets with which ECI has an existing relationship. Rosebank will only pursue acquisitions that deliver positive multiple arbitrage with extensive synergies, which will provide opportunities to expand its platform and grow shareholder value.

Rosebank intends to continue its "Buy, Improve, Sell" model and sees further significant opportunities to acquire industrial or manufacturing businesses whose full potential can be realised, with ECI being the first step of the journey.

PART 3
SUMMARY OF THE TERMS OF THE ACQUISITION

1. Principal terms

On 6 June 2025, Rosebank entered into the Acquisition Agreement with the Seller pursuant to which Rosebank (or its designee) has conditionally agreed to acquire all of the issued and outstanding shares of common stock of ECI Target.

ECI will be acquired, for cash, for an enterprise value of less than $1.9 billion (£1.5 billion) on a debt and cash free basis, subject to customary adjustments. The consideration payable under the Acquisition Agreement is approximately $1.0 billion, which will be satisfied on Acquisition Completion by the Company in cash, subject to certain adjustments, including locked box purchase price protections.

Acquisition Completion is conditional on, *inter alia*, the approval of the Transaction Resolutions at the General Meeting, Admission occurring and certain regulatory conditions.

If the conditions to Acquisition Completion are not satisfied by 6 March 2026 (the "**Longstop Date**") (or such later date as the parties may agree) or become incapable of being satisfied by that date, either party may elect to terminate the Acquisition Agreement.

2. The Acquisition Agreement

Key terms of the Acquisition Agreement include the following:

Consideration

The consideration payable by Rosebank to the Seller is approximately $1.0 billion, subject to certain adjustments, including locked box purchase price protections.

In light of the imposition of tariffs on imports into the US from Canada, Mexico, and China by the Current US Administration on 4 March 2025, the ECI Group has implemented certain measures to mitigate against the potential impact of such tariffs and managed to demonstrate full recovery of all tariffs incurred to date. In addition, the Seller has agreed to certain protections under the terms of the Acquisition Agreement, which shall apply to the extent these measures do not mitigate the impact of tariffs imposed on imports into the US from Mexico.

Acquisition Conditions

Acquisition Completion is subject to several conditions precedent, including:

- certain antitrust and other regulatory clearances;
- the passing of the Transaction Resolutions at the General Meeting (or any adjournment thereof);
- Admission becoming effective; and
- certain warranties being true and accurate at Acquisition Completion, save to the extent a breach would not constitute a material adverse effect, and the Seller having performed and complied, in all material respects, with certain covenants.

Rosebank (or its designee) has agreed to use all reasonable endeavours to procure the satisfaction of the conditions to Acquisition Completion.

Acquisition Completion

It is intended that Acquisition Completion will occur no later than ten business days after all conditions precedent (other than those which, by their nature, shall be satisfied at Acquisition Completion) have been satisfied or (if applicable) waived. Acquisition Completion will take place shortly before Readmission.

Title to the shares in ECI Target will pass from the Seller to the Company (or its designee), and the consideration payable by the Company will pass to the Seller, at Acquisition Completion.

Pre-Acquisition Completion covenants

The Acquisition Agreement includes conduct of business covenants by the Seller in respect of the period until Acquisition Completion, including to conduct the business of ECI in the ordinary and usual course, and to consult on and obtain the consent of Rosebank for certain material matters.

Warranties and limits of liability

The Acquisition Agreement contains customary warranties given by the Seller in relation to its capacity, solvency, and ownership of the shares in ECI Target and in relation to the accounts of certain members of the ECI Group. In addition, certain members of management of ECI have given certain fundamental, business and tax warranties in relation to the ECI Group pursuant to the Management Warranty Deed.

In most cases (barring fraud), Rosebank will have no recourse to the Seller or the Warrantors under the Management Warranty Deed for breach of warranties and limited recourse for certain other breaches of the Acquisition Agreement. Rosebank has obtained the W&I Insurance Policy, which provides the Company with the ability to claim for loss in the event of a breach of the warranties under the Acquisition Agreement or the Management Warranty Deed for certain specified periods of time following Acquisition Completion, as further described in paragraph 16.3 of Part 10 (*Additional Information*) of this document. As a result, Rosebank will direct any claims for breach of warranty to the insurer rather than the Seller. The insurance policy excludes cover for items specifically identified during, or carved out of the scope of, the due diligence process and any breach of warranty of which certain Rosebank employees have actual knowledge, as well as certain other customary exclusions, for which Rosebank will have no recourse.

Rosebank has also given customary warranties in favour of the Seller, including in relation to capacity, authority, solvency and certainty of funds in respect of the Acquisition.

Termination

The Acquisition Agreement may be terminated prior to Acquisition Completion in the following circumstances:

- by any party where any condition precedent remains outstanding and is not waived at the Longstop Date (as may be extended by agreement between the parties); or
- if a party fails to comply with its material obligations to give effect to Acquisition Completion, the other party may terminate the Acquisition Agreement.

Governing Law

The Acquisition Agreement is governed by the laws of England and Wales.

PART 4
RISK FACTORS

Any investment in the Company is subject to a number of risks. Accordingly, investors should consider carefully all of the information set out in this document and the risks attaching to an investment in the Company, including, in particular, the specific risks described below, before making any investment decision. The information below does not purport to be an exhaustive list and investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in light of the information in this document and their personal circumstances. Before making any final decision, prospective investors in any doubt should consult with an independent adviser authorised under the FSMA (or the corresponding legislation in the jurisdiction in which a prospective investor is resident). If any of the following risks were to materialise, the Company's business, financial position, results and/or future operations may be materially adversely affected. The market value/price of the Ordinary Shares and the income from them may go up or down and an investor may lose all or part of their investment. Additional risks and uncertainties not presently known to the Directors, or which the Directors currently deem immaterial, may also have an adverse effect upon the performance and value of the Company. An investment in the Company is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may arise therefrom (which may be equal to the whole amount invested). There can be no certainty that the Company will be able to implement successfully the strategy set out in this document. No representation is or can be made as to the performance of the Company and there can be no assurance that the Company will achieve its objectives.

A. RISKS RELATING TO THE ACQUISITION

The Acquisition is subject to a number of conditions which may not be satisfied or waived

Acquisition Completion is subject to the satisfaction (or waiver) of a number of conditions within the Acquisition Agreement, including regulatory approvals, Admission occurring and the approval of the Acquisition by Shareholders at the General Meeting.

There can be no assurances that the regulatory conditions will be satisfied, or that Shareholder approval will be forthcoming.

If the conditions to Acquisition Completion are not satisfied or, where applicable, waived by the Longstop Date (or such later date as the Company and the Seller may agree) or any condition becomes incapable of being satisfied by that date, then either the Company or the Seller may elect to terminate the Acquisition Agreement and the Acquisition will not complete.

If the Acquisition does not complete, the benefits expected to result from the Acquisition will not be achieved, the Company's reputation may be adversely impacted, and its ability to deliver value for Shareholders, or to implement its strategy, may be prejudiced. The Company will also have incurred significant transaction costs in connection with the Acquisition, the Capital Raise and the New Debt Facilities which cannot be recouped. Accordingly, the market price of the Ordinary Shares may be adversely affected.

Material facts or circumstances may not be revealed in the due diligence process

The Company has undertaken customary due diligence on ECI to a level considered reasonable and appropriate by the Company. However, these efforts may not reveal all facts or circumstances that would have a material adverse effect upon the value of the investment. In undertaking due diligence, the Company has utilised its own resources and relied upon third parties to conduct certain aspects of the due diligence process.

Any due diligence process involves subjective analysis and there can be no assurance that due diligence will reveal all material issues related to ECI or that previously undisclosed underperformance, liabilities or other adverse matters will not only come to light or be identified following Acquisition Completion. Any failure to reveal all material facts or circumstances relating to ECI may have a material adverse effect on the business, financial condition, results of operations and prospects of the Enlarged Group.

Limited recourse under the Acquisition Agreement

By virtue of the Acquisition, the Company will be exposed to a variety of risks and potential liabilities associated with ECI and its business, including without limitation:

- a deterioration in ECI's results of operation;

- liabilities associated with ongoing litigation to which ECI is a party, or new claims to which it may become subject; and
- other liabilities associated with ECI or its business that are not known to the Company.

Under the Acquisition Agreement, the Company is receiving warranties in relation to certain matters from the Seller and from certain members of the ECI management team. However, in most cases (barring fraud), the Company will have no recourse to the Seller or the ECI management team for breach of warranties and limited recourse for certain other breaches of the Acquisition Agreement.

Rosebank has obtained the W&I Insurance Policy, which provides the Company with the ability to claim for loss in the event of a breach of the warranties under the Acquisition Agreement or the Management Warranty Deed for certain specified periods of time following Acquisition Completion. The W&I Insurance Policy excludes cover for items specifically identified during, or carved out of the scope of, the due diligence process and any breach of warranty of which certain Rosebank employees have actual knowledge, as well as certain other customary exclusions, for which Rosebank will have no recourse.

The Enlarged Group may not realise the desired operational improvements following the Acquisition or the benefits of the Acquisition may fail to materialise or be lower than expected

The Directors are targeting operational improvements for the Enlarged Group following the Acquisition. Achieving the expected improvements from the Acquisition will depend partly on the rapid and efficient management and co-ordination of the activities of Rosebank and ECI, which in the case of ECI, are of significant size and with geographically dispersed operations.

There is a risk that the benefits of the Acquisition anticipated by the Directors, such as achieving the targeted Adjusted EBITDA margin of at least 20% and Adjusted Operating Profit margin of at least 18%, fail to materialise, that they are materially lower than have been estimated, take longer or cost more to achieve, or that ECI fails to perform as expected. If the Enlarged Group is unable to realise expected benefits, or these benefits take longer to achieve or cost more than planned, this could have a significant impact on the profitability of the Enlarged Group going forward and a material adverse effect on the Enlarged Group's business, financial condition, prospects and/or results of its operations.

In addition, the cost of funding these operational improvements may exceed expectations. Such eventualities may have a material adverse effect on the financial condition of the Enlarged Group.

B. RISKS RELATING TO THE COMPANY'S BUSINESS

The Company's strategy and its ability to complete future acquisitions could lead to potential loss on investments

The Company's strategy and future success is dependent upon its continued ability to not only identify opportunities but also to execute successful acquisitions and/or investments. There can be no assurance that the Company will be able to conclude agreements with any target business and/or shareholders in the future and failure to do so could result in the loss of an investor's investment. In addition, the Company may not be able to raise the additional funds required to acquire any additional target business and fund its working capital requirements.

The Company's strategy therefore carries inherent risks and there can be no guarantee that any appreciation in the value of ECI or other businesses acquired in the future (referred to as an "**Acquired Business**") will occur or that the objectives of the Company will be achieved. For example (i) an Acquired Business may experience trading difficulties after acquisition by the Company or may not be able to improve its performance to the level the Board anticipated; (ii) the success of the Company's acquisition may depend in part on the Company's ability to implement the necessary technological, strategic, operational and financial change programmes in order to transform the Acquired Business and improve its financial performance and any inability to do so could have a material adverse impact on the Company's performance and prospects; (iii) the successful realisation of value through the sale or otherwise of the whole or part of any Acquired Business will depend on a number of factors and there can be no guarantee that these factors will allow the Company to realise such value when the Directors consider it appropriate; or (iv) the Company may not be able to achieve any intended valuation or exit route from an Acquired Business.

The Company has a lack of trading history on which to base an investment

The Company has, since incorporation, carried on minimal trading activities. Accordingly, as at the date of this document, the Company has no meaningful historical financial data upon which prospective investors may base an evaluation of the Company. The value of any investment in the Company is, therefore, wholly dependent upon the successful implementation of the Company's 'Buy, Improve, Sell' business model as described in Part 1 (*Letter from the Chief Executive of Rosebank Industries plc*) of this document. As such, the Company is subject to all of the risks and uncertainties associated with any newly established business enterprise including the risk that the Company will not achieve its investment objectives and that the value of an investment in the Company could decline and may result in the loss of capital invested. The past performance of companies, assets or funds managed by the Rosebank Co-Founders, or persons affiliated with them, in other ventures in a similar sector or otherwise, is not necessarily a guide to the future business, results of operations, financial condition or prospects of the Company. Investors will be relying on the ability of the Company and the Rosebank Co-Founders to identify potential acquisition targets including following the Acquisition, evaluate the merits of such potential acquisition targets, and conduct diligence and negotiations.

The Company is exposed to risks associated with concentration of investments

The Company will continue to focus on acquisitions of businesses operating in the industrial or manufacturing sectors, which means that it will be exposed to a particular business sector and possibly specific geographical locations. The intended strategy does not envisage a spread of businesses that may mitigate risk and as a result the Company will be exposed to industry fluctuations and trends in these sectors.

The Company could incur costs for future transactions that may ultimately be unsuccessful

There is a risk that the Company may incur substantial legal, financial, advisory and other expenses arising from unsuccessful transactions which may include public offer and transaction documentation, legal, accounting and other due diligence which could have a material adverse effect on the business, financial condition, results of operations and prospects of the Company.

The Company may face significant competition for future acquisition opportunities

There may be significant competition in some or all of the future acquisition opportunities that the Company may explore. Such competition may come, for example, from strategic buyers, sovereign wealth funds, special purpose acquisition companies and public and private investment funds, many of which are well established and have extensive experience in identifying and completing acquisitions. A number of these competitors may possess greater technical, financial, human and other resources than the Company. The Company cannot assure investors that it will be successful against such competition. Such competition may cause the Company to be unsuccessful in executing any future acquisitions or may result in a successful acquisition being made at a significantly higher price than would otherwise have been the case which could materially adversely impact the business, financial condition, result of operations and prospects of the Company.

The Company will be subject to risks related to acquisitions, disposals or other material transactions

In the ordinary course of business, the Company will engage in a continual review of opportunities to acquire new investments or to dispose of investments that are no longer consistent with the Company's strategy. Any such acquisition opportunity could be material to the Company. Such acquisitions and disposals or other transactions may have other transaction-specific risks associated with them, including risks related to the completion of the transaction and the assets being acquired. In relation to disposals, a transaction may be structured so that the Company receives the relevant consideration over a period of time rather than being paid all amounts due on completion. In such transactions, the Company will be subject to counterparty risk for so long as it is owed sums by the acquirer. In the event that a material adverse event occurs in relation to that counterparty which results in the Company not receiving funds owed to it when expected, or at all, its result of operations may be adversely affected.

C. RISKS RELATING TO ECI AND THE ENLARGED GROUP'S BUSINESS

In the discussion below, references to the "Enlarged Group" are to the Group following Acquisition Completion and therefore incorporate the ECI Group. However, prior to Acquisition Completion, and in the event that Acquisition Completion does not occur, the risk factors below that are expressed to be applicable to the Enlarged Group will remain applicable to the Group (excluding the ECI Group) and in this context references to the "Enlarged Group" shall instead be deemed to be references to the Group. References to "ECI" are risks that will not be applicable to the Group should Acquisition Completion not occur.

ECI is dependent upon certain levels of remodelling and new construction activity, which may be negatively impacted by economic downturn and instability of the credit markets

Critical factors affecting ECI's future performance, including its level of sales, profitability and cash flows, are the levels of residential and non-residential remodelling, replacement and construction activity as HVAC and Appliance end markets represent approximately 56% of its 2024 revenues. The level of new residential and non-residential construction activity and, to a lesser extent, the level of residential remodelling and replacement activity are affected by seasonality and cyclical factors such as interest rates, inflation, consumer spending, employment levels and other macroeconomic factors, over which ECI has no control. Any decline in economic activity as a result of these or other factors typically results in a decline in new construction and, to a lesser extent, residential remodelling and replacement purchases, which would result in a decrease in ECI's sales, profitability and cash flows. Instability in the credit and financial markets, troubles in the mortgage market, the level of unemployment and the decline in home values could have a negative impact on residential new construction activity, consumer disposable income and spending on home remodelling and repair expenditures. These factors could have an adverse effect on ECI's operating results.

Wider economic environment and exposure to cyclical industries

ECI sells products to customers in cyclical industries (such as appliances, agriculture, advanced mobility, automation, construction, HVAC, transportation) that are subject to significant downturns that could materially adversely affect its business, financial condition and operating results. Notably, ECI's Electrification and Industrial division experienced reduced customer demand in 2024. ECI sells products to customers in cyclical industries that have experienced economic and industry downturns through reduced infrastructure spending, fleet replacement, automation activity and commodity prices. The markets for ECI's products have softened in the past and may again soften in the future. ECI may face reduced end-customer demand, underutilisation of its manufacturing capacity, changes in its revenue mix and other factors that could adversely affect its results.

ECI's customers may cancel their orders, change production quantities or delay production

ECI generally receives volume estimates, but not firm volume commitments from its customers, and may experience reduced or extended lead times in customer orders. Customers may cancel orders, change production quantities and delay production for a number of reasons including the use of additional suppliers (including change to a dual-source or multi-source operating model). Uncertain economic and geopolitical conditions may result in some of ECI's customers delaying the delivery of some of the products it manufactures for them and placing purchase orders for lower volumes of products than previously anticipated. Cancellations, reductions or delays by a significant customer or by a number of customers may harm ECI's results of operations by reducing the volumes of products it manufactures and sells, as well as by causing a delay in the recovery of its expenditures for inventory in preparation for customer orders, or by reducing its asset utilisation, resulting in lower profitability.

Substantial portion of ECI's revenues is from a small number of customers

ECI depends on a small number of customers for a substantial portion of its business, and changes in the level of its customers' orders have, in the past, had a significant impact on its results of operations. If a major customer significantly delays, reduces, or cancels the level of business it does with ECI, there could be an adverse effect on its business, financial condition and operating results. Significant pricing and margin pressures exerted by a major customer could also materially adversely affect its operating results. Any decrease in orders from these customers could have an adverse effect on ECI's business, financial condition and operating results.

The impacts of inflationary pressures and market competition could adversely impact ECI's operating results

If the costs of goods continue to increase, ECI's suppliers may seek price increases. If ECI is unable to mitigate the impact of these matters through price increases, cost savings to offset cost increases, hedging arrangements, or other measures, its results of operations and financial condition could be adversely impacted. If its competitors maintain or substantially lower their prices, ECI may lose customers. Its profitability may be impacted by prices that do not offset the inflationary pressures, which may impact its margins. Even if ECI is able to raise the prices of its products, it may not be able to sustain such price increases. Temporary or sustained price increases may also lead to a decrease in demand for ECI's products as competitors may not adjust their prices which could lead to a decline in sales volume and loss of market share.

US government trade actions could have a material adverse effect on the Enlarged Group's business

Recent and anticipated changes in US trade policy have created ongoing uncertainties in international trade relations, and it is unclear what future actions governments will or will not take with respect to tariffs or other international trade agreements and policies. During the 2024 presidential campaign, the Current US Administration had expressed various intentions to impose tariffs on imports, including 60% tariffs on goods imported from China, 25% tariffs on goods imported from Mexico and between 10% and 20% tariffs on other imports. The Current US Administration has since imposed tariffs of 30% on goods imported from China, and has paused the imposition of tariffs of 25% on USMCA compliant goods and services imported from Mexico and Canada. On 26 March 2025, the Current US Administration announced universal 25% tariffs on automobiles which were intended to come into effect on 3 April 2025. Subsequently, on 2 April 2025, the Current US Administration imposed universal 10% tariffs on imports from all countries, other than Canada and Mexico which were exempted. Canada and Mexico faced no new tariffs from the US and the exemption given to most USMCA compliant goods was extended indefinitely. The 25% tariffs on automobiles were extended to automobile parts on 3 May 2025, although USMCA compliant automobile parts made in Mexico or Canada were exempt from such extension. Many of the tariffs imposed by the Current US Administration are being challenged in US federal court. It is unclear what further action the Current US Administration or Congress will take with respect to further proposals for increased tariffs or what the outcome of various lawsuits challenging tariffs will be. Ongoing or new trade wars or other governmental action related to tariffs or international trade agreements or policies could reduce demand for the Enlarged Group's products and services, increase the Enlarged Group's costs, reduce its profitability, adversely impact the Enlarged Group's supply chain or otherwise have a material adverse effect on the Enlarged Group's business and results of operations.

ECI has significant exposure to any tariff policies imposed on imports from Mexico into the US. In 2024, ECI US imported goods from ECI Mexico worth approximately $494 million. The ability of ECI to mitigate the impact of any such tariffs could have an adverse effect on ECI's business, financial condition and operating results.

ECI is also exposed to any tariff policies imposed on imports from Canada and China (among other countries) into the US. In response to the 2018 China tariffs, ECI relocated production away from China (transferring approximately 36% of its China revenues to Mexico and the US).

The Enlarged Group could be adversely affected by any disruption to its supply chain

ECI's success depends on its ability and future ability to secure raw materials and components (including, but not limited to, copper and copper wiring) on commercially acceptable terms; however, this ability may be impacted by numerous factors, including global demand or other factors limiting the availability, cost or quality of supply, which would impact ECI's performance. Suppliers are subject to operational risks, including, among other things, mechanical and IT system failure, work stoppages, increases in transportation costs and the impact of global shortages and supply chain issues. In addition, ECI may not be able to obtain raw materials and components from its current or alternative suppliers at reasonable prices in the future or may not be able to obtain these items on the scale and within the time frames it requires. The concentration of suppliers of raw materials (such as copper) may also expose ECI to market fluctuations in prices. Further, if ECI's suppliers are unable to meet its supply requirements, it could experience supply interruptions and/or cost increases. Such disruption could have an adverse effect on the ability of ECI manufacture its products and meet the contractual timescales required by end customers.

Manufacturing ECI's products is dependent on the timely delivery of components by third parties. If ECI encounters problems with its supply chain or loses key suppliers, its ability to meet customer expectations, manage inventory, complete sales and achieve operating efficiencies could be adversely affected. If any of these events occur, ECI could incur significantly higher costs and longer lead times to the dissatisfaction of its customers, which could have a material adverse effect on its business, financial condition, results of operations and prospects.

The Enlarged Group could be adversely impacted if the distribution of its products were affected by disruption to the global transport and logistics ecosystem

ECI's international footprint includes manufacturing facilities and suppliers in North America, Europe, the Middle East and Asia with major customers in a number of other international locations. As a result, ECI has a globally distributed supply chain, which can be affected from time to time by macro events, specifically those which affect the cost and duration of transport and logistics for ECI's products and key components, which are beyond its control.

The Enlarged Group could be adversely affected if it is unable to recover increases in input and operating costs from its customers or reduce or eliminate those costs

ECI's input and operating costs, such as commodity, energy, labour and transportation costs, can be impacted by a variety of factors outside ECI's control including, among others, changes in trade laws, tariffs, macroeconomic conditions and global political events. For example, ECI's products require copper and energy to manufacture, and so its operating results may be affected by the prices and availability of such commodities. ECI passes over 90% of the commodity price of copper through to its customers via commercial agreements and currently has a policy to hedge the remaining exposure for the next 24 months in full and the Enlarged Group may also in the future experience energy supply risks in certain geographies, which may increase its energy costs and reduce its ability to meet customer demand. Additionally, if recent dislocations in global supply chains persist or recur, such as port congestion or truck driver shortages, the Enlarged Group's transportation costs may increase. The realisation of any of these risks could have a material adverse effect on the Enlarged Group's results of operations, business and financial condition.

Input and operating costs have risen sharply over the past two years, reflecting higher rates of inflation globally. ECI continues both to work with customers to address material cost increases by way of pass-through and other measures and to take a range of measures to improve efficiency and to reduce its cost base generally. Any past success ECI has had in recovering or reducing such cost increases can provide no assurance that increases in such costs will not adversely impact the Enlarged Group's results of operations, business and financial condition in the future.

Failure to innovate and risk of technological change

To ensure its long-term success, ECI's products need to remain relevant in regard to the markets in which it operates. It is therefore imperative that ECI can innovate to produce products which adhere to the future requirements of its customers. If ECI fails to meet the changing needs of its customers, there is a risk that its revenues will suffer as a result. Products and technologies used within ECI's current marketplace are constantly evolving and improving and ECI may not possess the adequate technology or technical know-how to meet customer demand. Therefore, there is a risk that ECI's current product offering may become outdated or obsolete as improvements in products and technology are made.

Any failure of ECI to ensure that its products and other technologies remain up to date with the latest technology may have a material adverse effect on ECI's business, prospects, results of operation and financial condition. ECI's, and following Acquisition Completion, the Enlarged Group's, success will depend, in part, on its ability to develop and adapt to any technological changes and industry trends.

Contravention of environmental, safety and other laws and regulations could have an adverse impact on the Enlarged Group

ECI's, and following Acquisition Completion, the Enlarged Group's, operations, including its manufacturing facilities, are subject to environmental, safety and other laws, permits and regulations, including those governing the use of hazardous materials and the nature of ECI's operations exposes it to the risk of liabilities or claims with respect to such matters. Any breach of such requirements could result in fines or other substantial costs and/or constrain ECI's ability to operate its business, which could have a material adverse effect on its business, prospects, financial results and results of operations. In addition, irrespective of the

adequacy of insurance cover, ECI could experience disruption and claims related to incidents regardless of cause which could have a material adverse effect on ECI's, and following Acquisition Completion, the Enlarged Group's, business and financial condition. Similarly, many of ECI's suppliers and customers are subject to similar laws and regulations. Contravention of these laws and regulations by any such parties, as well as the costs to be paid in order to comply with such laws and regulations, could also have an adverse impact on ECI, and following Acquisition Completion, the Enlarged Group.

A major fault occurring in a key product

ECI's, and following Acquisition Completion, the Enlarged Group's, business involves providing customers with reliable products. If a product contains undetected defects when first introduced or when upgraded or enhanced, ECI may fail to meet its customers' performance requirements or otherwise satisfy contract specifications. As a result, it may lose customers and/or become liable to its customers for damages and this may, amongst other things, damage ECI's reputation and financial condition. ECI endeavours to negotiate limitations on its liability in its customer contracts where possible, however, defects in its solutions could result in the loss of a customer, a reduction in business from any particular customer, negative publicity, reduced prospects and/or a distraction to the management team. A successful claim by a customer to recover such losses may have a material adverse effect on ECI's, and following Acquisition Completion, the Enlarged Group's, reputation, business, prospects, results of operation and financial condition. Any damage to reputation could have a material adverse effect on ECI's, and following Acquisition Completion, the Enlarged Group's, business, financial condition, results of operations, future prospects and/or the price of the Ordinary Shares.

If ECI fails to identify suitable acquisition candidates or successfully integrate the businesses it has acquired or will acquire in the future, its business could be negatively impacted

Historically, ECI has engaged in a number of acquisitions, and those acquisitions have contributed to its growth in sales and operating margins. However, ECI cannot provide assurance that it will continue to locate and secure acquisition candidates on terms and conditions that are acceptable to it. If it is unable to identify attractive acquisition candidates, ECI's further growth in sales and operating margin could be impaired. Acquisitions involve numerous risks, including:

- the difficulty and expense that ECI incurs in connection with the acquisition, including those acquisitions that it pursues but does not ultimately consummate;
- the difficulty and expense that it incurs in the subsequent integration of the operations of the acquired company into ECI's operations;
- adverse accounting consequences of conforming ECI's accounting policies to the Enlarged Group's accounting policies;
- the difficulties and expense of developing, implementing and monitoring systems of internal controls at acquired companies, including disclosure controls and procedures and internal controls over financial reporting;
- the difficulty in operating acquired businesses;
- the diversion of management's attention from ECI's other business concerns;
- the potential loss of customers or key employees of acquired companies;
- the impact on ECI's financial condition due to the timing of the acquisition or the failure to meet operating expectations for the acquired business; and
- the assumption of unknown liabilities of the acquired company.

There is no assurance that any acquisition ECI has made or may make in the future will be successfully integrated into its ongoing operations or that it will achieve any expected cost savings from any acquisition. If the operations of an acquired business do not meet expectations, ECI's profitability and cash flows may be impaired, and it may be required to restructure the acquired business or write-off the value of some or all of the assets of the acquired business.

Future performance within the Enlarged Group

If ECI is unable to maintain or increase sales to existing and/or new customers, the business' results and cash flows may not be in line with the Company's expectations, which could adversely affect the Enlarged Group's business, financial condition, results or future operations. Furthermore, this could then lead to the write down of any goodwill which arises on Acquisition that, whilst not having any cash impact on the Enlarged Group, could have an adverse effect on the financial condition of the Enlarged Group and the price of the Ordinary Shares.

Reliance on expertise of Rosebank Co-Founders and loss of key management

The Enlarged Group will be highly dependent on the expertise and continued service of the Rosebank Co-Founders. However, the retention of their services cannot be guaranteed and their loss may have an adverse effect on the Enlarged Group's business. In addition, there is a risk that the Enlarged Group will not be able to retain current ECI key executives, recruit executives of sufficient expertise or experience to maximise any opportunities that present themselves, or that recruiting and retaining those executives is more costly or takes longer than expected. The failure to attract and retain those individuals may adversely affect the Enlarged Group's operations.

The Enlarged Group's success depends upon its ability to recruit and retain skilled personnel

The Enlarged Group's success depends upon its ability to attract and recruit, retain and incentivise highly skilled employees across all areas of the business. If the Enlarged Group is unable to retain or successfully attract and recruit key employees across all and any areas of the business, it could delay or prevent the implementation of its strategy, which could adversely affect the Enlarged Group's business, financial condition, results or future operations.

ECI continues to evaluate potential operational initiatives and integrations focused on improving future cash flows of the business

While the restructuring initiatives which commenced in 2024 have substantially been completed, in addition to those initiatives already in progress and planned for 2025, ECI continues to evaluate potential restructurings, business optimisation and integrations focused on improving future cash flows of the business. Restructurings, business optimisation and integrations involve numerous risks in their implementation including unforeseen costs, business disruption, management distraction and potential asset impairment, among others, and may be unsuccessful. In addition, restructurings of international operations may be more costly due to differing labour laws, business practices and governmental restrictions, processes and requirements.

Varying international business practices may adversely impact ECI's business and reputation

ECI currently purchases raw materials, components and finished products from various foreign suppliers. To the extent that any such foreign supplier utilises labour or other practices that vary from those commonly accepted in the United States and the UK, ECI's business and reputation could be adversely affected by any resulting litigation, negative publicity, political pressure, or otherwise.

Entering into new long-term contracts requires active, longer-term risk management by ECI

ECI enters into contracts which can include commitments relating to pricing, quality and safety and technical and customer requirements. These are complex contracts that are often long term in nature, so it is important that the contracted risk is carefully managed.

A failure to fully understand contract risks, to anticipate technical challenges and estimate costs accurately at the outset of a contract, to accurately document the parties' obligations under the contract, or to accurately and appropriately manage changes to the contract throughout its life, can lead to unexpected liabilities, increased costs and reduced profitability, which may in turn have a material adverse effect on the Enlarged Group's results of operations, business and financial condition following Acquisition Completion.

The Enlarged Group may be subject to potential legal proceedings and compliance risks

The Enlarged Group may be subject to a variety of risks in relation to potential legal proceedings, commercial disputes, legal compliance risks and environmental, health and safety compliance risks. ECI, its representatives and the industries in which it operates are subject to continuing scrutiny by regulators, other governmental authorities and private sector entities or individuals in the US, the European Union and other jurisdictions,

which may, in certain circumstances, lead to enforcement actions, adverse changes to its business practices, fines and penalties, required remedial actions such as contaminated site clean-up or other environmental claims, or the assertion of private litigation claims and damages that could be material. Additional legal proceedings and other contingencies are expected to arise from time to time. Moreover, ECI sells products and services in growth markets where claims arising from alleged violations of law, product failures or other incidents involving its products and services are adjudicated within legal systems that are less developed and less reliable than those of the US or other more developed markets, and this can create additional uncertainty about the outcome of proceedings before courts or other governmental bodies in those markets.

D. RISKS RELATING TO LEGAL, TAX AND REGULATORY MATTERS

The current regulatory environment in the United States may be impacted by future legislative developments

The Current US Administration's legislative agenda may include certain regulatory measures for the US financial services industry, changes to tax policies and the imposition of further tariffs and other trade restrictions. Any significant changes in, among other things, economic policy (including with respect to interest rates and foreign trade), the regulation of the asset management industry, tax law, immigration policy, environmental protection and/or climate change policies or regulations and/or government entitlement programmes could have a material adverse impact on the Enlarged Group's business. The US has recently proposed or recommended changes to existing tax laws that could significantly increase the Company's tax obligations and adversely affect its business, financial condition, and results of operations. For example, the US House of Representatives recently passed the "One Big Beautiful Bill Act," which includes, among other provisions, new Section 899 of the Internal Revenue Code. In general, Section 899 of the Internal Revenue Code would impose retaliatory taxes on the US investments of certain non-US investors, potentially including members of the Enlarged Group. Passage of Section 899 of the Internal Revenue Code, or similar legislation, may therefore subject the Enlarged Group to greater taxation and could make subsequent US investments less attractive. More generally, legislative acts, rulemaking, adjudicatory or other activities including in particular by the US Congress, the US Securities and Exchange Commission, the US Federal Reserve Board, the Financial Industry Regulatory Authority, Inc. or other governmental, quasi-governmental or self-regulatory bodies, agencies and regulatory organisations could make it more difficult (or less attractive) for the Enlarged Group to achieve its business objectives.

Jersey company law

The Company is incorporated and registered in Jersey. Accordingly, UK legislation regulating the operations of companies does not generally apply to the Company. In addition, the laws of Jersey apply with respect to the Company and these laws provide rights, obligations, mechanisms and procedures that do not apply to companies incorporated in the UK. The rights of Shareholders are governed by Jersey law and the Articles, and these rights differ in certain respects from the rights of shareholders in the UK and other jurisdictions.

Tax status of the Enlarged Group

The Enlarged Group's effective tax rate may be affected by changes in, or the interpretation of, tax laws. The Enlarged Group's effective tax rate in any given financial year reflects a variety of factors that may not be present in the succeeding financial year or years. An increase in the Enlarged Group's effective tax rate in future periods could have a material adverse effect on the Enlarged Group's financial condition and results of operations.

Taxation of investors

Statements in this document in relation to taxation and concerning the taxation of investors in Ordinary Shares are based on current taxation law and practice which is subject to change. The attention of potential investors is drawn to Part 9 (*Taxation*) of this document on 'Taxation'. The tax rules and their interpretation relating to an investment in the Company may change during its life. The levels of and relief from taxation may change. Any tax reliefs referred to in this document are those currently available and their application depends on the individual circumstances of investors. The information given in this document relates only to certain UK, Jersey and US tax matters and all investors should seek their own tax advice. Any change in the Company's tax status or the tax applicable to holding Ordinary Shares or in taxation legislation or its interpretation, could affect the value of the investments held by the Company, the Company's ability to

provide returns to Shareholders or alter the post-tax returns to Shareholders. Statements in this document concerning the taxation of the Company and its investors are based upon current tax law and practice which is, in principle, subject to change. Investors should consult their own tax advisers about the tax consequences of an investment in the Ordinary Shares.

The Company may be a "passive foreign investment company" for the current taxable year and for one or more future taxable years, which may result in material adverse US federal income tax consequences for US investors

Generally, if for any taxable year 75% or more of the Company's gross income is passive income, or at least 50% of the Company's assets are held for the production of, or produce, passive income, the Company would be characterised as a passive foreign investment company ("**PFIC**"), for US federal income tax purposes. If the Company is a PFIC for any taxable year, or portion thereof, that is included in the holding period of a US Holder (as defined below in Part 9 (*Taxation*) of this document) of Ordinary Shares, such US Holder may be subject to certain adverse US federal income tax consequences and additional reporting requirements. The Company does not believe it is or will become a PFIC for the current or any future taxable year. However, such determination depends on the application of complex US federal income tax rules that are subject to differing interpretations and is a fact-intensive inquiry made annually after the close of each taxable year and depends, in part, upon the composition and value of the Company's income and assets, among other facts, including the timing of Acquisition Completion. In particular, depending on when Acquisition Completion occurs, it is possible that the Company will be a PFIC. Should Acquisition Completion occur in Q4 2025, it is likely that the Company would be a PFIC. Accordingly, there can be no assurance that the Company will not be treated as a PFIC for any taxable year or that the US Internal Revenue Service ("**IRS**") would not assert a contrary position or that such an assertion would not be sustained by a court. If the Company determines that it is a PFIC in a given year, the Company will use commercially reasonable endeavours to provide a PFIC annual information statement for such year to any shareholder or former shareholder who requests it to permit such requesting shareholder to make a "qualified electing fund" election, but there can be no assurance that the Company will timely provide such information. For a more detailed description of the possibility of whether the Company would qualify as a PFIC, and the consequences thereof, including the consequences to a shareholder of making a "qualified electing fund" election, see Part 9 (*Taxation*) of this document. Each prospective US Holder of Ordinary Shares should consult its own tax advisers regarding the PFIC rules and the US federal income tax consequences of the purchase, ownership and disposition of such shares.

AIM shares and "Business Property Relief" from UK Inheritance Tax

The UK Government has announced that, from 6 April 2026, it will restrict the availability of "business property relief" from UK inheritance tax. Provided certain conditions are satisfied, "business property relief" is currently available against 100% of the value of certain "unquoted shares", that is, shares that are not listed on a recognised stock exchange (which includes shares admitted to trading on AIM provided such shares are not otherwise listed on a recognised stock exchange). The Finance Act 2025, which received royal assent on 20 March 2025 (the "**Finance Act**"), does not detail the legislation which will give effect to such changes, though it has been announced that the rate of relief will be reduced from its current rate of 100% to a rate of 50% in all circumstances for such "unquoted shares". The new rules will apply for lifetime transfers on or after 30 October 2024 to prevent forestalling.

The Enlarged Group will be exposed to risks in relation to compliance with regulatory obligations including anti-corruption and anti-bribery laws and regulations, export controls, etc.

Conducting business on an international basis will require the Enlarged Group to comply with the laws and regulations of various jurisdictions. In particular, the Enlarged Group's international operations will be subject to anti-corruption laws and regulations, such as the US Foreign Corrupt Practices Act of 1977 (the "**FCPA**") and the UK Bribery Act 2010 (the "**Bribery Act**"). The FCPA prohibits providing anything of value to foreign officials for the purposes of obtaining or retaining business or securing any improper business advantage. The Enlarged Group may, as part of its business, deal with state-owned business enterprises, the employees of which are considered foreign officials for the purposes of the FCPA. The provisions of the Bribery Act extend beyond bribery of foreign public officials and are more onerous than the FCPA in a number of other respects, including jurisdiction, non-exemption of facilitation payments and penalties.

As a result of conducting business in foreign countries, the Enlarged Group will be exposed to a risk of violating anti-corruption laws and sanctions regulations applicable in those countries where it, its partners or agents operate. Some of the international locations in which the Enlarged Group operates may lack a developed legal system and have high levels of corruption. Continued expansion and worldwide operations by

the Enlarged Group, including in developing countries, development of joint venture relationships worldwide and the employment by it of local agents in the countries in which it operates increase the risk of violations of anti-corruption or similar laws. Violations of anti-corruption laws and sanctions regulations are punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts (and termination of existing contracts) and revocations or restrictions of licences, as well as criminal fines and imprisonment. In addition, any such violations could have a significant impact on the Enlarged Group's reputation and consequently on its ability to win future business and could have a material adverse effect on its reputation, results of operations, business and financial condition.

While the Enlarged Group will have policies and procedures designed to assist in compliance with applicable laws and regulations, the Enlarged Group will seek to continuously improve its systems of internal controls, to remedy any weaknesses that are identified through appropriate corrective action depending on the circumstances, including additional training, improvement of internal controls and oversight and deployment of additional resources and to take appropriate action in case of any breach of the Enlarged Group's rules and procedures which might include disciplinary measures, suspensions of employees and ultimately termination of such employees.

Further detecting, investigating, and resolving these matters is expensive and could consume significant time and attention of the Enlarged Group's senior management. The Enlarged Group could also face fines, sanctions and other penalties from authorities in the relevant foreign jurisdictions, including prohibition of the Enlarged Group from participating in or curtailment of business operations in those jurisdictions. Any proceedings that may result from these matters could harm relationships with existing customers, distributors and agents and the Enlarged Group's ability to obtain new customers and partners.

There can be no assurance that policies and procedures of the Enlarged Group will be followed at all times or will effectively detect and prevent violations of the applicable laws by one or more of its employees, consultants, agents or partners and, as a result, the Enlarged Group could be subject to criminal and civil penalties and other remedial measures, which could have material adverse consequences for the Enlarged Group's results of operations, business and financial condition if any member of the Enlarged Group failed to prevent any such violations.

The IRS may not agree with the conclusion that Rosebank is to be treated as a non-US corporation for US federal income tax purposes following the Acquisition or may assert that Rosebank is subject to certain unfavourable US federal income tax rules

For US federal income tax purposes, a corporation organised under non-US law generally is considered to be a tax resident of the jurisdiction of its organisation or in corporation. Rosebank is organised under the laws of Jersey and accordingly, under the generally applicable US federal income tax rules, is expected to be treated as a non-US corporation (and, therefore, not a US tax resident) for US federal income tax purposes. However, Section 7874 of the US Internal Revenue Code of 1986, as amended (the "**Internal Revenue Code**"), provides an exception to this general rule, pursuant to which Rosebank would be treated as a US corporation for US federal income tax purposes if, following the Acquisition, at least 80% of its stock (by vote or value) is considered to be held by former shareholders of ECI by reason of holding stock of ECI (such percentage referred to as the "ownership percentage"), and Rosebank and its "expanded affiliated group" do not have "substantial business activities" in Jersey. If Rosebank was to be treated as a US corporation for US federal income tax purposes, the Enlarged Group could be subject to substantial additional US federal income tax obligations and the gross amount of any dividend payments to a holder of Ordinary Shares (other than a US Holder) could be subject to US withholding tax.

In addition, even if Rosebank is not treated as a US corporation for US federal income tax purposes, Section 7874 of the Internal Revenue Code may cause Rosebank or the Enlarged Group to be subject to certain unfavourable US federal income tax rules in the event that the ownership percentage attributable to former shareholders of ECI exceeds 60% and Rosebank and its "expanded affiliated group" do not have "substantial business activities" in Jersey. If the Enlarged Group was to be subject to these rules, the Enlarged Group and its subsidiaries could be subject to adverse tax consequences, including restrictions on the use of ECI's tax attributes with respect to "inversion gain" recognised over a ten year period following the Acquisition, the recapture of certain deductions that ECI previously took under Section 965(c) of the Internal Revenue Code at an unfavourable tax rate, the imposition of an excise tax equal to 1% of the fair market value

of stock that Rosebank repurchases, and the requirement that any of the Enlarged Group's US subsidiaries treat certain payments to Rosebank as "base erosion payments" that may be subject to a minimum US federal income tax. In addition, US Holders of Ordinary Shares could be subject to a higher rate of tax on any dividends paid by Rosebank.

Based upon the terms of the Acquisition, the rules for determining the ownership percentage under Section 7874 of the Internal Revenue Code and the US Treasury regulations promulgated thereunder, and certain factual assumptions, the Enlarged Group does not currently expect to be subject to these rules under Section 7874 of the Internal Revenue Code. However, whether the requirements for such treatment have been satisfied must be finally determined after consummation of the Acquisition, by which time there could be adverse changes to the relevant facts and circumstances. In addition, the rules for determining ownership under Section 7874 of the Internal Revenue Code are complex, unclear and subject to change. Accordingly, there can be no assurance that the IRS would not assert that the Enlarged Group should be subject to the above rules or that such an assertion would not be sustained by a court.

Additionally, even if the Enlarged Group is not subject to the above adverse consequences under Section 7874 of the Internal Revenue Code as a result of the Acquisition, Rosebank could, in certain specific circumstances, be limited in using its equity to engage in future acquisitions of US corporations.

Shareholders are urged to consult with their tax advisers regarding the potential application of Section 7874 of the Internal Revenue Code and the US Treasury regulations promulgated thereunder to the Acquisition.

E. GENERAL RISKS

ECI financial information

The financial information from which the unaudited adjusted financial information relating to the ECI Group in this document for the four months ended 30 April 2025 as set out in section B of Part 7 (*Historical Financial Information of the ECI Group*) of this document has been derived is extracted from the unaudited management accounts of ECI, is unaudited and is prepared on a consistent basis with the accounting policies applied to the audited consolidated financial statements presented in section A of Part 7 (*Historical Financial Information of the ECI Group*) of this document (as it relates to the financial information presented). As at the date of this document, this financial information has not been subject to audit or review by the Company's or ECI's auditors. It should not be seen as a substitute for audited or reviewed financial information and there can be no assurance that this financial information will not be subject to material amendments following completion of the relevant audit procedures. Investors are cautioned not to place undue reliance on this information. If any unaudited financial information is subject to amendment following the completion of audit procedures, this may have an adverse effect on the price of the Ordinary Shares.

Economic conditions and current economic weakness

The Enlarged Group's business plan may be subject to changes arising from relevant economic conditions, including, but not limited to, recessionary or inflationary trends, equity market levels, consumer credit availability, interest rates, consumers' disposable income and spending levels, job security and unemployment and overall consumer confidence. Prevailing market conditions and macro-economic factors will continue to impact company valuations going forward and could have a material adverse effect on the Enlarged Group's business, financial condition, results of operations and cash flows.

The Company may fail to pay dividends or make other returns

There is no guarantee of a dividend on the Ordinary Shares, and the declaration, payment and growth of any such dividend will depend, among other things, on the availability of financial resources of the Company and the Directors authorising any such dividend being able to give the 12-month, forward-looking, cash flow-based solvency statement in the form required by the Companies Law. The return of value by way of share redemption, repurchase or reduction of capital, is similarly dependent on, among other things, the Directors authorising any such return giving such a solvency statement at the relevant time.

The Company's ability to pay dividends in the future depends, among other things, on the Enlarged Group's financial performance and capital requirements

There can be no guarantee that the Company will be able to pay dividends in the future. As a holding company, the Company's ability to pay dividends in the future will be affected by a number of factors, including its ability to receive sufficient dividends from subsidiaries. The ability of companies within the Enlarged Group to pay dividends and the Company's ability to receive distributions from its investments in other entities are subject to restrictions. If the performance of the companies within the Enlarged Group is below market expectations, then their capacity to pay dividends to the Company will suffer.

Fluctuations in foreign exchange rates could have a negative impact on the Enlarged Group's business

The revenues, expenses, assets and liabilities denominated in currencies other than US dollars were converted into US dollars for the purposes of compiling the historical financial statements set out in this document. Over 90% of ECI's EBITDA is generated by US dollar functional entities, with approximately 5% generated in Euros and less than 5% in other currencies. The translational impact of an approximate 10% strengthening of the Euro and other foreign exchange currencies against the US$ is approximately US$1 million. A large proportion of ECI's historical revenues are denominated in currencies other than US dollars, particularly the Mexican peso. ECI's reported results of operations will fluctuate with average exchange rates and its reported net assets will fluctuate with year-end exchange rates.

ECI currently uses and has in the past used hedging strategies to provide appropriate short and medium-term cover for foreign exchange exposures. ECI's current main currency pairing is US dollar/Mexican peso and ECI has introduced a hedging policy for its foreign exchange exposure: (i) over the next 12 months, to provide 100% cover; (ii) for the next 12 to 24 months, to provide 70-100% cover; and (iii) for the next 24 months to 36 months, to provide 40-60% cover. ECI currently has minimal risk in other currency pairing exposures relating to US dollar/Euro and Euro/Polish złoty. The Enlarged Group may in the future use hedging strategies to manage and minimise the impact of exchange rate fluctuations on its cash flow and economic profits. There are complexities inherent in determining whether and when foreign exchange exposures will materialise, in particular given the possibility of unpredictable revenue variations arising from schedule delays and contract postponements. Furthermore, if the Enlarged Group uses hedging strategies in the future, it could be exposed to the risk of non-performance of its hedging counterparties. Additionally, the successful implementation of its hedging strategy in the future may depend on the willingness of hedging counterparties to extend credit. Accordingly, no assurances may be given that the Enlarged Group's exchange rate hedging strategy would protect it from significant changes or fluctuations in revenues, expenses, assets and liabilities denominated in a currency other than US dollars. The materialisation of any or all of these risks could have a material adverse effect on the Enlarged Group's results of operations, business and financial condition.

Overseas Shareholders may be subject to exchange rate risk

The Ordinary Shares are, and any dividends to be paid in respect of them will be, denominated in pounds sterling. An investment in the Ordinary Shares by an investor whose principal currency is not pounds sterling exposes the investor to foreign currency exchange rate risk. Any depreciation of pounds sterling in relation to such foreign currency will reduce the value of the investment in the Ordinary Shares or any dividends in foreign currency terms.

Borrowing and liquidity

Existing debt may adversely impact the Enlarged Group's ability to obtain new debt financing on favourable terms in the future, particularly if coupled with downgrades of its credit ratings or a deterioration of capital markets conditions more generally. There can be no assurance that the Enlarged Group will not face future credit rating downgrades as a result of factors such as the performance of its businesses or changes in rating application or methodology, and future downgrades could adversely affect its cost of funds, liquidity and competitive position. In addition, if the Enlarged Group is unable to generate cash flows in accordance with its plans or face unforeseen needs for capital, it may adopt changes to its capital allocation plans (such as plans related to the timing or amounts of investments or capital expenditures, share repurchases or dividends) or take other actions.

Factors outside the Enlarged Group's control, such as fires, floods and other natural disasters, any epidemics or pandemics, any major disruption to the Enlarged Group's information systems, or man-made problems such as computer viruses, theft of critical data, terrorism, protests or other harassment could have a material adverse effect on its results of operations, business and financial condition

The Enlarged Group's sources for components or other supplies, as well as shipments of manufactured goods, are vulnerable to damage or interruption from fires, floods, pandemics, power losses, telecommunications failures, terrorist attacks, human errors, break-ins and similar events. A significant natural disaster, such as a fire or flood, whether at a facility owned by the Enlarged Group or at a third-party facility which holds stock belonging to the Enlarged Group, could have a material adverse effect on the Enlarged Group's results of operations, business and financial condition, and the Enlarged Group's insurance coverage may be insufficient to compensate it for losses that may occur. Any damages or contractual penalties the Enlarged Group is entitled to in the event that a supplier of the Enlarged Group does not meet its obligations with respect to timeliness and quality, may fail to mitigate the harm to the Enlarged Group's business caused by any such contractual breaches. In particular, shortages or interruptions in the supply of components or delays in the shipment of manufactured goods as a result of such an event could delay shipments of the Enlarged Group's products or increase its production costs. This in turn could have a material adverse effect on the Enlarged Group's results of operations, business and financial condition.

The Enlarged Group could be impacted negatively by information technology security threats including unauthorised access to intellectual property or other controlled information or cyber or ransomware attacks intended to disrupt the Enlarged Group's operations. Interruptions to the Enlarged Group's information systems could adversely affect its day-to-day operations. A major disruption to information systems could have a material adverse effect on the Enlarged Group's results of operations, business and financial position. The loss of confidential information, intellectual property or controlled data could result in fines, liability to customers and other counterparties and damage to the Enlarged Group's reputation, and could adversely affect its ability to win future contracts.

IT systems and cyber security threats

Should the Enlarged Group's technical and communication infrastructure systems not operate as intended or any third parties to whom the Enlarged Group outsources any of its IT services fail to deliver as expected, its ability to transact business across its international businesses would be significantly impaired. In addition, the Enlarged Group's IT systems and those it outsources are vulnerable to damage or interruption from circumstances beyond the Enlarged Group's control, including fire, natural disasters, power loss or disruptions, hacker attacks, computer systems failures, viruses, delays or disruptions due to system updates, malicious attacks, accidents, telecommunication failures, acts of terrorism or war, physical or electronic break-ins or similar events or disruptions. These information systems have been, and will likely continue to be, subject to attack. The failure of the Enlarged Group's IT systems to perform as anticipated could disrupt the Enlarged Group's business and could result in decreased sales, increased overhead costs, excess inventory and product shortages, causing the Enlarged Group's business and results of operations to suffer. In addition, unforeseen vulnerabilities in the Enlarged Group's security systems and policies could result in potential data misuse, resulting in damage to the Enlarged Group's reputation and an adverse effect on its results of operations, business or financial condition.

Information security and cyber threats are currently a priority across all industries and remain a key UK government agenda item. Cybersecurity breaches of the Enlarged Group's information technology systems could result in the misappropriation or unauthorised disclosure of confidential information belonging to it or to its customers, partners, suppliers, or employees. Any breach of data security could result in a disruption of the Enlarged Group's services or improper disclosure of personal data or confidential information, which could harm the Enlarged Group's reputation, require it to expend resources to remedy such a security breach or defend against further attacks or subject it to liability under laws that protect personal data, resulting in increased operating costs or loss of revenue. Like many businesses, the Enlarged Group may have a potential exposure in this area.

F. RISKS RELATING TO THE ORDINARY SHARES AND THE CAPITAL RAISE

References in this document to the "Enlarged Group" are to the Group following Acquisition Completion and therefore incorporate the ECI Group. However, prior to Acquisition Completion, and in the event that Acquisition Completion does not occur, the risk factors below that are expressed to be applicable to the Enlarged Group will remain applicable to the Group (excluding the ECI Group) and in this context references to the "Enlarged Group" shall instead be deemed to be references to the Group.

The market price of the Ordinary Shares could be negatively impacted by sales of substantial amounts of Ordinary Shares, particularly following expiry of the lock-in period

Subject to or following the expiry of any undertakings given pursuant to lock-in agreements or similar arrangements with significant Shareholders, such Shareholders could sell a substantial number of Ordinary Shares in the public market following Admission and/or Readmission. Such sales, or the perception that such sales could occur, may materially adversely affect the market price of the Ordinary Shares. This may make it more difficult for Shareholders to sell the Ordinary Shares at a time and price that they deem appropriate and could also impede the Company's ability to issue Ordinary Shares in the future.

Although there is no present intention or arrangement to do so, the Rosebank Co-Founders may, following the expiry of the initial three-year lock-in period they agreed to as part of the July 2024 Admission, sell their Ordinary Shares without restriction. The market price of Ordinary Shares could decline significantly as a result of any sales of Ordinary Shares by the Rosebank Co-Founders following expiry of that initial three-year lock-in period (or otherwise) or the perception that such a sale could occur.

The Capital Raise is conditional on the passing of the Transaction Resolutions but not conditional upon Acquisition Completion

The Capital Raise is not conditional upon Acquisition Completion and will complete shortly following the approval of the Acquisition by Shareholders at the General Meeting and Admission. In the unlikely event that the Capital Raise proceeds but Acquisition Completion does not occur, the Directors' current intention is that the net proceeds will be invested on a short-term basis while the Directors evaluate other acquisition opportunities and, if no acquisitions can be found on acceptable terms, the Directors will consider how best to return surplus capital to Shareholders in a timely manner. Such a return could carry fiscal costs for certain Shareholders, will have costs for Rosebank and would be subject to applicable securities laws. There can be no assurance that in such circumstances surplus capital can be returned to Shareholders in a timely manner or at all.

The Enlarged Group may be unable to transfer to an appropriate listing venue

It is the intention of the Directors that, at an appropriate time after completing the Acquisition, Rosebank will seek the admission of its Ordinary Shares to the Equity Shares (Commercial Companies) (ESCC) category of the Official List and to trading on the Main Market of the London Stock Exchange. There can be no guarantee that the Company will meet the required eligibility criteria for the ESCC category of the Official List or that a transfer to the ESCC category of the Official List or other appropriate listing venue will be achieved. A failure to change listing venue may have an adverse effect on the valuation of the Ordinary Shares.

The Company may be subject to restrictions in offering its Ordinary Shares in certain jurisdictions

The Company may offer its Ordinary Shares or other equity securities as part of the consideration to fund, or in connection with, future acquisitions. However, certain jurisdictions may restrict the Company's use of its Ordinary Shares or other securities for this purpose, which could result in the requirement for the Company to use alternative sources of consideration. Such restrictions may limit the Company's available acquisition opportunities or make certain acquisitions more costly which may have an adverse effect on its operations.

The ability of overseas Shareholders to bring actions or enforce judgments against the Company or the Directors may be limited

The ability of an overseas Shareholder to bring an action against the Company may be limited under law. The Company is a public limited company incorporated and registered in Jersey. The rights of holders of the Company's Ordinary Shares are governed by Jersey law and by the Articles. Jersey law limits significantly the circumstances under which the shareholders of Jersey companies may bring derivative actions. Under Jersey law, in most cases, only the Company may be the proper plaintiff for the purposes of maintaining proceedings

in respect of wrongful acts committed against it and, generally, neither an individual shareholder, nor any group of shareholders, has any right of action in such circumstances. Jersey law does not afford appraisal rights to dissenting shareholders in the form typically available to shareholders in a US company, for example. In addition, it may not be possible for an overseas Shareholder to enforce any judgments in civil or commercial matters or any judgments in securities laws of countries other than the UK against some or all of the Directors or executive officers of the Company who are resident in the UK or countries other than those in which judgment is made.

Ordinary Shares traded on AIM

AIM securities are not admitted to the Official List. An investment in Ordinary Shares quoted on AIM may carry a higher risk than an investment in shares quoted on the Official List. AIM has been in existence since June 1995 but its future success, and liquidity in the market for the Ordinary Shares, cannot be guaranteed. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached compared with larger or more established companies. 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 duly authorised under the FSMA (or the corresponding legislation in the jurisdiction in which a prospective investor is resident) who specialises in advising on the acquisition of shares and other securities.

Liquidity

The Company can give no assurance that an active trading market for the Ordinary Shares will be maintained. If an active trading market is not maintained, the liquidity and trading price of the Ordinary Shares could be adversely affected and Shareholders may have difficulty selling their Ordinary Shares. The market price of the Ordinary Shares may drop below the price at which a Shareholder purchased Ordinary Shares. Any investment in the Ordinary Shares should be viewed as a long-term investment. Shareholders have no right to have their Ordinary Shares repurchased by the Company at any time and therefore Shareholders wishing to realise their investment in the Company will be required to dispose of their Ordinary Shares through the stock market. Whilst the Directors retain the right to effect repurchases of Ordinary Shares, they are under no obligation to use such powers at any time and Shareholders should not place any reliance on the willingness of the Directors so to act. Market liquidity in the shares of similar companies to the Company is frequently inferior to the market liquidity in shares issued by larger companies traded on the London Stock Exchange. There can be no guarantee that a liquid market in the Ordinary Shares will exist. Accordingly, Shareholders may be unable to realise their Ordinary Shares at the quoted market price or at all.

The market price for the Ordinary Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control

In recent years, financial markets have experienced significant price and volume fluctuations that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Additionally, these factors, as well as other related factors, may cause decreases in asset values, which may result in impairment losses resulting in the deferral or ultimately the loss of future income. Any recessionary economic environment, and the resulting increased levels of volatility and related market turmoil, could have a material adverse effect on the Company's future investment-related income, business, operations, financial condition, share price and ability to pay a dividend or return capital to Shareholders.

Dilution of Shareholders' interest as a result of the Capital Raise or additional equity issues

If Shareholders do not or are unable to take up the offer of Ordinary Shares under the Institutional Capital Raise, their proportionate ownership and voting interests in the Company will be reduced as a result of the Institutional Capital Raise and the percentage that their Ordinary Shares will represent of the Enlarged Share Capital will be reduced accordingly. Eligible Shareholders may be diluted in connection with the Open Offer.

Further, the Company may choose to issue additional Ordinary Shares in subsequent public offerings or private placements to fund acquisitions or as consideration for acquisitions. The Company is seeking renewed standing authorities to allot shares and disapply pre-emption rights based on its Enlarged Share Capital at the General Meeting. In addition, the Company may issue additional Ordinary Shares not for cash or to satisfy entitlements of participants in the LTIP arising on crystallisation of a series of Incentive Shares. Future placings or other issues of Ordinary Shares when pre-emption rights have been disapplied would result in the dilution of the interests of existing Shareholders. The extent of such dilution will depend on the number of

Ordinary Shares placed or otherwise issued on each occasion, and the price (if any) at which such Ordinary Shares are issued. The perceived risk of dilution may cause the market price of the Ordinary Shares to reflect a lesser sensitivity to increases in the underlying value of Ordinary Shares than might otherwise be expected.

General investment risk and possible volatility of the price of Ordinary Shares

Investors should be aware that the market price of Ordinary Shares may be volatile and may go down as well as up and Shareholders may therefore be unable to recover their original investment and could even lose their entire investment. This volatility could be attributable to various factors and events, including the availability of information for determining the market value of the Ordinary Shares, any regulatory or economic changes affecting the Enlarged Group's operations, variations in the Enlarged Group's operating results, developments in the Enlarged Group's business or its competitors, or changes in market sentiment towards the Ordinary Shares. In addition, the Enlarged Group's operating results and prospects from time to time may be below the expectations of market analysts and investors. Market conditions may affect the Ordinary Shares regardless of the Enlarged Group's operating performance or the overall performance of the sector in which the Enlarged Group operates. Share market conditions are affected by many factors, including general economic outlook, movements in or outlook on interest rates and inflation rates, currency fluctuations, commodity prices, changes in investor sentiment towards particular market sectors and the demand and supply for capital. Accordingly, the market price of the Ordinary Shares may not reflect the underlying value of the Enlarged Group's net assets, and the price at which investors may dispose of their Ordinary Shares at any point in time may be influenced by a number of factors, only some of which may pertain to the Enlarged Group while others of which may be outside the Enlarged Group's control. If the Enlarged Group's revenues do not grow, or grow more slowly than anticipated, or if its operating or capital expenditures exceed expectations and cannot be adjusted sufficiently, the market price of its Ordinary Shares may decline. In addition, if the market for securities of companies in the same sector or the stock market in general experiences a loss in investor confidence or otherwise falls, the market price of the Ordinary Shares may fall for reasons unrelated to the Enlarged Group's business, results of operations or financial condition. Therefore, Shareholders might be unable to resell their Ordinary Shares at or above the price at which they have purchased their Ordinary Shares.

PART 5
DIRECTORS, MANAGEMENT AND CORPORATE GOVERNANCE

1. Board of Directors

1.1 The following table lists the name and position of each Director:

Name	Position
Justin Dowley	Non-Executive Chairman
Simon Peckham	Chief Executive
Matt Richards	Group Finance Director
Christopher Miller	Senior Independent Director

1.2 A brief description of each Director's business experience is set out below:

Justin Dowley (aged 70)—*Non-Executive Chairman*

Justin Dowley has extensive experience with over 35 years spent within the banking, investment and asset management sectors. A chartered accountant, Justin was Head of Investment Banking at Merrill Lynch Europe. He was also a founder partner of Tricorn Partners. He currently serves as the Chairman of Scottish Mortgage Investment Trust plc, and is the Deputy Chair of The Panel on Takeovers and Mergers.

Simon Peckham (aged 61)—*Chief Executive*

Simon Peckham was the co-founder of Melrose in 2003. He was appointed as Chief Executive of Melrose on 9 May 2012, having previously served as Chief Operating Officer from May 2003. Simon provides widespread expertise in corporate finance, mergers and acquisitions, strategy and operations. Simon qualified as a solicitor in 1986.

Matt Richards (aged 50)—*Group Finance Director*

Matt is an ACA qualified chartered accountant and joined Melrose as Head of Financial Reporting from Ernst & Young LLP in 2006, following the acquisition of McKechnie and Dynacast. After the Melrose acquisition of GKN plc in 2018, Matt performed a Deputy Finance Director role, whilst managing the Melrose finance office, based in Birmingham, UK. He has a strong understanding of financial statements and has good financial interpretation and analysis skills, with extensive experience of IFRS and US GAAP financial statements and GAAP conversions. Matt also has expertise in developing cash management processes in businesses acquired, along with the preparation of models for acquisition and financing decisions.

Christopher Miller (aged 73)—*Senior Independent Director*

Christopher Miller was the co-founder of Melrose in 2003. He was appointed as Executive Vice-Chairman of Melrose on 1 January 2019, having previously served as Executive Chairman from May 2003. Christopher has long-standing involvement and experience in manufacturing industries and private investment. A chartered accountant, Christopher qualified with Coopers & Lybrand, following which he was an Associate Director of Hanson plc. In September 1988, Christopher joined the board of Wassall plc as its Chief Executive.

2. Senior Executives

2.1 In addition to the Executive Directors named above, the Company's management team responsible for the day-to-day management of the Company's business comprises the following Senior Executives:

Name	Position
Joff Crawford	Head of Transactions
Jim Slattery	Head of North America
Geoff Morgan	Head of Analytics

2.2 A brief description of each Senior Executive's business experience is set out below:

Joff Crawford—*Head of Transactions*

Joff Crawford was previously Chief Commercial and Legal Officer for Melrose, having joined as Group General Counsel in 2010 to lead their transactions. He has significant mergers and acquisition expertise, together with extensive experience in turnaround situations, restructuring and strategy. Joff originally qualified as an M&A lawyer in Australia working on private equity transactions before moving to a Magic Circle firm in London to do large scale, complex, cross border public and private transactions.

Jim Slattery—*Head of North America*

Jim Slattery was the Chief Operating Officer of North America for Melrose. Jim has extensive experience in operations, corporate acquisitions and disposals, business strategy, restructuring and finance. Prior to joining Melrose, Jim was the Chief Financial Officer for McKechnie Aerospace and has previously served as Chief Financial Officer for 180s, Struever Bros., Eccles & Rouse and DAP Products, Inc. and as controller for Wassall plc. He began his career with Coopers & Lybrand and received a bachelor's degree from the University of Scranton where he subsequently served on the Board of Trustees.

Geoff Morgan—*Head of Analytics*

Geoff Morgan joined Melrose in 2009 following the FKI Plc acquisition. Prior to Melrose, Geoff spent 11 years at Deloitte in the International and M&A tax groups. He holds ACA and CTA qualifications and has extensive experience of acquisitions, reorganisations, restructuring and disposals. More recently, Geoff has led various financial analysis projects, for example relating to pension schemes, acquisition models, disposal preparation and investment performance.

3. Corporate governance

The Directors recognise the value and importance of high standards of corporate governance and have adopted the Corporate Governance Code and the Company complies with those requirements of the Corporate Governance Code that the Directors consider appropriate in light of the Company's size, stage of development, strategy and resources. This will result in a phased implementation as the Company moves to admission to trading on the Main Market of the London Stock Exchange.

The Corporate Governance Code recommends that at least half the board of directors of a UK-listed company, excluding the chair, should comprise non-executive directors determined by the board to be independent in character and judgement and free from relationships or circumstances which may affect, or could appear to affect, the director's judgement ("**Independent Non-Executive Directors**"). The Board consists of the chair (Justin Dowley) (the "**Chairman**"), who was considered independent on appointment, one Independent Non-Executive Director (Christopher Miller) and two executive Directors (Simon Peckham and Matt Richards) (the "**Executive Directors**"). It is anticipated that further additions to the Board will be made after completion of the Acquisition.

The Corporate Governance Code recommends that the board of directors of a company should appoint one of the independent non-executive directors to be the senior independent director to provide a sounding board for the chair and serve as an intermediary for the other directors and shareholders. Christopher Miller is the Senior Independent Director.

The Company has established an Audit Committee, a Remuneration Committee and a Nomination Committee, as recommended by the Corporate Governance Code. The Audit Committee determines the terms of engagement of the Company's auditors and determines, in consultation with the Company's auditors, the scope of the audit. It receives and reviews reports from management and the Company's auditors relating to the interim and annual accounts and the accounting and internal control systems in use by the Company. The Audit Committee has unrestricted access to the Company's auditors. The Remuneration Committee reviews the scale and structure of the Executive Directors' future remuneration and the terms of their service agreements with due regard to the interests of Shareholders in Part 10 (*Additional Information*). No Director is permitted to participate in discussions or decisions concerning his or her own remuneration. The Nomination Committee is responsible for evaluating the balance of skills, knowledge and experience and the size, structure and composition of the Board and committees of the Board and for identifying potential candidates to be appointed as Directors or committee members as the need may arise. If the need should arise, the Directors may set up additional committees as appropriate.

4. Share Dealing Policy

The Company has adopted a share dealing policy in relation to the Ordinary Shares which is based on the rules of the UK Market Abuse Regulation and which is appropriate for a company with shares admitted to trading on AIM (the "**Share Dealing Policy**"). The Share Dealing Policy applies to the Directors, Rosebank Co-Founders and other relevant employees of the Company and will apply to the Enlarged Group following the Acquisition.

PART 6
HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Since the Company was incorporated on 31 May 2024, it has carried out minimal trading activities and therefore has limited historical financial information data (audited or unaudited) upon which prospective investors may base an evaluation of the Company. The annual report and accounts of the Group for the seven months ended 31 December 2024 can be viewed on the Company's website at https://www.rosebankindustries.com and is incorporated by reference into this document. The Group currently prepares its financial information under IFRS and will continue to do so immediately post Readmission.

PART 7
HISTORICAL FINANCIAL INFORMATION OF THE ECI GROUP

ECI Target, via two further holding companies in its corporate structure, is the parent company of Energy Holdings, which is the entity within the ECI Group at which level ECI's consolidated financial statements are prepared and audited. ECI, together with the Excluded Entities, was incorporated in connection with the acquisition by funds managed and/or advised by Cerberus of the ECI Group in 2018, solely for the purpose of holding the equity interests in Energy Holdings and its subsidiaries. The Excluded Entities have not traded since their incorporation and have engaged in limited activity other than ordinary course corporate actions and filings connected with their ownership of the ECI Group.

Therefore, the historical financial information in this Part 7 (*Historical Financial Information of the ECI Group*) relates to Energy Holdings and its subsidiaries rather than ECI and its subsidiaries, and therefore excludes any historical financial information in respect of the Excluded Entities.

The audited consolidated financial statements for Energy Holdings and its subsidiaries for the years ended 31 December 2022, 31 December 2023 and 31 December 2024 are set out in section A of this Part 7 (*Historical Financial Information of the ECI Group*). Section B of this Part 7 (*Historical Financial Information of the ECI Group*) contains adjusted consolidated financial information for Energy Holdings and its subsidiaries for the years ended 31 December 2022, 31 December 2023 and 31 December 2024, and adjusted financial information for the four months ended 30 April 2025. The financial information from which the adjusted financial information for the four months ended 30 April 2025 has been derived is extracted from the unaudited management accounts of ECI, is unaudited and is prepared on a consistent basis with the accounting policies applied to the audited consolidated financial statements presented in section A of this Part 7 (*Historical Financial Information of the ECI Group*) (as it relates to the financial information presented). As at the date of this document, this financial information has not been subject to audit or review by the Company's or ECI's auditors. It should not be seen as a substitute for audited or reviewed financial information and there can be no assurance that this financial information will not be subject to material amendments following completion of the relevant audit procedures. Accordingly, investors are cautioned not to place undue reliance on this information. If any unaudited financial information is subject to amendment following the completion of audit procedures, this may have an adverse effect on the price of the Ordinary Shares. For a further discussion of the risks involved please see the section entitled "ECI financial information" in Part 4 (*Risk Factors*) of this document.

Energy Holdings has historically prepared its consolidated financial statements in accordance with US GAAP and, unless otherwise indicated, the financial information prepared at the Energy Holdings level set out in this Part 7 (*Historical Financial Information of the ECI Group*) has been prepared under US GAAP. As at the date of this document, the Directors have not had sufficient access to the accounting records of the ECI Group in order to prepare a complete reconciliation of the US GAAP accounts to IFRS. However, the Directors believe that there are limited differences between the US GAAP accounts presented in this Part 7 (*Historical Financial Information of the ECI Group*) and any conversion of this financial information under IFRS. Rosebank currently prepares its financial information under IFRS and (assuming Acquisition Completion occurs) the Enlarged Group will continue to do so immediately post Readmission.

Section A—Audited consolidated financial statements of Energy Holdings and its subsidiaries for FY2022, FY2023 and FY2024

Energy Holdings (Cayman) Ltd.

Consolidated Financial Statements
December 31, 2023 and 2022
With Report of Independent Auditors

Electrical Components International

Energy Holdings (Cayman) Ltd.
Index

Report of Independent Auditors 46

Consolidated Statements of Operations and Comprehensive Loss for the years ended December 31, 2023 and 2022 48

Consolidated Balance Sheets as of December 31, 2023 and 2022 49

Consolidated Statements of Stockholder's Equity for the years ended December 31, 2023 and 2022. 50

Consolidated Statements of Cash Flows for the years ended December 31, 2023 and 2022 51

Notes to Consolidated Financial Statements 52

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Report of Independent Auditors

The Board of Directors and Stockholder
Energy Holdings (Cayman) Ltd.

Opinion

We have audited the consolidated financial statements of Energy Holdings (Cayman) Ltd. (the Company), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statements of operations and comprehensive loss, stockholder's equity and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Ernst + Young LLP

March 15, 2024

A member firm of Ernst & Young Global Limited

Energy Holdings (Cayman) Ltd.
Consolidated Statements of Operations and Comprehensive Loss

(Dollars in thousands)

	Year Ended December 31,	
	2023	2022
Net sales	$ 1,364,692	$ 1,256,403
Operating expenses:		
Cost of goods sold, excluding depreciation and amortization	1,094,026	1,025,545
Selling, general and administrative	124,471	103,206
Depreciation	31,691	35,442
Amortization of intangibles	55,948	52,771
Acquisition expenses	2,071	3,700
Restructuring charges	3,960	2,252
Operating income	52,525	33,487
Other expenses:		
Interest expense, net	96,233	66,133
Other expenses	1,713	1,428
Loss before income taxes	(45,421)	(34,074)
Income tax expense	9,889	9,012
Net loss	$ (55,310)	$ (43,086)
Other comprehensive income (loss), net of tax:		
Gain from hedging activities	35,863	19,992
Gain (loss) from foreign currency translation	3,514	(8,715)
Gain (loss) from pension plan	177	(119)
	39,554	11,158
Comprehensive loss	$ (15,756)	$ (31,928)

See accompanying notes to consolidated financial statements.

Energy Holdings (Cayman) Ltd.
Consolidated Balance Sheets

(Dollars in thousands)

	At December 31,	
Assets	**2023**	**2022**
Current assets:		
Cash and cash equivalents	$ 29,624	$ 13,284
Accounts receivable, net	161,862	163,374
Inventories	258,535	242,693
Income tax receivable	998	551
Prepaid expenses and other current assets	80,536	48,523
Assets held for sale	-	307
Total current assets	531,555	468,732
Property, plant and equipment, net	74,755	83,644
Goodwill	426,502	423,236
Intangibles, net	281,190	328,127
Operating lease right of use assets	35,674	42,028
Finance lease right of use assets	387	575
Deferred tax assets	13,276	10,675
Other non-current assets	34,326	21,699
Total assets	$ 1,397,665	$ 1,378,716
Liabilities and Stockholder's Equity		
Current liabilities:		
Accounts payable	$ 228,406	$ 216,517
Current maturities of long-term debt	8,409	8,411
Operating lease liabilities, short-term	6,198	8,694
Finance lease liabilities, short-term	210	183
Accrued and other current liabilities	68,374	49,599
Income taxes payable	3,199	2,403
Total current liabilities	314,796	285,807
Long-term debt, less current maturities	866,473	866,414
Deferred tax liabilities	33,694	32,580
Operating lease liabilities, long-term	30,827	34,604
Finance lease liabilities, long-term	124	253
Other non-current liabilities	45,865	38,957
Total liabilities	1,291,779	1,258,615
Commitments and contingencies	-	-
Stockholder's Equity		
Common stock, $0.01 par value, 5 million shares authorized, one share issued and outstanding	-	-
Additional paid-in capital	306,217	304,676
Accumulated deficit	(253,913)	(198,603)
Accumulated other comprehensive income	53,582	14,028
Total stockholder's equity	105,886	120,101
Total liabilities and stockholder's equity	$ 1,397,665	$ 1,378,716

See accompanying notes to consolidated financial statements.

Energy Holdings (Cayman) Ltd.
Consolidated Statements of Stockholder's Equity

(Dollars in thousands)

	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total
Balance at December 31, 2021	$ 305,326	$ (155,517)	$ 2,870	$ 152,679
Stock-based compensation	1,790	-	-	1,790
Distribution to parent	(2,440)	-	-	(2,440)
Comprehensive income (loss):				
Net loss	-	(43,086)	-	(43,086)
Other comprehensive income	-	-	11,158	11,158
Balance at December 31, 2022	$ 304,676	$ (198,603)	$ 14,028	$ 120,101
Stock-based compensation	1,541	-	-	1,541
Comprehensive income (loss):				
Net loss	-	(55,310)	-	(55,310)
Other comprehensive income	-	-	39,554	39,554
Balance at December 31, 2023	$ 306,217	$ (253,913)	$ 53,582	$ 105,886

See accompanying notes to consolidated financial statements.

Energy Holdings (Cayman) Ltd.
Consolidated Statements of Cash Flows

(Dollars in thousands)

	Year Ended December 31,	
	2023	2022
Cash flows from operating activities:		
Net loss	$ (55,310)	$ (43,086)
Adjustments to reconcile net loss to		
net cash provided by operating activities:		
Depreciation and amortization	87,639	88,213
Deferred taxes	(8,038)	(1,913)
Amortization of debt discounts and fees	8,678	6,390
Stock-based compensation expense	1,541	1,790
Loss on disposal of property, plant and equipment	181	28
Changes in operating assets and liabilities:		
Accounts receivable	3,266	(12,751)
Inventories	(10,833)	(11,636)
Income tax receivable	(411)	1,442
Prepaid expenses and other	(3,028)	1,151
Accounts payable	11,800	(11,038)
Accrued and other liabilities	26,132	(6,577)
Income taxes payable	796	(3,583)
Net cash provided by operating activities:	62,413	8,430
Cash flows from investing activities:		
Acquisitions, net of cash acquired	(15,501)	(51,694)
Capital expenditures	(22,166)	(30,357)
Proceeds from disposal of fixed assets	161	19
Net cash used in investing activities:	(37,506)	(82,032)
Cash flows from financing activities:		
Proceeds from term loans, net of discount	-	56,400
Repayment of term loans	(8,180)	(6,281)
Repayments on first-lien revolving credit facility	-	(9,000)
Draws on first-lien revolving credit facility	-	9,000
Debt issuance costs	-	(2,321)
Repayment on foreign term loans	(265)	(367)
Net repayment of foreign credit facility	(20)	(2,171)
Equity distributions	-	(2,440)
Principal payments on finance leases	(203)	(208)
Net cash (used in) provided by financing activities:	(8,668)	42,612
Effect of exchange rate changes on cash and cash equivalents	101	(447)
Net change in cash and cash equivalents	16,340	(31,437)
Cash and cash equivalents, beginning of year	13,284	44,721
Cash and cash equivalents, end of year	$ 29,624	$ 13,284
Supplemental cash flow information:		
Cash paid for interest	$ 87,555	$ 59,743
Cash paid for income taxes	$ 13,120	$ 11,842

See accompanying notes to consolidated financial statements.

1. Basis of Presentation and Summary of Significant Accounting Policies

Organization

Energy Holdings (Cayman) Ltd., a Cayman Islands company ("EHC"), was formed on June 15, 2018. EHC, together with its wholly owned subsidiaries, including Electrical Components International, Inc. ("ECI") and ECI's wholly owned subsidiaries, is herein referred to as "the Company." The authorized capital of the Company is composed of 5,000,000 shares of $0.01 par value stock, and as of December 31, 2023 and 2022, one share of stock is issued and outstanding for the periods presented.

Basis of Presentation and Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All significant intercompany balances and transactions are eliminated in consolidation.

Nature of Business

The Company is a leading designer and manufacturer of wire harnesses and control boxes, and a provider of value-added assembly services. Wire harnesses are configurations of wires, cables, connectors, terminals and plugs found in many electronic products, including residential and commercial appliances; automotive and specialty transportation vehicles; agricultural and construction equipment; heating, ventilation and air conditioning equipment; marine vehicles and equipment; and commercial electronic equipment.

As of December 31, 2023, the Company operated a global manufacturing network of 39 factories located in the United States, Mexico, Canada, Poland, Morocco, Thailand, the Philippines, Spain and the People's Republic of China. The Company's headquarters are in St. Louis, Missouri.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States ("U.S.") requires management to make estimates and assumptions that affect (i) the reported amounts of assets, (ii) the disclosure of contingent assets and liabilities at the date of the financial statements and (iii) the reported amounts of net sales and expenses during the reporting periods. Due to the inherent uncertainty involved in making estimates, actual results reported in future periods may be based upon amounts that differ from those estimates.

Cash and Cash Equivalents

The Company considers short-term highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Foreign Currency Transactions and Translation

The U.S. dollar has been designated as the functional currency for the Company's Mexico, China, Philippines, and Thailand legal entities. Exchange rate gains and losses arising from transactions denominated in a currency other than the functional currency of foreign manufacturing entities are included in cost of goods sold in the Company's consolidated statements of operations and comprehensive loss. For the years ended December 31, 2023 and 2022, cost of goods sold include net exchange rate losses of $4,627 and $5,419, respectively.

Assets and liabilities of subsidiaries with a functional currency other than the U.S. dollar are translated into U.S. dollars using year-end exchange rates. Income and expense items are translated at the weighted average exchange rate in effect during the period reported. Foreign currency translation gains and losses are included as a component of accumulated other comprehensive income.

Derivatives

The Company enters into derivative financial instruments to manage certain financial risks. The Company (i) enters into cash flow hedges in the form of foreign exchange forward contracts to minimize the impact of foreign currency fluctuations and (ii) enters into commodity futures contracts to reduce exposure to changing future purchase prices for copper. There can be no assurance that these activities will eliminate or reduce foreign currency or commodity price risk.

Derivative contracts are accounted for at fair value. Gains and losses on derivative contracts are reclassified from accumulated other comprehensive income to current period earnings in the line item in which the hedged item is recorded in the same period the hedged item affects earnings.

Accounts Receivable and Allowance for Expected Credit Losses

Accounts receivable balances represent customer trade receivables generated from the Company's operations. To reduce the potential for credit risk, the Company evaluates the credit of its customers based on a combination of factors but does not generally require significant collateral. The Company maintains an allowance for credit losses, which represents an estimate of expected losses. The allowance is determined using two methods. The amounts calculated from each of these methods are combined to determine the total amount reserved. First, a specific reserve is established for individual accounts where information indicates the customers may have an inability to meet financial obligations. Second, a reserve is determined for all customers based on certain characteristics of the class of customers, using a range of percentages applied to aging categories. These percentages are based on historical collection rates, write-off experience, and forecasts of future economic conditions. Actual write-offs are charged against the allowance when collection efforts have been unsuccessful. As of December 31, 2023 and 2022, accounts receivable, net in the Company's consolidated balance sheets include an allowance for credit losses of $1,689 and $2,700, respectively.

Counterparty Risk

The Company is exposed to counterparty credit risk in the event of non-performance by counterparties to various agreements, sales transactions and derivative contracts. The Company manages such risk by evaluating the financial position and creditworthiness of such counterparties and, with respect to derivative contracts, monitoring the amounts at risk with each counterparty and, where possible, dispersing risk among multiple counterparties.

Transfers of Financial Assets

From time to time, the Company will transfer its accounts receivable of certain customers at a discount to third-party financial institutions in arrangements where there is no recourse to the Company and where the Company has no continuing involvement in the collection of the receivable. These transactions are accounted for as sales of the receivables resulting in the receivables being de-recognized from the Consolidated Balance Sheets. The Company recorded selling, general and administrative expense

associated with discounts related to the sale of customer receivables which was $11,532 and $6,601 for the years ended December 31, 2023 and 2022, respectively, related to sales of accounts receivables aggregating $561,092 and $450,269 during those respective periods.

Supply Chain Financing Arrangements

Under a supplier finance program with a third-party vendor, the Company allows certain of its suppliers to sell their accounts receivable from the Company (which is a Company payable to the supplier) to third-party financial institutions participating in the program. The Company has no involvement in establishing the terms or conditions of the arrangements between its suppliers and the financial institutions in the program, does not participate in their transactions, and provides no secured assets or other forms of guarantees under the program. The parties may terminate the program at any time. Accounts payable includes amounts payable to suppliers participating in the supply chain program as follows:

	Amounts Payable to Participating Suppliers
December 31, 2021	$ 44,237
Added	214,047
Settled	(208,243)
December 31, 2022	$ 50,041
Added	$ 248,427
Settled	(239,263)
December 31, 2023	$ 59,205

The Company has incurred additional expenses from suppliers for payables added to the program of $5,655 and $3,397, for the years ended December 31, 2023 and 2022, respectively, in order to obtain extended payment terms. This additional cost has been recognized within cost of goods sold.

Inventories

Inventories are stated at the lower of cost or net realizable value using the first-in, first-out ("FIFO") and average cost methods. Product cost includes raw materials, labor and manufacturing overhead. Fixed manufacturing overhead is allocated to the cost of inventory based on the normal capacity of production facilities. Unallocated overhead during periods of abnormally low production levels is recognized in cost of goods sold in the period in which it is incurred. The Company establishes inventory reserves for estimated obsolescence in an amount equal to the difference between the cost of inventory and its estimated realizable value, based upon assumptions about future demand and market conditions.

Assets Held for Sale

Assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell. In September 2023, the Company sold one manufacturing facility which had been closed as part of restructuring. The resulting loss on sale of $239 is included in selling, general and administrative expense for the year ended December 31, 2023.

Property, Plant and Equipment, net

Additions to property, plant and equipment are recorded at historical cost. Repairs and maintenance that do not extend the useful life of an asset are charged to expense as incurred. The useful lives of leasehold improvements are the lesser of the remaining lease term or the useful life of the improvement. When assets are retired or otherwise disposed, their costs and related accumulated depreciation are removed from the accounts, and any resulting gains or losses are included in operations for the period. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets as follows:

Buildings	15-30 years
Leasehold improvements	4-11 years
Machinery, equipment, systems and other	2-10 years

Identifiable Intangible Assets

The Company amortizes definite-lived intangible assets over the estimated useful lives of the related assets. As of December 31, 2023 and 2022, the Company’s definite lived intangible assets consisted of customer relationships, trade names and developed technology. Customer relationships, trade names and developed technology are amortized using the straight-line method over their estimated useful lives of the related assets as follows:

Customer relationships	5-10 years
Trade names	2-25 years
Developed technology	6 years

Impairment of Long-lived Assets

The Company reviews the carrying amounts of property, plant and equipment and identifiable intangible assets for potential impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. In evaluating the recoverability of assets, long-lived assets are grouped at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets. In the event the carrying amount of an asset group is greater than the amount of undiscounted future cash flows, the Company would recognize an impairment charge to reduce the carrying amount of the long-lived asset group to its fair value. The Company identified no potential impairment indicators during the years ended December 31, 2023 and 2022.

Goodwill

Goodwill represents costs in excess of values assigned to the underlying net assets of acquired businesses. Goodwill is not amortized, but is tested for impairment annually, and at any time when events suggest an impairment more likely than not has occurred.

The Company performs its goodwill impairment assessment on October 1. To assess goodwill for impairment, the Company, depending on relevant facts and circumstances, performs either a qualitative assessment or a quantitative analysis utilizing a combination of income and market approaches. In performing a qualitative assessment, the Company first assesses relevant factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for

determining whether it is necessary to perform a quantitative goodwill impairment test. The Company identifies and considers the significance of relevant key factors, events, and circumstances that could affect the fair value of each reporting unit. These factors include external factors such as macroeconomic, industry, and market conditions, as well as entity-specific factors, such as actual and planned financial performance. The Company also considers changes in each reporting unit's fair value and carrying amount since the most recent date a fair value measurement was performed. In performing a quantitative analysis, the Company determines the fair value of a reporting unit using management's assumptions about future cash flows based on long-range strategic plans as well as assumptions of market-based multiples for select guideline companies. This approach incorporates many assumptions including discount rates, future growth rates, expected profitability, and market multiples. In the event the carrying amount of a reporting unit exceeded its fair value, an impairment loss would be recognized.

The Company performed its goodwill impairment analysis utilizing a combination of the qualitative and the quantitative approach in 2023 and 2022. No goodwill impairments were recorded during 2023 or 2022.

Deferred Financing Costs

Deferred financing costs, consisting of fees and expenses associated with debt financing, are amortized as interest expense over the term of the related debt using the effective interest method. The unamortized financing costs are presented in the consolidated balance sheets as a reduction of the carrying amount of the related debt. The Company recorded $8,462 and $6,318 of amortization of deferred financing costs during the years ended December 31, 2023 and 2022, respectively. Fees and expenses associated with the revolving credit facility are amortized as interest expense over the term of the revolver using the straight-line method. The unamortized financing costs are presented in the consolidated balance sheets within other non-current assets. The Company recorded $216 and $72 of amortization of the other non-current asset during the year ended December 31, 2023 and 2022, respectively.

Income Taxes

Deferred tax assets and liabilities reflect the Company's assessment of future taxes to be paid in the jurisdictions in which the Company operates based on enacted rates at the balance sheet date. These assessments involve temporary differences resulting from differing treatment of items for tax and accounting purposes. In addition, unrecognized tax benefits under the provisions of ASC 740, *Income Taxes*, reflect estimates of current tax exposures. Under the provisions of ASC 740, the Company elected to include interest and penalties related to the unrecognized tax benefits in its income tax provision. The Company establishes a valuation allowance to the extent it believes it is more likely than not that deferred tax assets will not be realized. Carrybacks, the scheduled reversal of deferred tax liabilities, tax planning strategies and expectations of future income are the primary factors the Company uses to evaluate whether valuation allowances are required.

Leases

The Company determines if an arrangement is a lease at inception of the contract. Lease assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Lease assets and liabilities are recognized at the commencement date based on the present value of fixed lease payments over the lease term. The Company's lease commitments are primarily for production facilities and administrative offices, but also include vehicles and equipment assets. Leases with an initial term of 12 months or less are not recorded on the balance sheet; instead, the

Company recognizes lease expense for these leases on a straight-line basis over the lease term. The Company does not account for lease components (e.g., fixed payments to use the underlying lease asset) separately from the non-lease components (e.g., fixed payments for common-area maintenance costs and other items that transfer a good or service). Some leases include variable lease payments, which primarily result from changes in consumer price and other market-based indices, which are generally updated annually, and maintenance and usage charges. These variable payments are excluded from the calculation of lease assets and liabilities, unless there is a specified minimum. The Company's lease agreements do not contain any material residual value guarantees.

Many of the Company's leases include renewal options that can extend the lease term. The execution of those renewal options is at the Company's sole discretion and is reflected in the lease term when they are reasonably certain to be exercised. Certain leases also include options to purchase the leased asset. The Company does not include options to purchase leased assets in the measurement of lease liabilities unless those options are reasonably certain of exercise. The Company uses the interest rate implicit in the lease to determine the lease liability when the interest rate can be determined. When there is no implied rate, the Company uses its incremental borrowing rate as of the lease commencement date to determine the present value of lease payments. The Company estimates the incremental borrowing rate based on the geographic region for which it would borrow, on a secured basis of the leased asset, at an amount equal to the lease payments over a similar time period as the lease term. In making its estimate of the incremental borrowing rate, the Company uses Level 2 inputs, including published industry interest rate yield curves. The Company has no additional restrictions or covenants imposed by its lease contracts.

Revenue Recognition

Revenue from the sale of the Company's products is recognized using a five-step model applied to all contracts with customers. Revenue is recognized when the Company satisfies the performance obligation and the control of promised goods is transferred to the customer in an amount that reflects the consideration expected to be received in exchange for those goods. The Company's revenue recognition arrangements generally consist of a single performance obligation to transfer promised goods. Accordingly, substantially all of the Company's revenue is recognized at a point in time when control of the goods transfers to the customer.

Shipping Costs

During the years ended December 31, 2023 and 2022, freight costs of $16,985 and $17,970, respectively, were incurred by the Company for shipments from its suppliers and to ship finished goods from production sites to the Company's distribution centers. These costs are included in cost of goods sold upon sale to the customer. Shipping and handling costs incurred to deliver finished goods to customers as of December 31, 2023 and 2022 were $3,597 and $3,817, respectively, and are included in selling, general and administrative expense.

Acquisition Expenses

The Company recognizes costs associated with potential and completed acquisitions within the statement of operations at the time they are incurred. The costs are primarily related to professional and legal fees.

Fair Value Measurements

The Company measures the fair value of assets and liabilities using a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value as follows: Level 1 – observable inputs such as quoted prices in active markets; Level 2 – inputs, other than quoted market prices in active markets, which are observable, either directly or indirectly; and Level 3 – valuations derived from valuation techniques in which one or more significant inputs are unobservable. In addition, the Company may use various valuation techniques, including (i) the market approach, using comparable market prices; (ii) the income approach, using present value of future income or cash flow; and (iii) the cost approach, using the replacement cost of assets.

Recent Accounting Standards

Income Taxes

In December 2023, the FASB issued ASU 2023-09, requiring additional income tax disclosures. The additional disclosures include prescribed items presented in the income tax rate reconciliation, and further disaggregation of income taxes paid amounts between federal, state and foreign taxes. The ASU is effective for fiscal years beginning after December 15, 2024 and early adoption is permitted. The Company is in the process of evaluating the impact of the ASU.

Supplier Finance Programs

In September 2022, the FASB issued ASU No. 2022-04, “Liabilities – Supplier Finance Programs (Subtopic 405-50): Disclosure of Supplier Finance Program Obligations”, which amends ASC 405 by requiring entities to provide more detailed disclosures regarding supplier finance programs used in connection with the purchase of goods and services. The intent of ASU 2022-04 is to enhance transparency of these programs by requiring entities to disclose (i) the key terms of the program(s), including the payment terms and assets pledged as security or other forms of guarantees, (ii) the amount of obligations outstanding at the end of the reporting period and a description of where those obligations are presented on the balance sheet, and (iii) annual rollforward information of the activity of such obligations during the reporting period. ASU 2022-04 is effective for fiscal years, including interim periods within those fiscal years, beginning after December 15, 2022, with the exception of the disclosure of rollforward information, which is effective for fiscal years beginning after December 15, 2023. The Company adopted this standard on January 1, 2023 and included additional disclosures of the Company’s supplier financing programs.

Reference Rate Reform

In March 2020, the FASB issued Update 2020-04, "Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting". The amendments in Update 2020-04 are elective and apply to all entities that have contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued due to reference rate reform. The new guidance provides the following optional expedients: simplify accounting analyses under current U.S. GAAP for contract modifications, simplify the assessment of hedge effectiveness, allow hedging relationships affected by reference rate reform to continue and allow a one-time election to sell or transfer debt securities classified as held to maturity that reference a rate affected by reference rate reform. In January 2021, the FASB issued Update 2021-01, "Reference Rate Reform (Topic 848): Scope". The update provides additional optional guidance on the transition from LIBOR to include derivative instruments that

use an interest rate for margining, discounting or contract price alignment. The standard will ease, if warranted, the requirements for accounting for the future effects of the rate reform. An entity may elect to apply the amendments in Update 2020-04 prospectively through December 31, 2022. In December 2022, the FASB issued ASU No. 2022-06, "Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848", which extends the temporary accounting rules under Topic 848 to December 31, 2024. The Company is currently assessing the impact of adopting this standard on its consolidated financial statements and the timing of adoption. The Company continues to monitor the impact the discontinuance of LIBOR or another reference rate will have on its contracts, hedging relationships and other transactions.

2. Business Combinations

The MRG Mexico Acquisition

On July 12, 2023, the Company purchased the assets of Manufacturing Resources Group, Inc., a manufacturer of cable assemblies and electromechanical assemblies with operations in Mexico for cash consideration of $2,011 (the "MRG Mexico Acquisition"). The MRG Mexico Acquisition was funded with cash from the balance sheet.

The MRG Mexico Acquisition was accounted for as a business combination. The purchase price allocation was finalized as of December 31, 2023. The Company's final estimate of the fair value of the assets acquired is $1,779 for inventory and $84 for fixed assets. Goodwill recognized was $148. Goodwill is deductible for tax purposes.

During the year ended December 31, 2023, the Company incurred $891 of acquisition related costs recognized within acquisition expenses on the consolidated statement of operations and comprehensive loss.

The ASI Acquisition

On April 19, 2023, the Company acquired all issued and outstanding shares of Aerosystems International, Inc., a manufacturer of harness and cable systems and electromechanical assemblies for the aerospace industry with operations in Canada, for total consideration of $13,227 (C$17,704), net of cash acquired of $72 (C$96) (the "ASI Acquisition"). The ASI Acquisition was funded with remaining proceeds from the Tranche C Term Loan and cash from the balance sheet.

The ASI Acquisition was accounted for as a business combination. The preliminary purchase price allocation is not finalized as of December 31, 2023. The Company is currently awaiting additional information to finalize the fair values of intangible assets as well as finalization of intangible and tangible asset useful lives. The following table summarizes the Company's preliminary estimate of the fair value of the assets acquired and liabilities assumed in the ASI Acquisition:

Tangible assets and liabilities		
Accounts receivable	$	1,754
Inventories		3,230
Prepaid expenses and other current assets		36
Property, plant and equipment		199
Accounts payable		(89)
Deferred tax liabilities		(2,149)
Accrued and other current liabilities		(212)
Intangible assets		
Customer relationships		7,918
Goodwill		2,540
Total purchase price allocation	$	13,227

Determining the fair value of assets acquired and liabilities assumed required judgment, and included the use of significant estimates and assumptions, including assumptions with respect to future cash inflows and outflows, discount rates and asset lives, among other items. Due to the unobservable inputs to the valuation, the fair value would be considered Level 3 in the fair value hierarchy.

Based upon the estimated fair value of the net assets acquired, the goodwill recognized in the ASI Acquisition was $2,540 and is primarily attributable to the expansion of product offerings and into new markets. Goodwill is not deductible for tax purposes.

During the year ended December 31, 2023, the Company incurred $805 of acquisition related costs recognized within acquisition expenses on the consolidated statement of operations and comprehensive loss.

The MRG Acquisition

On December 20, 2022, the Company acquired all issued and outstanding shares of Norwood US Holdings, Inc., parent entity of MRG US LLC ("MRG"), a manufacturer of cable assemblies and electro-mechanical assemblies with operations in the United States for cash consideration of $30,995, net of cash acquired of $2,998 (the "MRG Acquisition"). The MRG Acquisition was funded with an incremental term loan.

The purchase price of the MRG Acquisition was contingent upon a net working capital adjustment. During 2023, the parties to the transaction resolved this contingency and agreed to decrease the purchase price by $67 to $30,928. This cash payment received from the seller resulted in a decrease to goodwill.

The MRG Acquisition was accounted for as a business combination. The following table summarizes the Company's finalized estimate of the fair value of the assets acquired and liabilities assumed in the MRG Acquisition:

Tangible assets and liabilities		
Accounts receivable	$	3,357
Inventories		2,632
Prepaid expenses and other current assets		7
Property, plant and equipment		444
Operating right of use lease assets		1,115
Other non-current assets		2
Accounts payable		(1,735)
Operating lease liabilities, short-term		(118)
Accrued and other current liabilities		(3,644)
Deferred tax liabilities		(4,928)
Operating lease liabilities, long-term		(997)
Intangible assets		
Customer relationships		21,500
Trade names		400
Goodwill		12,893
Total purchase price allocation	$	30,928

Determining the fair value of assets acquired and liabilities assumed required judgment, and included the use of significant estimates and assumptions, including assumptions with respect to future cash inflows and outflows, discount rates and asset lives, among other items. Due to the unobservable inputs to the valuation, the fair value would be considered Level 3 in the fair value hierarchy. Purchase accounting was finalized with the following measurement period adjustments in fiscal year 2023:

	Preliminary		Final	
Tangible assets and liabilities				
Accrued and other current liabilities	$	(3,581)	$	(3,644)
Intangible assets				
Goodwill		12,830		12,893

Based upon the estimated fair value of the net assets acquired, the goodwill recognized in the MRG Acquisition was $12,893 and is primarily attributable to the expansion of product offerings and into new markets. Goodwill is not deductible for tax purposes.

During the years ended December 31, 2023 and 2022, the Company incurred $133 and $1,458, respectively, of acquisition related costs recognized within acquisition expenses on the consolidated statement of operations and comprehensive loss.

The Britech Acquisition

On December 8, 2022, the Company acquired all issued and outstanding shares of Britech, LLC ("Britech"), a contract manufacturer specializing in cables and harnesses, control panels, engineering services, testing, and turnkey manufacturing with operations in the United States for cash consideration of $10,349, net of cash acquired of $225 (the "Britech Acquisition"). The Britech Acquisition was funded with an incremental term loan.

The purchase price of the Britech Acquisition was contingent upon a net working capital adjustment. During 2023, the parties to the transaction resolved this contingency and agreed to decrease the purchase price by $221 to $10,128. This cash payment received from the seller resulted in a decrease to goodwill.

The Britech Acquisition was accounted for as a business combination. The following table summarizes the Company's finalized estimate of the fair value of the assets acquired and liabilities assumed in the Britech Acquisition:

Tangible assets and liabilities		
Accounts receivable	$	1,270
Inventories		1,835
Property, plant and equipment		221
Operating right of use lease assets		1,233
Other non-current assets		18
Accounts payable		(699)
Operating lease liabilities, short-term		(171)
Accrued and other current liabilities		(579)
Operating lease liabilities, long-term		(1,061)
Intangible assets		
Customer relationships		6,500
Goodwill		1,561
Total purchase price allocation	$	10,128

Determining the fair value of assets acquired and liabilities assumed required judgment, and included the use of significant estimates and assumptions, including assumptions with respect to future cash inflows and outflows, discount rates and asset lives, among other items. Due to the unobservable inputs to the valuation, the fair value would be considered Level 3 in the fair value hierarchy.

Based upon the estimated fair value of the net assets acquired, the goodwill recognized in the Britech Acquisition was $1,561 and is primarily attributable to the expansion of product offerings and into new markets. All goodwill is deductible for tax purposes.

During the years ended December 31, 2023 and 2022, the Company incurred $87 and $990, respectively, of acquisition related costs recognized within acquisition expenses on the consolidated statement of operations and comprehensive loss.

The BHC Acquisition

On January 7, 2022, the Company acquired all issued and outstanding shares of BHC Cable Assemblies, Inc. ("BHC"), a manufacturer of wire harnesses, cable assemblies, and electromechanical assemblies for medical, aerospace, renewable energy, and entertainment markets with operations in Canada for cash consideration of $11,387 (C$14,639), net of cash acquired of $102 (C$130) (the "BHC Acquisition"). The BHC Acquisition was funded with cash on hand. The purchase price included a purchase price payable of $1,550 (C$1,960). During the years ended December 31, 2023 and 2022, the Company paid $551 (C$730) and $395 (C$500) of the purchase price payable, respectively.

The purchase price of the BHC Acquisition was contingent upon a net working capital adjustment. During 2022, the parties to the transaction resolved this contingency and agreed to decrease the purchase price by $25 to $11,362. This cash payment received from the seller resulted in a decrease to goodwill.

The BHC Acquisition was accounted for as a business combination. The following table summarizes the Company's finalized estimate of the fair value of the assets acquired and liabilities assumed in the BHC Acquisition:

Tangible assets and liabilities		
Accounts receivable	$	1,629
Inventories		1,080
Income tax receivable		29
Prepaid expenses and other current assets		15
Property, plant and equipment		207
Operating right of use lease assets		185
Accounts payable		(618)
Deferred tax liabilities		(1,950)
Operating lease liabilities, short-term		(73)
Accrued and other current liabilities		(106)
Operating lease liabilities, long-term		(112)
Intangible assets		
Customer relationships		7,299
Goodwill		3,777
Total purchase price allocation	$	11,362

Determining the fair value of assets acquired and liabilities assumed required judgment, and included the use of significant estimates and assumptions, including assumptions with respect to future cash inflows and outflows, discount rates and asset lives, among other items. Due to the unobservable inputs to the valuation, the fair value would be considered Level 3 in the fair value hierarchy.

Based upon the estimated fair value of the net assets acquired, the goodwill recognized in the BHC Acquisition was $3,777 and is primarily attributable to the expansion of product offerings and into new markets. Goodwill is not deductible for tax purposes.

During the year ended December 31, 2022, the Company incurred $652 of acquisition related costs recognized within acquisition expenses on the consolidated statement of operations and comprehensive loss.

3. Revenue Recognition

Performance Obligations

The Company provides manufacturing of wire harnesses and control boxes to companies in various industries and end markets. The Company derives substantially all of its revenue from production of wire harnesses which encompasses the act of producing tangible products that are built to customer specifications, which are then provided to the customer.

The Company enters into manufacturing service contracts with its customers that provide the framework under which business will be conducted and customer purchase orders will be received for specific quantities and with predominantly fixed pricing. As a result, the Company considers its contract with a customer to be the combination of the manufacturing service contract and the purchase order, or any agreements or other similar documents (“Agreement”).

Revenue is recognized at a point in time when control of the goods transfers to the customer. Payments from customers are typically received within 90 days.

Certain contracts with customers include variable consideration, such as rebates, discounts, or returns. The Company recognizes estimates of this variable consideration that are not expected to result in a significant revenue reversal in the future, primarily based on the most likely level of consideration to be paid to the customer under the specific terms of the underlying programs and Agreement.

Sales Tax and Indirect Taxes

The Company is subject to certain indirect taxes in certain jurisdictions including but not limited to sales tax, value added tax, excise tax and other taxes collected concurrent with revenue-producing activities that are excluded from the transaction price, and therefore, excluded from revenue.

Accounts Receivable and Concentration of Credit Risk

For the years ended December 31, 2023 and 2022, one customer represented more than 10% of the Company’s net sales.

As of December 31, 2023 and 2022, no single customer represented more than 10% of the Company’s accounts receivable balance.

4. Inventories

The composition of inventories is as follows:

	December 31,	
	2023	2022
Raw materials	$ 154,021	$ 150,278
Work in process	28,738	28,233
Finished goods	75,776	64,182
Total	$ 258,535	$ 242,693

5. Prepaid Expenses and Other Current Assets

The composition of prepaid expenses and other current assets is as follows:

	December 31,	
	2023	2022
Cash flow hedge contracts	$ 51,305	$ 23,309
Value-added tax receivable	7,947	4,335
Spare parts and tooling	6,426	6,106
Vendor rebates	3,402	2,841
Prepaid software and licenses	2,850	4,051
Deposits	2,395	1,942
Prepaid contract services	1,925	3,261
Prepaid insurance	1,812	1,334
Other	2,474	1,344
Total	$ 80,536	$ 48,523

6. Property, Plant and Equipment, net

The composition of property, plant and equipment, net is as follows:

	December 31, 2023	December 31, 2022
Land	$ 5,412	$ 5,288
Buildings	12,778	13,104
Machinery and equipment	190,088	173,117
Furniture and fixtures	7,190	6,467
Computers and software	13,287	12,323
Leasehold improvements	9,651	9,815
Construction-in-progress	4,687	3,263
	243,093	223,377
Accumulated depreciation	(168,338)	(139,733)
Total property, plant and equipment, net	$ 74,755	$ 83,644

7. Leases

The table below presents information related to the lease expenses for the year ended December 31, 2023 and 2022:

	December 31, 2023	December 31, 2022
Operating lease expenses	$ 13,700	$ 12,977
Finance lease expenses	334	162
Variable lease expenses	1,431	899
Short-term lease expenses	1,545	1,171
Total lease expenses	$ 17,010	$ 15,209

Supplemental cash flow information related to leases for the year ended December 31, 2023 and 2022:

	December 31,	
	2023	2022
Operating cash flows from operating leases	$ 13,248	$ 12,734
Operating cash flows from finance leases	48	62
Financing cash flow from finance leases	203	208
Operating right of use assets obtained in exchange for operating lease liabilities	$ 3,004	$ 7,948
Finance right of use assets obtained in exchange for finance lease liabilities	29	123

Right of use assets obtained in exchange for lease liabilities arising from business combinations is disclosed in Note 2 to the Consolidated Financial Statements.

Supplemental balance sheet information related to leases was as follows:

	December 31,	
	2023	2022
Weighted average remaining lease term		
Operating leases	9.8 years	9.5 years
Finance leases	2.0 years	2.3 years
Weighted average discount rate		
Operating leases	11.82%	11.50%
Finance leases	11.65%	11.74%

The following table reconciles the undiscounted future cash flows from operating and finance leases to the operating and finance lease liabilities recorded on the consolidated balance sheet as of December 31, 2023:

Year Ended December 31,	Operating	Finance
2024	$ 10,082	$ 233
2025	8,547	77
2026	6,169	40
2027	4,341	17
2028	3,567	1
Thereafter	32,826	-
Total minimum lease payments	65,532	368
Less: Amount of lease payments representing interest	(28,507)	(34)
Present value of future minimum lease payments	37,025	334
Less: Lease liabilities - current	(6,198)	(210)
Lease liabilities - long-term	$ 30,827	$ 124

8. Goodwill and Intangible Assets, net

Goodwill

The changes in the amount of goodwill during the years ended December 31, 2023 and 2022, were as follows:

	Goodwill
Balance, December 31, 2021	$ 405,934
Goodwill Acquired	18,599
Measurement period adjustments	1,005
Foreign currency translation	(2,302)
Balance, December 31, 2022	$ 423,236
Goodwill Acquired	2,400
Measurement period adjustments	63
Foreign currency translation	803
Balance, December 31, 2023	$ 426,502

Intangible Assets, net

The Company's identifiable intangible assets consist of customer relationships, trade names, and developed technology.

The composition of intangible assets, net is as follows:

	December 31, 2023			December 31, 2022		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Customer Relationships	$ 498,420	$ (231,224)	$ 267,196	$ 488,904	$ (176,272)	$ 312,632
Trade Names	16,322	(3,922)	12,400	16,374	(2,940)	13,434
Developed Technology	2,910	(1,316)	1,594	2,910	(849)	2,061
	$ 517,652	$ (236,462)	$ 281,190	$ 508,188	$ (180,061)	$ 328,127

During the year ended December 31, 2023, the Company recognized identifiable intangible asset amortization expense related to customer relationships, trade names and developed technology of $54,503, $978 and $467, respectively. During the year ended December 31, 2022, the Company recognized identifiable intangible asset amortization expense related to customer relationships, trade names and developed technology of $51,532, $772 and $467, respectively.

As of December 31, 2023, the balance of identifiable intangible assets relates to customer relationships, trade names and developed technology. The estimated future amortization of identifiable intangible assets is expected to be:

Year Ended December 31,		
2024	$	56,202
2025		56,009
2026		54,540
2027		47,376
2028		26,834
Thereafter		40,229
Total identifiable intangible asset amortization	$	281,190

As of December 31, 2023, the remaining weighted average amortization period for customer relationships, trade names and developed technology is 5.5 years, 18.3 years and 3.4 years, respectively.

9. Restructuring

As of December 31, 2023 and 2022, the reserve for restructuring charges of $171 and $422, respectively, related to the Company's plans to consolidate certain operations as part of its ongoing efforts to better align overhead costs and operating expenses with market demand for its products. In connection with these activities, the Company incurred $3,960 and $2,252 of restructuring charges during the years ended December 31, 2023 and 2022, respectively.

The following tables summarize changes in the reserve for restructuring activities for the years ended December 31, 2023 and 2022:

	Year ended December 31, 2023				
	Reserve 12/31/2022	**Charges**	**Cash Payments**	**Non-cash and Other**	**Reserve 12/31/2023**
Restructuring activities:					
Personnel severance	$ 422	$ 2,234	$ (2,485)	$ -	$ 171
Other contractual commitments and asset write-offs	-	1,726	(1,726)	-	-
	$ 422	$ 3,960	$ (4,211)	$ -	$ 171

	Year ended December 31, 2022				
	Reserve 12/31/2021	**Charges**	**Cash Payments**	**Non-cash and Other**	**Reserve 12/31/2022**
Restructuring activities:					
Personnel severance	$ 529	$ 1,841	$ (1,948)	$ -	$ 422
Other contractual commitments and asset write-offs	-	411	(411)	-	-
	$ 529	$ 2,252	$ (2,359)	$ -	$ 422

The restructuring charges were determined based on a formal plan approved by the Company's management using the best information available at the time. The amounts the Company ultimately incurs may change as the balances of the plans are executed.

10. Accrued and Other Current Liabilities

The composition of accrued and other liabilities is as follows:

	December 31,	
	2023	2022
Accrued payroll and benefits	$ 35,563	$ 33,983
Accrued bonus	6,511	1,128
Accrued services	7,637	4,680
Amounts due to sellers	3,293	1,936
Accrued freight, duties and tariffs	3,202	694
Customer rebates	1,840	1,676
Accrued material suppliers	1,835	1,406
Accrued taxes	1,742	1,735
Value-added tax payables	1,404	301
Forward contract payable	799	519
Other	4,548	1,541
Total	$ 68,374	$ 49,599

11. Long-Term Debt

The composition of long-term debt is as follows:

	December 31,	
	2023	2022
First lien credit facilities, net of discount:		
Term loan, due June 26, 2025	$ 543,624	$ 548,557
Tranche B term loans, due June 26, 2025	169,678	170,846
Tranche C term loan, due June 26, 2025	57,221	56,551
Second lien credit facility, net of discount:		
Term loan, due June 26, 2026	113,064	112,439
Foreign government loans, net of discount:	459	632
Foreign commercial credit facilities, net of discount:	23	64
	884,069	889,089
Less: Unamortized issuance costs	(9,187)	(14,264)
Less: Current maturities	(8,409)	(8,411)
	$ 866,473	$ 866,414

The schedule of future principal payments for long-term debt as of December 31, 2023, is as follows:

Year Ended December 31,	
2024	$ 8,409
2025	767,073
2026	115,130
	$890,612

In connection with the ECI Acquisition, the Company entered into two long-term U.S. credit agreements with Barclays PLC (the "Lender"), under which loans are collateralized by liens on substantially all assets of the Company in addition to guarantees by certain consolidated subsidiaries and unconsolidated parent entities.

First and Second Lien Credit Facilities

The Company's primary credit facility (the "First Lien Credit Facility") provides for i) a term loan of $583,000 and ii) a revolving credit facility of $100,000, which is available in U.S. dollars and designated foreign currencies and which includes sub-limits for letters of credit and other features. The term loan matures on June 26, 2025 and requires quarterly principal payments of $1,458 with the remaining outstanding principal balance payable upon maturity. The Lender's commitments under the revolving credit facility terminate on March 28, 2025. Outstanding revolving loan balances are classified as long-term debt in the Company's consolidated balance sheets. As of December 31, 2023, the Company had $235 of outstanding letters of credit secured by the revolving credit facility, there were no outstanding borrowings, and $99,765 of the line was unused and available.

The Company's supplemental credit facility (the "Second Lien Credit Facility") provides for a term loan of $115,000, which is payable upon maturity on June 26, 2026.

The term loans were issued with original issue discounts ("OIDs"). The OID on the First Lien Credit Facility term loan was 1.00% or $5,830, and the OID on the Second Lien Credit Facility term loan was 4.00% or $4,600. Costs and fees incurred in connection with the issuances of the First Lien Credit Facility and the Second Lien Credit Facility were $18,768 and $4,034, respectively. The OIDs, together with the issuance costs, are being amortized over the life of each credit facility using the effective interest method.

Tranche B Term Loans

On April 26, 2021, the Company executed an amendment of its First Lien Credit Facility to provide for incremental term loan commitments in an aggregate principal amount of $100,000 in connection with the Omni Acquisition ("Initial Tranche B Term Loan"). On June 12, 2021, the Company executed a supplemental increase to the aggregate principal amount of its Initial Tranche B Term Loan of $75,000 in connection with the Promark Acquisition (collectively, "Tranche B Term Loans"). The Tranche B Term Loans mature on June 26, 2025 and require quarterly principal payments of $438 with the remaining outstanding principal balance payable upon maturity.

The Tranche B Term Loans bear interest on the outstanding principal amount at a rate per annum of 7.50%.

The Tranche B Term Loans were issued with original issue discounts ("OIDs"). The OID on the $100,000 incremental term loan commitment was 2.00% or $2,000, and the OID on the $75,000 supplemental term loan commitment was 0.50% or $375. Fees incurred in connection with the issuances of the Tranche B Term Loans were $4,452. The OIDs, together with the issuance costs, are being amortized over the life of the Tranche B Term Loans using the effective interest method.

Tranche C Term Loan

On September 27, 2022, the Company executed an amendment of its First Lien Credit Facility to provide for an incremental term loan commitment in a principal amount of $60,000 in connection with the Britech Acquisition and MRG Acquisition ("Tranche C Term Loan"). The Tranche C Term Loan matures on June 26, 2025 and requires quarterly principal payments of $150 beginning March 31, 2023, with the remaining outstanding principal balance payable upon maturity.

The Tranche C Term Loan bears interest on the outstanding principal amount at a rate per annum of 10.00%.

The Tranche C Term Loan was issued with original issue discounts ("OIDs"). The OID on the $60,000 incremental term loan commitment was 6.00% or $3,600. Fees incurred in connection with the issuance of the Tranche C Term Loan was $1,762. The OID, together with the issuance costs, are being amortized over the life of the Tranche C Term Loan using the effective interest method.

Interest rates for the First Lien Credit Facility and the Second Lien Credit Facility are variable, applying a margin spread to a Base Rate or to an Adjusted Eurodollar Rate, each such rate as defined in the respective credit agreements. During the year ended December 31, 2023, the Company elected 1 month LIBOR, 1 month SOFR and 3 month SOFR variable rates. The margin spreads for term loans are fixed, and for revolving loans are dependent on financial ratios defined in the First Lien Credit Facility agreement. The following table summarizes the applicable margin spreads under the agreements:

	Base Rate Spread	Adjusted SOFR Rate Spread
First Lien Term Loan	3.25%	4.25%
Revolving Credit Facilities	2.00%-2.50%	3.00%-3.50%
Second Lien Term Loan	7.50%	8.50%

The following table summarizes the weighted average interest rates for the year ended December 31, 2023:

	Weighted Average Interest Rate
First Lien Term Loan	9.33%
Second Lien Term Loan	13.58%
Tranche B Term Loans	7.50%
Tranche C Term Loan	10.00%

The credit agreements provide for optional prepayments of principal due on First Lien Credit Facility term loan without premium or penalty. Prepayments of the Second Lien Credit Facility term loan would have

been subject to a premium of 1.00% prior to June 26, 2021. No premium will be charged on prepayments after June 26, 2021.

Mandatory prepayments may be required i) if excess cash flow exceeds certain limits, as defined in the First Lien Term Loan agreements; ii) in the event that proceeds from asset sales outside the ordinary course of business are not reinvested in the business; or iii) for certain insurance recovery and condemnation events. No prepayments were required for the years ended 2023 and 2022.

Covenants included in the First Lien Credit Facility and the Second Lien Credit Facility i) require the Company to maintain leverage ratios below limits defined in the agreements, and ii) limit the incurrence of additional debt and certain other transactions. As of December 31, 2023, the Company is in compliance with all such covenants.

Foreign Government Credit Facilities

The Company's wholly owned subsidiary in Spain has three government-sponsored euro denominated loans from the Ministerio De Industria S.E.I. Such loans bear interest at nominal rates ranging from 0.00% to 3.95%. Aggregate principal outstanding on the three loans as of December 31, 2023 was €416, or approximately $459 which is payable in annual installments, with final payment due July 31, 2026.

Foreign Commercial Credit Facilities

The Company's wholly owned subsidiary in Spain has a term loan and credit facility with Bankinter S.A. Aggregate principal balance due under this facility as of December 31, 2023 was €21, or approximately $23, which is payable October 2024.

As of December 31, 2023, the Company's wholly owned subsidiary in Poland had no outstanding borrowings.

12. Contingencies

The Company is subject to various lawsuits and other claims with respect to such matters as product liability, product development, labor claims and other actions arising in the normal course of business. In the opinion of the Company's management, the ultimate liabilities resulting from such lawsuits and claims will not have a material effect on the Company's consolidated financial condition and results of operations or cash flows.

13. Income Taxes

The Company's income tax provision the years ended December 31, 2023 and 2022 consists of the following:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Current		
Federal	$ 467	$ 217
State	356	105
Foreign	17,104	10,603
Total current	17,927	10,925
Deferred		
Federal	484	4,185
State	(2,445)	(340)
Foreign	(6,077)	(5,758)
Total deferred	(8,038)	(1,913)
Income Tax Provision	$ 9,889	$ 9,012

Domestic and foreign (loss) income before income tax is as follows:

	December 31, 2023	December 31, 2022
Domestic	$ (77,059)	$ (71,106)
Foreign	31,638	37,032
Total loss before taxes	$ (45,421)	$ (34,074)

A reconciliation between the income tax provision at the federal statutory income tax rate and at the effective tax rate is summarized below:

	Year Ended December 31,	
	2023	**2022**
U.S. Federal statutory rate	$ (9,538)	$ (7,156)
State income tax (net of federal benefit)	(2,728)	(825)
Foreign statutory taxes at other than U.S. rate	1,285	1,600
U.S. taxation of Global Intangible Low-Taxed Income	2,450	2,967
U.S. taxation of other deemed income inclusions	530	-
Valuation allowances	15,099	2,478
Uncertain tax positions	4,313	4,129
Return-to-provision adjustments	(2,164)	(1,565)
Legislative changes enacted	-	5,525
Permanent differences	642	1,859
Income tax provision	$ 9,889	$ 9,012
Effective income tax rate	-21.77%	-26.45%

The Company recognizes the tax on Global Intangible Low-Taxed Income (GILTI) as a period expense and recorded a provision of $2,450 and $2,967 for the years ended December 31, 2023 and 2022, respectively.

Deferred Taxes

The tax effects of significant temporary differences representing deferred tax assets and liabilities at December 31, 2023 and 2022, are as follows:

	December 31, 2023	December 31, 2022
Gross Deferred Tax Assets:		
Net operating loss carryforwards	$ 21,134	$ 23,546
Transaction costs	2,357	2,780
Bad debt reserves	413	633
Inventory reserves	3,327	3,621
Disallowed interest	37,695	28,465
Lease liability	9,734	11,455
Property, plant, and equipment	6,209	4,785
Other	14,122	10,838
Total deferred tax assets	94,991	86,123
Valuation allowance	(31,590)	(21,971)
Total deferred tax assets, net of valuation allowance	63,401	64,152
Gross Deferred Tax Liabilities:		
Goodwill and intangibles	(54,476)	(65,256)
Operating lease right-of-use asset	(9,382)	(11,146)
Hedge activities	(18,848)	(9,102)
Other	(1,113)	(553)
Total deferred tax liabilities	(83,819)	(86,057)
Net Deferred Tax Liabilities	$ (20,418)	$ (21,905)

The Company records deferred tax assets and liabilities on a net basis by taxing jurisdiction. Net deferred tax assets (liabilities) included in the accompanying consolidated balance sheets are as follows:

	December 31, 2023	December 31, 2022
Deferred Tax Assets:		
Deferred tax assets	$ 22,672	$ 19,899
Valuation allowance	(9,396)	(9,224)
Net deferred tax assets	13,276	10,675
Deferred Tax Liabilities:		
Deferred tax liabilities	(33,694)	(32,580)
Net Deferred Tax Liabilities	$ (20,418)	$ (21,905)

As of December 31, 2023, the Company had deferred tax assets relating to net operating losses of $21,134, which are comprised of U.S. federal and state net operating losses of $6,983, which generally expire between 2024 and 2043; U.S. federal net operating losses of $4,272 which do not expire; and foreign net operating losses of $9,879. As of December 31, 2023 and 2022, the Company had deferred tax assets relating to U.S. federal and state interest disallowance carryforwards of $37,695 and $28,465, respectively, which do not expire for U.S. federal purposes and have varying expiration dates for state tax purposes. In 2023, the Company utilized certain deferred tax assets for historical U.S. federal and state net operating losses to reduce current year taxable income. Taxable income was generated in the U.S. in 2023 due to the reversal of deferred tax liabilities as well as income generated from Omni, Britech, and MRG acquisitions completed in the periods ending December 31, 2022 and 2021.

Due to the Company's history of pre-tax book basis losses in the U.S. and in certain foreign jurisdictions, the Company evaluated its deferred tax assets and concluded it is more likely than not certain deferred tax assets in the U.S. and deferred tax assets in certain foreign jurisdictions may not be realized. For jurisdictions with a history of pre-tax book basis income, the Company considered carrybacks, the scheduled reversal of deferred tax liabilities, tax planning strategies, and expectations of future income. In jurisdictions with a history of pre-tax book basis losses, the Company considered only the most objective evidence, which are reversal of existing deferred tax liabilities and taxable income in prior carryback years. As a result of its conclusion, the Company recorded a valuation allowance on certain U.S. federal, U.S. state, and foreign deferred income tax assets at December 31, 2023 and 2022, respectively. The change in valuation allowance recorded through the Company's income tax provision was $15,099 and $2,478 in the periods ending December 31, 2023 and 2022, respectively. If the Company determines that it is able to realize its deferred tax assets in the future in excess of net recorded amounts, an adjustment to the valuation allowance will benefit income tax expense in the period such determination is made. In evaluating the realization of its deferred tax assets in future periods, the Company will evaluate the impacts of income, if generated, from U.S. federal and state jurisdictions, including the income generated from the Omni, Britech, and MRG acquisitions completed in the periods ending December 31, 2022 and 2021.

Uncertain Tax Positions

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	December 31,	
	2023	**2022**
Balance at beginning of year	$ 16,357	$ 14,977
Increases as a result of tax positions taken during a prior period:	330	22
Decreases as a result of tax positions taken during a prior period:	(86)	(489)
Increases as a result of tax positions taken during the current period:	1,546	2,146
Decrease related to a lapse of applicable statute of limitations:	(669)	(299)
Balance at end of year	$ 17,478	$ 16,357

At December 31, 2023 and 2022, other non-current liabilities includes a reserve for uncertain tax positions of $31,301 and $27,200, respectively. At December 31, 2023 and 2022, certain reserves for uncertain tax positions totaling $2,573 and $2,606, respectively, were classified as reductions to deferred tax assets for attribute carryforwards.

The Company classifies interest and penalties associated with uncertain tax positions as a component of income tax expense. As of December 31, 2023 and 2022, the Company had accrued interest and penalties

of $16,396 and $13,449, respectively. The Company recognized interest and penalties through its income tax provision of $3,065 and $2,320 in the periods ending December 31, 2023 and 2022, respectively.

The total amount of unrecognized tax benefits as of December 31, 2023 that, if recognized, would affect the effective tax rate is $33,874. The Company has not determined it to be reasonably possible that the total amounts of unrecognized tax benefits will significantly increase or decrease within the subsequent 12 months.

As of December 31, 2023, the U.S. federal statute of limitations is closed through 2019. There are currently no federal examinations in progress. In addition, the Company files tax returns in numerous U.S. states. The states' statutes of limitations are generally open for the same years as the federal statute of limitations.

In the Company's major taxing jurisdictions, the statutes of limitations are closed in Canada, Morocco, and Spain through 2018; China, Mexico, and Poland through 2017; and Hong Kong through 2016. Foreign tax examinations are currently in progress in Canada and Morocco as of December 31, 2023.

Other Tax Matters

Under agreement with the prior owners of the Company's Fargo Assembly, Omni, and RIC subsidiaries, the Company is indemnified for certain tax liabilities incurred relating to periods prior to the applicable acquisition date for each separate transaction. As of December 31, 2023 and 2022, other assets includes a receivable from such prior owners of $2,881 and $2,960, respectively.

The Company has a tax holiday in Tangier, Morocco, that allowed an initial five-year exemption, beginning in the year 2014, followed by a reduced rate of 8.75% for the following 20 years. The Company also has a tax holiday in the Philippines that allows a four-year exemption, beginning in the year 2020 and expiring in August 2024, followed by a return to the full statutory rate of 27.5% following that expiration.

The Company regularly analyzes its global working capital requirements and the potential tax liabilities that would be incurred if its non-U.S. subsidiaries distributed cash to the U.S., including local country withholding taxes. During the year ended December 31, 2022, the Company determined it would be appropriate to declare distributions from its Mexico subsidiary periodically. As such, the Company has determined the earnings from its Mexico subsidiary would no longer be considered to be indefinitely reinvested. The Company's position as of the year ended December 31, 2023 has not changed from the year ended December 31, 2022. The Company considers all other non-U.S. earnings to be indefinitely reinvested outside of the U.S., to the extent these earnings are not subject to U.S. income tax under an anti-deferral tax regime. No deferred taxes have been provided on the undistributed earnings of the Company's non-U.S. subsidiaries as of December 31, 2023. As the 2017 Tax Act generally eliminated U.S. federal income taxes on dividends from foreign subsidiaries, the Company does not expect to incur material income taxes if these funds are repatriated, whether from its Mexico subsidiary or from other non-U.S. subsidiaries for which earnings are considered to be indefinitely reinvested.

14. Derivative Financial Instruments and Fair Value Measurements

Foreign Currency Hedges

The Company uses foreign exchange forward contracts that are designated and qualify as cash flow hedges to manage certain of its foreign exchange rate risks. The Company's objective is to limit potential losses in earnings or cash flows from adverse foreign currency exchange rate movements. The Company's foreign

currency exposure arises from the transacting of business in a currency other than the U.S. Dollar, primarily the Mexican Peso.

The Company enters into foreign exchange forward contracts after considering future use of foreign currencies, desired foreign exchange rate sensitivities and the foreign exchange rate environment. Prior to entering into a hedge transaction, the Company formally documents the relationship between hedging instruments to be used and the hedged items, as well as the risk management objective for undertaking the hedge transactions. The Company generally does not hedge its exposure to the exchange rate variability of future cash flows beyond three years. The Company recognizes all such derivative contracts as either assets or liabilities in the balance sheet and measures those instruments at fair value (see Note 1) through adjustments to other comprehensive income, current earnings or both, as appropriate. Accumulated other comprehensive income as of December 31, 2023 and 2022, included net deferred gain on derivatives of $64,182 (net of taxes) and $28,319 (net of taxes), respectively, related to cash flow hedges.

The Company records deferred gains and losses related to cash flow hedges based on the fair value of open derivative contracts on the reporting date, as determined using a market approach and Level 2 inputs. As of December 31, 2023 and 2022, all of the Company's derivative contracts were in the form of foreign exchange forward contracts, which were designated and qualified as cash flow hedging instruments. Realized gains or losses from the settlement of foreign exchange forward contracts are recognized in earnings in the same period the hedged foreign currency cash flow affects earnings. For the years ended December 31, 2023 and 2022, gains of $49,326 and $20,155, respectively, were recorded in cost of goods sold related to foreign currency cash flow hedges. Additionally, for the years ended December 31, 2023 and 2022, gains of $4,484 and $1,753, respectively, were recorded in selling, general, and administrative related to foreign currency cash flow hedges.

The following table summarizes the Company's outstanding foreign currency derivative contracts:

	Notional Amount (in Thousands)		Weighted Average Remaining Maturity (in Months)		Weighted Average Exchange Rate	
	December 31,		December 31,		December 31,	
Buy / Sell	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Mexican pesos / U.S. dollars	11,319,084	8,126,534	14.0	15.2	20.57	23.23
Philipine pesos / U.S. dollars	585,796	290,431	9.0	9.8	56.10	53.90
Chinese yen / U.S. dollars	17,200	49,296	10.0	6.5	6.88	6.85
U.S. dollars / Chinese yen	–	4,800	–	6.5	-	0.14
U.S. dollars / Euro	14,912	8,052	6.4	6.5	0.90	0.97
Polish zloty / Euro	4,997	24,984	2.0	8.0	5.06	5.06
Polish zloty / Pound sterling	1,287	6,435	2.0	8.5	5.72	5.72

Commodity Price Forward Contracts

The products the Company manufactures generally include components made of copper, which is a commodity subject to price fluctuations. As is common in the Company's industry, in most cases the Company's contracts with its customers allow for price adjustments based on changes in the cost of copper.

From time to time, the Company enters into commodity price forward contracts to manage the volatility associated with forecasted purchases of raw materials with significant copper content. Prior to entering into a hedge transaction, the Company formally documents the relationship between hedging instruments to be used and the hedged items, as well as the risk management objective for undertaking the hedge transactions. The Company monitors its commodity price risk exposures regularly to maximize the overall effectiveness of its commodity forward contracts which have been designated as cash flow hedging instruments.

The Company records unrecognized gains and losses in other comprehensive income (loss) and makes regular reclassifying adjustments into cost of goods sold within the consolidated statements of operations and comprehensive loss when the underlying hedged transaction is recognized in earnings. For the years ended December 31, 2023 and 2022, losses of $2,104 and $439, respectively, were recorded in cost of goods sold in the Company's consolidated statement of operations.

The following table summarizes the Company's outstanding commodity price forward contracts:

	December 31,	
	2023	**2022**
Notional amount in thousands of U.S. dollars	25,855	4,661
Weighted average remaining maturity in months	5.1	11.4
Weighted average strike price per one unit of Copper	4.0	3.6

The fair values of the derivative financial instruments recorded in the consolidated balance sheets are on a gross basis as of December 31, 2023 and 2022 are $77,456 and $37,430, respectively:

	December 31,	
	2023	**2022**
Derivatives designated as cash flow hedges		
Foreign currency hedges	77,929	$ 37,177
Commodity price forward contracts	(473)	253
	$ 77,456	$ 37,430

15. Fair Value Measurements

Financial Instruments Measured on a Recurring Basis

The following table sets forth, as of December 31, 2023 and 2022, the hierarchy of the Company's financial asset (liability) positions for which fair value is measured on a recurring basis:

	December 31, 2023			
	Level 1	Level 2	Level 3	Balance Sheet Classification
Cash flow hedges - deferred gain contracts	$ –	$ 51,184	$ –	Prepaid expense and other current assets
Commodities hedges - deferred gain contracts	$ –	$ 121	$ –	Prepaid expense and other current assets
Cash flow hedges - deferred gain contracts	$ –	$ 27,050	$ –	Other non-current assets
Cash flow hedges - deferred (loss) contracts	$ –	$ (205)	$ –	Accrued liabilities
Commodities hedges - deferred (loss) contracts	$ –	$ (594)	$ –	Accrued liabilities
Cash flow hedges - deferred (loss) contracts	$ –	$ (100)	$ –	Other non-current liabilities
	$ –	$ 77,456	$ –	

	December 31, 2022			
	Level 1	Level 2	Level 3	Balance Sheet Classification
Cash flow hedges - deferred gain contracts	$ –	$ 23,056	$ –	Prepaid expense and other current assets
Commodities hedges - deferred gain contracts	$ –	$ 253	$ –	Prepaid expense and other current assets
Cash flow hedges - deferred gain contracts	$ –	$ 14,845	$ –	Other non-current assets
Cash flow hedges - deferred (loss) contracts	$ –	$ (493)	$ –	Accrued liabilities
Cash flow hedges - deferred (loss) contracts	$ –	$ (231)	$ –	Other non-current liabilities
	$ –	$ 37,430	$ –	

The Company records deferred gains and losses related to cash flow hedges based on the fair value of active derivative contracts on the reporting date, as determined using a market approach. As quoted prices in active markets are not available for identical contracts, Level 2 inputs are used to determine fair value. These inputs include quotes for similar but not identical derivative contracts, market interest rates that are corroborated with publicly available market information and third-party credit ratings for the counterparties to our derivative contracts.

The Company did not have any transfers between levels during the years ended December 31, 2023 and 2022.

Other Financial Instruments

In addition to cash flow hedges, the Company's financial instruments consist of cash equivalents, accounts receivable, long-term debt and other long-term obligations. For cash equivalents, accounts receivable accounts payable, and accrued liabilities, the carrying amounts approximate fair market value. The estimated fair values of the Company's debt instruments as of December 31, 2023 and 2022, are as follows:

	December 31, 2023		
	Fair Value	Carrying Amount	Balance Sheet Classification
First lien term loan	$ 539,547	$ 543,624	Long-term debt, including current maturities
Second lien term loan	103,454	113,064	Long-term debt, including current maturities
Tranche B term loans	168,405	169,678	Long-term debt, including current maturities
Tranche C term loan	56,792	57,221	Long-term debt, including current maturities
International debt	482	482	Long-term debt, including current maturities
	$ 868,680	$ 884,069	

	December 31, 2022		
	Fair Value	Carrying Amount	Balance Sheet Classification
First lien term loan	$ 494,387	$ 548,557	Long-term debt, including current maturities
Second lien term loan	104,568	112,439	Long-term debt, including current maturities
Tranche B term loans	153,975	170,846	Long-term debt, including current maturities
Tranche C term loan	50,967	56,551	Long-term debt, including current maturities
International debt	696	696	Long-term debt, including current maturities
	$ 804,593	$ 889,089	

The Company determined fair value of the term loans using Level 2 inputs – other significant observable inputs. The Company estimated the fair value of the credit facility and international debt using Level 3 inputs based on discounted future cash flows using a discount rate that approximates the current effective borrowing rate for comparable loans.

16. Equity Incentive Plans

Employees and directors of the Company are eligible to participate in an equity incentive plan (the "Plan") established by Energy Cerberus Holdings LP, a Cayman Islands limited partnership (the "Partnership") which is an unconsolidated indirect parent of the Company. The Plan provides for the granting of up to 3,366,664 Class B partnership interest units (the "Class B Units") which, in addition to certain other rights, provide an interest in the earnings of the Partnership from the date of grant. The Class B Units granted by the Partnership include Series 1 Units, Series 2 Units, Series 3 Units, Series 4 Units (together the "Restricted Units"). All awards vest over a five-year period based on a participant's continued employment or services with ECI through the applicable vesting dates. Based on the terms of the agreements, the cash value awards are considered liability classified awards. The vested awards are payable upon the occurrence of certain future liquidity events. Given the conditions for payout, the cash value awards are not deemed probable at this time. No compensation expense has been recognized related to these units for the years ended December 31, 2023 and 2022.

In 2023 and 2022, the Company granted 182,361 and 84,167 Series B-4 units, respectively.

The following tables summarize Restricted Unit award activity for the years ended December 31, 2023 and 2022:

	2023								
	Series B-1		Series B-2		Series B-3		Series B-4		Total
	Restricted Units	Weighted Average Grant Date Fair Value	Restricted Units	Weighted Average Grant Date Fair Value	Restricted Units	Weighted Average Grant Date Fair Value	Restricted Units	Weighted Average Grant Date Fair Value	Restricted Units
Nonvested, beginning of year	398,068	$ 5.24	733,116	$ 4.10	540,069	$ 5.61	84,167	$ 5.52	1,755,420
Granted	-	-	-	-	-	-	182,361	5.52	182,361
Vested	(255,955)	3.22	(245,486)	4.02	(77,153)	5.52	(10,521)	5.52	(589,115)
Forfeited	-	-	-	-	(63,125)	5.52	-	-	(63,125)
Nonvested, end of year	142,113	$ 8.65	487,630	$ 4.08	399,791	$ 5.60	256,007	$ 5.52	1,285,541

	2022								
	Series B-1		Series B-2		Series B-3		Series B-4		Total
	Restricted Units	Weighted Average Grant Date Fair Value	Restricted Units	Weighted Average Grant Date Fair Value	Restricted Units	Weighted Average Grant Date Fair Value	Restricted Units	Weighted Average Grant Date Fair Value	Restricted Units
Nonvested, beginning of year	759,283	$ 4.14	855,859	$ 4.10	617,222	$ 5.61	-	$ -	2,232,364
Granted	-	-	-	-	-	-	84,167	5.52	84,167
Vested	(248,993)	3.09	(122,743)	4.02	(77,153)	5.52	-	-	(448,889)
Forfeited	(112,222)	3.07	-	-	-	-	-	-	(112,222)
Nonvested, end of year	398,068	$ 5.24	733,116	$ 4.10	540,069	$ 5.61	84,167	$ 5.52	1,755,420

As of December 31, 2023, 98,194 Restricted Units were available for future grants.

The Company recognizes expense from Restricted Units ratably over the service period based on their grant date fair value which is determined by a third-party valuation of the Partnership as of the grant date determined using a discounted cash flow method and Level 2 inputs, including peer company data, and Level 3 inputs, including management forecasts.

The discount rate used is the value-weighted average of the Company's estimated cost of equity and of debt ("cost of capital") derived using both known and estimated customary market metrics. The Company's weighted average cost of capital is adjusted to reflect a risk factor. Other significant assumptions include terminal value growth rates, terminal value margin rates, future capital expenditures and changes in future working capital requirements. While there are inherent uncertainties related to the assumptions used and to management's application of these assumptions to this analysis, the Company believes that the income approach provides a reasonable estimate of the fair value of the Restricted Units.

The Company recognizes the impact of award forfeitures as they occur. The Company recognized $1,541 and $1,790 of compensation expense in selling, general and administrative expenses during the years ended December 31, 2023 and 2022, respectively, related to Restricted Units.

As of December 31, 2023, there was unrecognized compensation cost related to outstanding Restricted Units of $4,067 which is expected to be recognized over a period of approximately 2.8 years.

17. Accumulated Other Comprehensive Income

The Company's total other comprehensive income (loss) consists of three components: (i) foreign currency translation adjustments, (ii) gains and losses from designated cash flow hedge contracts and (iii) pension gains and losses not recognized as components of net periodic benefit costs.

Accumulated other comprehensive income (loss), net of tax and by component, was as follows:

	Foreign Currency Translation Adjustment	Unrealized Gain on Derivatives	Unrealized Pension Plan Loss	Accumulated Other Comprehensive Income
Balances as of December 31, 2021	$ (4,056)	$ 8,327	$ (1,401)	$ 2,870
Other comprehensive gain (loss)	(8,715)	19,992	(119)	11,158
Balances as of December 31, 2022	(12,771)	28,319	(1,520)	14,028
Other comprehensive gain	3,514	35,863	177	39,554
Balances as of December 31, 2023	$ (9,257)	$ 64,182	$ (1,343)	$ 53,582

The before-tax amount, tax (expense) benefit and net-of-tax amount included in other comprehensive income (loss) on the consolidated statements of operations and comprehensive income (loss), by component, for the years ended December 31, 2023 and 2022, are as follows:

	Year ended December 31, 2023			
	Before-Tax Amount	Tax (Expense) or Benefit	PTU Expense*	Net-of-Tax Amount
Foreign currency translation adjustments	$ 3,514	$ –	$ –	$ 3,514
Unrealized gains (losses) on currency hedging activities:				
Unrealized holding gains arising during period	94,571	(9,855)	–	84,716
Less: reclassification adjustment for gain realized in net income	(53,812)	5,609	–	(48,203)
Net unrealized gain	40,759	(4,246)	–	36,513
Unrealized gains (losses) on Copper hedging activities:				
Unrealized holding losses arising during period	(2,830)	295	–	(2,535)
Less: reclassification adjustment for loss realized in net income	2,104	(219)	–	1,885
Net unrealized loss	(726)	76	–	(650)
Seniority premium plan (Mexico Plan):				
Unrecognized net gains	276	(74)	(25)	177
Other comprehensive income	$ 43,823	$ (4,244)	$ (25)	$ 39,554

	Year ended December 31, 2022			
	Before-Tax Amount	Tax (Expense) or Benefit	PTU Expense*	Net-of-Tax Amount
Foreign currency translation adjustments	$ (8,715)	$ –	$ –	$ (8,715)
Unrealized gains (losses) on currency hedging activities:				
Unrealized holding gains arising during period	45,724	(11,121)	–	34,603
Less: reclassification adjustment for gain realized in net income	(21,908)	5,326	–	(16,582)
Other	–	737	1,390	2,127
Net unrealized gain	23,816	(5,058)	1,390	20,148
Unrealized gains (losses) on Copper hedging activities:				
Unrealized holding losses arising during period	(684)	248	–	(436)
Less: reclassification adjustment for loss realized in net income	439	(159)	–	280
Net unrealized loss	(245)	89	–	(156)
Seniority premium plan (Mexico Plan):				
Unrecognized net losses	(184)	49	16	(119)
Other comprehensive income	$ 14,672	$ (4,920)	$ 1,406	$ 11,158

*Mexican employees are currently entitled under Mexican law to receive statutory profit sharing (Participacion a los Trabajadores de las Utilidades or "PTU") payments. The required cash payment to employees is equal to 10% of their employer's profit subject to PTU as prescribed by Mexican law.

18. Retirement Plans

U.S. Plan

The Company has a defined contribution retirement savings plan (the "Retirement Plan") covering substantially all employees working in the U.S. who meet certain eligibility requirements as to age and length of service. The Retirement Plan incorporates the salary deferral provision of Section 401(k) of the Internal Revenue Code, and employees may defer up to the applicable annual maximum limits prescribed by the Internal Revenue Code. The Company has the option to match a percentage of the employees' deferrals. The Company may also elect to contribute an additional profit-sharing contribution to the Retirement Plan at the end of each year. The Company's contributions, and expense, for the years ended December 31, 2023 and 2022 were $1,123 and $1,142, respectively.

German Plan

The Company has nine pension benefit agreements for its German employees who meet certain eligibility requirements (the "German Plan"). The German Plan is an unfunded plan and for the years ended December 31, 2023 and 2022, the projected benefit liability was $1,499 and $1,428, respectively, and is included in other long-term liabilities in the consolidated balance sheets. Expense related to the German Plan was not material for all periods presented.

Mexico Plans

The Company provides mandated postemployment benefits for severance indemnity and seniority premium for its Mexican employees who meet certain eligibility requirements provided by national labor laws. For

severance indemnity-related obligations, the Company determines the liability based on actuarial assumptions. As of December 31, 2023 and 2022, the projected severance indemnity obligation was $2,490 and $1,871, respectively.

As of December 31, 2023 and 2022, the Seniority Premium Plan projected benefit liability and unfunded status was $9,971 and $7,747, respectively.

The reconciliation of the non-U.S. defined benefit pension obligations for the years ended December 31, 2023 and 2022 is as follows:

	Year Ended December 31,	
	2023	**2022**
Benefit obligation at beginning of year	$ 9,618	$ 7,811
Service cost	1,310	957
Interest cost	885	562
Actuarial loss/(gain)	(161)	310
Benefits paid	(661)	(460)
Exchange rate loss	1,470	438
Benefit obligation at end of year	$ 12,461	$ 9,618
Change in plan assets		
Fair value of plan assets at beginning of year	$ -	$ -
Actual return on plan assets	-	-
Company contributions	661	460
Benefits paid	(661)	(460)
Exchange rate gain	-	-
Fair value of plan assets at end of year	$ -	$ -
Unfunded status	$ (12,461)	$ (9,618)
Amouts recognized in the consolidated balance sheets		
Non-current assets	-	-
Current liabilities	(2,647)	(2,025)
Non-current liabilities	(9,814)	(7,593)
Total	$ (12,461)	$ (9,618)

The benefit costs of the non-U.S. defined benefit pension obligation for the years ended December 31, 2023 and 2022 are as follows:

	Year Ended December 31,	
	2023	2022
Service cost	$ 1,310	$ 957
Interest cost[(1)]	885	562
Amortization of net actuarial gain[(1)]	85	150
Net periodic benefit cost	$ 2,280	$ 1,669

(1) In accordance with the adoption of ASU 2017-07, “Compensation-Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Cost”, these costs are recorded within Nonoperating expenses in the Consolidated Statements of Operations on the line item “Other expenses”.

The assumptions used to determine the non-U.S. defined benefit pension obligation and pension expense for the years ended December 31, 2023 and 2022 are as follows:

	Year Ended December 31,	
	2023	2022
Assumptions used to determine benefit obligations		
Weighted-average discount rate	9.50%	9.30%
Weighted-average rate of increase in compensation levels	5.50%	5.50%
Assumptions used to determine benefit cost		
Weighted-average discount rate	9.30%	7.80%
Weighted-average rate of increase in compensation levels	5.50%	5.50%

The expected benefit payments to be paid for the non-U.S. defined benefit pension obligation as of December 31, 2023 are as follows:

	Projected Pension Benefit Payments
2024	$ 2,647
2025	2,316
2026	2,096
2027	2,118
2028	2,083
2029 - 2033	9,598

19. Related-Party Transactions

The Company receives consulting and advisory services from affiliates of an unconsolidated parent company, Cerberus Operations and Advisory Company and Cerberus Technology Solutions (together the "Cerberus Affiliates"). It is at the sole discretion of the Company to determine the extent of consulting or advisory services to be provided by Cerberus Affiliates. The agreement terminates upon a change in control. For the years ended December 31, 2023 and 2022, selling, general and administrative expenses include $2,784 and $1,603, respectively, of costs relating to transactions with Cerberus Affiliates. As of December 31, 2023 and 2022, payables of $508 and $297, respectively, were accrued by the Company to Cerberus Affiliates for services received.

20. Subsequent Events

The Company has evaluated subsequent events through the report issuance date of March 15, 2024, and determined that there have been no events that have occurred that would require adjustments to our disclosures in the consolidated financial statements.

Energy Holdings (Cayman) Ltd.

Consolidated Financial Statements
December 31, 2024 and 2023
With Report of Independent Auditors

Electrical Components International

Energy Holdings (Cayman) Ltd.
Index

Report of Independent Auditors 91

Consolidated Statements of Operations and Comprehensive Loss for the years ended December 31, 2024 and 2023 93

Consolidated Balance Sheets as of December 31, 2024 and 2023 94

Consolidated Statements of Stockholder's Equity (Deficit) for the years ended December 31, 2024 and 2023 95

Consolidated Statements of Cash Flows for the years ended December 31, 2024 and 2023 96

Notes to Consolidated Financial Statements 97

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Report of Independent Auditors

The Board of Directors and Stockholder
Energy Holdings (Cayman) Ltd.

Opinion

We have audited the consolidated financial statements of Energy Holdings (Cayman) Ltd., which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of operations and comprehensive loss, stockholder's equity (deficit) and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement

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when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

March 28, 2025

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Energy Holdings (Cayman) Ltd.
Consolidated Statements of Operations and Comprehensive Loss

(Dollars in thousands)

	Year Ended December 31,	
	2024	2023
Net sales	$ 1,264,474	$ 1,364,692
Operating expenses:		
Cost of goods sold, exclusive of items shown separately below	977,539	1,094,026
Selling, general and administrative	130,211	124,471
Depreciation	27,030	31,691
Amortization of intangibles	57,567	55,948
Acquisition expenses	3,900	2,071
Restructuring charges	5,649	3,960
Operating income	62,578	52,525
Other expenses:		
Interest expense, net	111,741	96,233
Loss on early extinguishment of debt	12,740	-
Other expenses	2,574	1,713
Loss before income taxes	(64,477)	(45,421)
Income tax expense	1,733	9,889
Net loss	$ (66,210)	$ (55,310)
Other comprehensive (loss) income, net of tax:		
(Loss) gain from hedging activities	(116,439)	35,863
(Loss) gain from foreign currency translation	(10,484)	3,514
Gain from pension plan	590	177
	(126,333)	39,554
Comprehensive loss	$ (192,543)	$ (15,756)

See accompanying notes to consolidated financial statements.

Energy Holdings (Cayman) Ltd.
Consolidated Balance Sheets

(Dollars in thousands)

	At December 31,	
Assets	**2024**	**2023**
Current assets:		
Cash and cash equivalents	$ 44,441	$ 29,624
Restricted Cash	301	-
Accounts receivable, net	158,369	161,862
Inventories	230,311	258,535
Income tax receivable	4,637	998
Prepaid expenses and other current assets	37,661	80,536
Total current assets	475,720	531,555
Property, plant and equipment, net	65,789	74,755
Goodwill	435,745	426,502
Intangibles, net	250,350	281,190
Operating lease right of use assets	49,385	35,674
Finance lease right of use assets	71	387
Deferred tax assets	12,749	13,276
Other non-current assets	11,147	34,326
Total assets	$ 1,300,956	$ 1,397,665
Liabilities and Stockholder's Equity		
Current liabilities:		
Accounts payable	$ 182,283	$ 228,406
Current maturities of long-term debt	9,516	8,409
Operating lease liabilities, short-term	8,499	6,198
Finance lease liabilities, short-term	37	210
Accrued and other current liabilities	113,431	68,374
Income taxes payable	2,506	3,199
Total current liabilities	316,272	314,796
Long-term debt, less current maturities	934,327	866,473
Deferred tax liabilities	9,129	33,694
Operating lease liabilities, long-term	43,659	30,827
Finance lease liabilities, long-term	40	124
Other non-current liabilities	82,480	45,865
Total liabilities	1,385,907	1,291,779
Commitments and contingencies	-	-
Stockholder's Equity		
Common stock, $0.01 par value, 5 million shares authorized, one share issued and outstanding	-	-
Additional paid-in capital	307,923	306,217
Accumulated deficit	(320,123)	(253,913)
Accumulated other comprehensive (loss) income	(72,751)	53,582
Total stockholder's equity (deficit)	(84,951)	105,886
Total liabilities and stockholder's equity (deficit)	$ 1,300,956	$ 1,397,665

See accompanying notes to consolidated financial statements.

Energy Holdings (Cayman) Ltd.
Consolidated Statements of Stockholder's Equity

(Dollars in thousands)

	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss) Income	Total
Balance at December 31, 2022	$ 304,676	$ (198,603)	$ 14,028	$ 120,101
Stock-based compensation	1,541	-	-	1,541
Comprehensive income (loss):				
Net loss	-	(55,310)	-	(55,310)
Other comprehensive income	-	-	39,554	39,554
Balance at December 31, 2023	$ 306,217	$ (253,913)	$ 53,582	$ 105,886
Stock-based compensation	1,706	-	-	1,706
Comprehensive income (loss):				
Net loss	-	(66,210)	-	(66,210)
Other comprehensive loss	-	-	(126,333)	(126,333)
Balance at December 31, 2024	$ 307,923	$ (320,123)	$ (72,751)	$ (84,951)

See accompanying notes to consolidated financial statements.

Energy Holdings (Cayman) Ltd.
Consolidated Statements of Cash Flows

(Dollars in thousands)

	Year Ended December 31,	
	2024	2023
Cash flows from operating activities:		
Net loss	$ (66,210)	$ (55,310)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	84,597	87,639
Deferred taxes	(6,637)	(8,038)
Amortization of debt discounts and fees	8,481	8,678
Loss on early extinguishment of debt	12,740	–
Stock-based compensation expense	1,706	1,541
Loss on disposal of property, plant and equipment	409	181
Changes in operating assets and liabilities:		
Accounts receivable	8,369	3,266
Inventories	32,182	(10,833)
Income tax receivable	(3,639)	(411)
Prepaid expenses and other	(8,515)	(3,028)
Accounts payable	(48,805)	11,800
Accrued and other liabilities	21,527	26,132
Income taxes payable	(757)	796
Net cash provided by operating activities:	35,448	62,413
Cash flows from investing activities:		
Acquisitions, net of cash acquired	(41,448)	(15,501)
Capital expenditures	(17,116)	(22,166)
Proceeds from disposal of fixed assets	-	161
Net cash used in investing activities:	(58,564)	(37,506)
Cash flows from financing activities:		
Proceeds from term loans, net of discount	929,040	–
Repayment of term loans	(894,870)	(8,180)
Borrowings on revolving credit facility, net of discount	23,000	–
Debt issuance costs	(18,562)	–
Repayment on foreign term loans	(120)	(285)
Principal payments on finance leases	(119)	(203)
Net cash provided by (used in) financing activities:	38,369	(8,668)
Effect of exchange rate changes on cash and cash equivalents	(135)	101
Net change in cash and cash equivalents	15,118	16,340
Cash, restricted cash, and cash equivalents, beginning of year	29,624	13,284
Cash, restricted cash, and cash equivalents, end of year	$ 44,742	$ 29,624
Supplemental cash flow information:		
Cash paid for interest	$ 90,595	$ 87,555
Cash paid for income taxes	$ 13,772	$ 13,120

See accompanying notes to consolidated financial statements.

1. Basis of Presentation and Summary of Significant Accounting Policies

Organization

Energy Holdings (Cayman) Ltd., a Cayman Islands company ("EHC"), was formed on June 15, 2018. EHC, together with its wholly owned subsidiaries, including Electrical Components International, Inc. ("ECI") and ECI's wholly owned subsidiaries, is herein referred to as "the Company." The authorized capital of the Company is composed of 5,000,000 shares of $0.01 par value stock, and as of December 31, 2024 and 2023, one share of stock is issued and outstanding for the periods presented.

Basis of Presentation and Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All significant intercompany balances and transactions are eliminated in consolidation.

Nature of Business

The Company is a leading designer and manufacturer of wire harnesses and control boxes, and a provider of value-added assembly services. Wire harnesses are configurations of wires, cables, connectors, terminals and plugs found in many electronic products, including residential and commercial appliances; automotive and specialty transportation vehicles; agricultural and construction equipment; heating, ventilation and air conditioning equipment; marine vehicles and equipment; and commercial electronic equipment.

As of December 31, 2024, the Company operated a global manufacturing network of 35 factories located in the United States, Mexico, Canada, Poland, Morocco, Thailand, the Philippines, Spain and the People's Republic of China. The Company is headquartered in St. Louis, Missouri.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States ("U.S.") requires management to make estimates and assumptions that affect (i) the reported amounts of assets, (ii) the disclosure of contingent assets and liabilities at the date of the financial statements and (iii) the reported amounts of net sales and expenses during the reporting periods. Due to the inherent uncertainty involved in making estimates, actual results reported in future periods may be based upon amounts that differ from those estimates.

Cash and Cash Equivalents

The Company considers short-term highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. At December 31, 2024, the Company had restricted cash of $301 which included cash held in accordance with arrangements with legally restricted cash collateral provisions.

Foreign Currency Transactions and Translation

The U.S. dollar has been designated as the functional currency for the Company's Mexico, China, Philippines, and Thailand legal entities. Exchange rate gains and losses arising from transactions

denominated in a currency other than the functional currency of foreign manufacturing entities are included in cost of goods sold in the Company's consolidated statements of operations and comprehensive loss. For the years ended December 31, 2024 and 2023, cost of goods sold included net exchange rate gains and losses of $7,050 and $4,627, respectively.

Assets and liabilities of subsidiaries with a functional currency other than the U.S. dollar are translated into U.S. dollars using year-end exchange rates. Income and expense items are translated at the weighted average exchange rate in effect during the period reported. Foreign currency translation gains and losses are included as a component of accumulated other comprehensive income.

Derivatives

The Company enters into derivative financial instruments to manage certain financial risks. The Company (i) enters into cash flow hedges in the form of foreign exchange forward contracts to minimize the impact of foreign currency fluctuations and (ii) enters into commodity futures contracts to reduce exposure to changing future purchase prices for copper. There can be no assurance that these activities will eliminate or reduce foreign currency or commodity price risk.

Derivative contracts are accounted for at fair value. Gains and losses on derivative contracts are reclassified from accumulated other comprehensive income to current period earnings in the line item in which the hedged item is recorded in the same period the hedged item affects earnings.

Accounts Receivable and Allowance for Expected Credit Losses

Accounts receivable balances represent customer trade receivables generated from the Company's operations. To reduce the potential for credit risk, the Company evaluates the credit of its customers based on a combination of factors but does not generally require significant collateral. The Company maintains an allowance for credit losses, which represents an estimate of expected losses. The allowance is determined using two methods. The amounts calculated from each of these methods are combined to determine the total amount reserved. First, a specific reserve is established for individual accounts where information indicates the customers may have an inability to meet financial obligations. Second, a reserve is determined for all customers based on certain characteristics of the class of customers, using a range of percentages applied to aging categories. These percentages are based on historical collection rates, write-off experience, and forecasts of future economic conditions. Actual write-offs are charged against the allowance when collection efforts have been unsuccessful. As of December 31, 2024 and 2023, accounts receivable, net in the Company's consolidated balance sheets included an allowance for credit losses of $1,122 and $1,689, respectively.

Counterparty Risk

The Company is exposed to counterparty credit risk in the event of non-performance by counterparties to various agreements, sales transactions and derivative contracts. The Company manages such risk by evaluating the financial position and creditworthiness of such counterparties and, with respect to derivative contracts, monitoring the amounts at risk with each counterparty and, where possible, dispersing risk among multiple counterparties.

Transfers of Financial Assets

From time to time, the Company will transfer its accounts receivable of certain customers at a discount to third-party financial institutions in arrangements where there is no recourse to the Company and where the Company has no continuing involvement in the collection of the receivable. These transactions are accounted for as sales of the receivables resulting in the receivables being de-recognized from the Consolidated Balance Sheets. The Company recorded selling, general and administrative expense associated with discounts related to the sale of customer receivables of $9,862 and $11,532 for the years ended December 31, 2024 and 2023, respectively. The Company had sales of accounts receivables aggregating $511,049 and $561,092 for the years ended December 31, 2024 and 2023, respectively.

Supply Chain Financing Arrangements

Under a supplier finance program with a third-party vendor, the Company allows certain of its suppliers to sell their accounts receivable from the Company (which is a Company payable to the supplier) to third-party financial institutions participating in the program. The Company has no involvement in establishing the terms or conditions of the arrangements between its suppliers and the financial institutions in the program, does not participate in their transactions, and provides no secured assets or other forms of guarantees under the program. The parties may terminate the program at any time. Accounts payable includes amounts payable to suppliers participating in the supply chain program as follows:

		Amounts Payable to Participating Suppliers
December 31, 2022	$	50,041
Added		248,427
Settled		(239,263)
December 31, 2023	$	59,205
Added	$	188,370
Settled		(205,479)
December 31, 2024	$	42,096

The Company incurred additional expenses from suppliers for payables added to the program of $1,955 and $2,591 for the years ended December 31, 2024 and 2023, respectively, in order to obtain extended payment terms. This additional cost has been recognized within cost of goods sold.

Inventories

Inventories are stated at the lower of cost or net realizable value using the first-in, first-out (“FIFO”) and average cost methods. Product cost includes raw materials, labor and manufacturing overhead. Fixed manufacturing overhead is allocated to the cost of inventory based on the normal capacity of production facilities. Unallocated overhead during periods of abnormally low production levels is recognized in cost of goods sold in the period in which it is incurred. The Company establishes inventory reserves for estimated obsolescence in an amount equal to the difference between the cost of inventory and its estimated realizable value, based upon assumptions about future demand and market conditions.

Property, Plant and Equipment, net

Additions to property, plant and equipment are recorded at historical cost. Repairs and maintenance that do not extend the useful life of an asset are charged to expense as incurred. The useful lives of leasehold improvements are the lesser of the remaining lease term or the useful life of the improvement. When assets are retired or otherwise disposed, their costs and related accumulated depreciation are removed from the accounts, and any resulting gains or losses are included in operations for the period. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets as follows:

Buildings	10-30 years
Leasehold improvements	4-11 years
Machinery, equipment, systems and other	3-10 years

Identifiable Intangible Assets

The Company amortizes definite-lived intangible assets over the estimated useful lives of the related assets. As of December 31, 2024 and 2023, the Company’s definite lived intangible assets consisted of customer relationships, trade names and developed technology. Customer relationships, trade names and developed technology are amortized using the straight-line method over their estimated useful lives of the related assets as follows:

Customer relationships	5-10 years
Trade names	2-25 years
Developed technology	6 years

Impairment of Long-lived Assets

The Company reviews the carrying amounts of property, plant and equipment and identifiable intangible assets for potential impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. In evaluating the recoverability of assets, long-lived assets are grouped at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets. In the event the carrying amount of an asset group is greater than the amount of undiscounted future cash flows, the Company would recognize an impairment charge to reduce the carrying amount of the long-lived asset group to its fair value. The Company did not recognize any impairment charges during the years ended December 31, 2024 and 2023.

Goodwill

Goodwill represents costs in excess of values assigned to the underlying net assets of acquired businesses. Goodwill is not amortized, but is tested for impairment annually, and at any time when events suggest an impairment more likely than not has occurred.

The Company performs its goodwill impairment assessment on October 1. To assess goodwill for impairment, the Company, depending on relevant facts and circumstances, performs either a qualitative assessment or a quantitative analysis utilizing a combination of income and market approaches. In performing a qualitative assessment, the Company first assesses relevant factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform a quantitative goodwill impairment test. The Company identifies and considers the significance of relevant key factors, events, and circumstances that could affect

the fair value of each reporting unit. These factors include external factors such as macroeconomic, industry, and market conditions, as well as entity-specific factors, such as actual and planned financial performance. The Company also considers changes in each reporting unit's fair value and carrying amount since the most recent date a fair value measurement was performed. In performing a quantitative analysis, the Company determines the fair value of a reporting unit using management's assumptions about future cash flows based on long-range strategic plans as well as assumptions of market-based multiples for select guideline companies. This approach incorporates many assumptions including discount rates, future growth rates, expected profitability, and market multiples. In the event the carrying amount of a reporting unit exceeded its fair value, an impairment loss would be recognized.

The Company performed its goodwill impairment analysis utilizing a combination of the qualitative and the quantitative approach in 2024 and 2023. No goodwill impairments were recorded during 2024 or 2023.

Deferred Financing Costs

Deferred financing costs, consisting of fees and expenses associated with debt financing, are amortized as interest expense over the term of the related debt using the effective interest method. The unamortized financing costs are presented in the consolidated balance sheets as a reduction of the carrying amount of the related debt. On May 10, 2024, the company entered into a new Term Loan and revolving credit facility and repaid the remaining amounts under the First and Second Lien Credit Facilities. In connection with the refinancing, the Company incurred a loss on debt extinguishment costs of $12,547 and $193 to write-off the deferred financing fees associated with the First and Second Lien Credit Facilities and the revolving credit facility, respectively. The Company also capitalized $18,562 of deferred financing fees associated with the Term Loan and revolving credit facility. The Company recorded $4,130 and $5,087 of amortization of deferred financing costs during the years ended December 31, 2024 and 2023, respectively. Fees and expenses associated with the revolving credit facility are amortized as interest expense over the term of the revolver using the straight-line method. The unamortized financing costs for the revolving credit facility are presented in the consolidated balance sheets within other non-current assets. The Company recorded $296 and $216 of amortization of the other non-current asset during the years ended December 31, 2024 and 2023, respectively.

Income Taxes

Deferred tax assets and liabilities reflect the Company's assessment of future taxes to be paid in the jurisdictions in which the Company operates based on enacted rates at the balance sheet date. These assessments involve temporary differences resulting from differing treatment of items for tax and accounting purposes. In addition, unrecognized tax benefits under the provisions of ASC 740, *Income Taxes*, reflect estimates of current tax exposures. Under the provisions of ASC 740, the Company elected to include interest and penalties related to the unrecognized tax benefits in its income tax provision. The Company establishes a valuation allowance to the extent it believes it is more likely than not that deferred tax assets will not be realized. Carrybacks, the scheduled reversal of deferred tax liabilities, tax planning strategies and expectations of future income are the primary factors the Company uses to evaluate whether valuation allowances are required.

Leases

The Company determines if an arrangement is a lease at inception of the contract. Lease assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make

lease payments arising from the lease. Lease assets and liabilities are recognized at the commencement date based on the present value of fixed lease payments over the lease term. The Company's lease commitments are primarily for production facilities and administrative offices but also include vehicles and equipment assets. Leases with an initial term of 12 months or less are not recorded on the balance sheet; instead, the Company recognizes lease expense for these leases on a straight-line basis over the lease term. The Company does not account for lease components (e.g., fixed payments to use the underlying lease asset) separately from the non-lease components (e.g., fixed payments for common-area maintenance costs and other items that transfer a good or service). Some leases include variable lease payments, which primarily result from changes in consumer price and other market-based indices, which are generally updated annually, and maintenance and usage charges. These variable payments are excluded from the calculation of lease assets and liabilities, unless there is a specified minimum. The Company's lease agreements do not contain any material residual value guarantees.

Many of the Company's leases include renewal options that can extend the lease term. The execution of those renewal options is at the Company's sole discretion and is reflected in the lease term when they are reasonably certain to be exercised. Certain leases also include options to purchase the leased asset. The Company does not include options to purchase leased assets in the measurement of lease liabilities unless those options are reasonably certain of exercise. The Company uses the interest rate implicit in the lease to determine the lease liability when the interest rate can be determined. When there is no implied rate, the Company uses its incremental borrowing rate as of the lease commencement date to determine the present value of lease payments. The Company estimates the incremental borrowing rate based on the geographic region for which it would borrow, on a secured basis of the leased asset, at an amount equal to the lease payments over a similar time period as the lease term. In making its estimate of the incremental borrowing rate, the Company uses Level 2 inputs, including published industry interest rate yield curves. The Company has no additional restrictions or covenants imposed by its lease contracts.

Revenue Recognition

Revenue from the sale of the Company's products is recognized using a five-step model applied to all contracts with customers. Revenue is recognized when the Company satisfies the performance obligation and the control of promised goods is transferred to the customer in an amount that reflects the consideration expected to be received in exchange for those goods. The Company's revenue recognition arrangements generally consist of a single performance obligation to transfer promised goods. Accordingly, substantially all of the Company's revenue is recognized at a point in time when control of the goods transfers to the customer.

Shipping Costs

Shipping and handling costs incurred to deliver finished goods to customers as of December 31, 2024 and 2023 were $3,431 and $3,597, respectively, and are included in selling, general and administrative expense.

Acquisition Expenses

The Company recognizes costs associated with potential and completed acquisitions within the statement of operations at the time they are incurred. The costs are primarily related to professional and legal fees.

Fair Value Measurements

The Company measures the fair value of assets and liabilities using a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value as follows: Level 1 – observable inputs such as quoted prices in active markets; Level 2 – inputs, other than quoted market prices in active markets, which are observable, either directly or indirectly; and Level 3 – valuations derived from valuation techniques in which one or more significant inputs are unobservable. In addition, the Company may use various valuation techniques, including (i) the market approach, using comparable market prices; (ii) the income approach, using present value of future income or cash flow; and (iii) the cost approach, using the replacement cost of assets.

Recent Accounting Standards

Income Taxes

In December 2023, the FASB issued ASU 2023-09, requiring additional income tax disclosures. The additional disclosures include prescribed items presented in the income tax rate reconciliation, and further disaggregation of income taxes paid amounts between federal, state and foreign taxes. The ASU is effective for fiscal years beginning after December 15, 2024 and early adoption is permitted. The Company is in the process of evaluating the impact of the ASU.

Reference Rate Reform

In March 2020, the FASB issued Update 2020-04, "Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting". The amendments in Update 2020-04 are elective and apply to all entities that have contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued due to reference rate reform. The new guidance provides the following optional expedients: simplify accounting analyses under current U.S. GAAP for contract modifications, simplify the assessment of hedge effectiveness, allow hedging relationships affected by reference rate reform to continue and allow a one-time election to sell or transfer debt securities classified as held to maturity that reference a rate affected by reference rate reform. In January 2021, the FASB issued Update 2021-01, "Reference Rate Reform (Topic 848): Scope". The update provides additional optional guidance on the transition from LIBOR to include derivative instruments that use an interest rate for margining, discounting or contract price alignment. The standard will ease, if warranted, the requirements for accounting for the future effects of the rate reform. An entity may elect to apply the amendments in Update 2020-04 prospectively through December 31, 2022. In December 2022, the FASB issued ASU No. 2022-06, “Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848”, which extends the temporary accounting rules under Topic 848 to December 31, 2024. The Company continues to monitor the impact the discontinuance of LIBOR or another reference rate will have on its contracts, hedging relationships and other transactions.

2. Business Combinations

The Flex-Tec Acquisition

On June 21 2024, the Company, acquired all issued and outstanding shares of Flex-Tec, Inc., a premier supplier of high-quality electrical wire harnesses and cable assemblies to leading customers in the commercial lighting and industrial technology industries with operations in the US and Mexico for total consideration of $46,448, net of cash acquired of $682 (“Flex-Tec Acquisition”). The acquisition was funded with proceeds from the Delayed Draw Term Loan and a $5,000 note payable to the seller.

The Flex-Tec Acquisition was accounted for as a business combination. The Company is currently awaiting additional information to finalize the fair values of intangible assets as well as finalization of intangible and tangible asset useful lives. The following table summarizes the Company's preliminary purchase price accounting for assets acquired and liabilities assumed in the Flex-Tec Acquisition:

Tangible assets and liabilities		
Accounts receivable	$	4,876
Inventories		3,958
Prepaid expenses and other current assets		3,492
Property, plant and equipment		2,964
Accounts payable		(2,719)
Deferred tax liabilities		(7,194)
Accrued and other current liabilities		(1,540)
Other non-current liabilities		(220)
Intangible assets		
Customer relationships / Trade Names		28,500
Trade Names		2,200
Goodwill		12,131
Total purchase price allocation	$	46,448

Determining the fair value of assets acquired and liabilities assumed required judgment, and included the use of significant estimates and assumptions, including assumptions with respect to future cash inflows and outflows, discount rates and asset lives, among other items. Due to the unobservable inputs to the valuation, the fair value would be considered Level 3 in the fair value hierarchy.

Based upon the estimated fair value of the net assets acquired, the goodwill recognized in the Flex-Tec Acquisition was $12,131 and is primarily attributable to the expansion of product offerings and into new markets. Goodwill is not deductible for tax purposes.

During the year ended December 31, 2024, the Company incurred $1,562 of acquisition related costs recognized within acquisition expenses on the consolidated statement of operations and comprehensive loss.

The MRG Mexico Acquisition

On July 12, 2023, the Company purchased the assets of Manufacturing Resources Group, Inc., a manufacturer of cable assemblies and electromechanical assemblies with operations in Mexico for cash consideration of $2,011 (the "MRG Mexico Acquisition"). The MRG Mexico Acquisition was funded with cash from the balance sheet.

The MRG Mexico Acquisition was accounted for as a business combination. The purchase price allocation was finalized as of December 31, 2023. The Company's final estimate of the fair value of the assets acquired is $1,779 for inventory and $84 for fixed assets. Goodwill recognized was $265. Goodwill is deductible for tax purposes.

During the year ended December 31, 2024 and December 31, 2023, respectively, the Company incurred

$300 and $891 of acquisition related costs recognized within acquisition expenses on the consolidated statement of operations and comprehensive loss.

The ASI Acquisition

On April 19, 2023, the Company acquired all issued and outstanding shares of Aerosystems International, Inc., a manufacturer of harness and cable systems and electromechanical assemblies for the aerospace industry with operations in Canada, for total consideration of $13,227 (C$17,704), net of cash acquired of $72 (C$96) (the "ASI Acquisition"). The ASI Acquisition was funded with remaining proceeds from the Tranche C Term Loan and cash from the balance sheet.

The ASI Acquisition was accounted for as a business combination. The following table summarizes the Company's finalized estimate of the fair value of the assets acquired and liabilities assumed in the ASI Acquisition:

Tangible assets and liabilities		
Accounts receivable	$	1,754
Inventories		3,230
Prepaid expenses and other current assets		36
Property, plant and equipment		199
Accounts payable		(89)
Deferred tax liabilities		(2,149)
Accrued and other current liabilities		(212)
Intangible assets		
Customer relationships		7,918
Goodwill		2,540
Total purchase price allocation	$	13,227

Determining the fair value of assets acquired and liabilities assumed required judgment, and included the use of significant estimates and assumptions, including assumptions with respect to future cash inflows and outflows, discount rates and asset lives, among other items. Due to the unobservable inputs to the valuation, the fair value would be considered Level 3 in the fair value hierarchy.

Based upon the estimated fair value of the net assets acquired, the goodwill recognized in the ASI Acquisition was $2,540 and is primarily attributable to the expansion of product offerings and into new markets. Goodwill is not deductible for tax purposes.

During the year ended December 31, 2023, the Company incurred $805 of acquisition related costs recognized within acquisition expenses on the consolidated statement of operations and comprehensive loss.

3. Revenue Recognition

Performance Obligations

The Company provides manufacturing of wire harnesses and control boxes to companies in various

industries and end markets. The Company derives substantially all of its revenue from production of wire harnesses which encompasses the act of producing tangible products that are built to customer specifications, which are then provided to the customer.

The Company enters into manufacturing service contracts with its customers that provide the framework under which business will be conducted and customer purchase orders will be received for specific quantities and with predominantly fixed pricing. As a result, the Company considers its contract with a customer to be the combination of the manufacturing service contract and the purchase order, or any agreements or other similar documents ("Agreement").

Revenue is recognized at a point in time when control of the goods transfers to the customer. Payments from customers are typically received within 90 days.

Certain contracts with customers include variable consideration, such as rebates, discounts, or returns. The Company recognizes estimates of this variable consideration that are not expected to result in a significant revenue reversal in the future, primarily based on the most likely level of consideration to be paid to the customer under the specific terms of the underlying programs and Agreement.

Sales Tax and Indirect Taxes

The Company is subject to certain indirect taxes in certain jurisdictions including but not limited to sales tax, value added tax, excise tax and other taxes collected concurrent with revenue-producing activities that are excluded from the transaction price, and therefore, excluded from revenue.

Accounts Receivable and Concentration of Credit Risk

For the years ended December 31, 2024 and 2023, one customer represented more than 10% of the Company's net sales.

As of December 31, 2024 and 2023, no single customer represented more than 10% of the Company's accounts receivable balance.

4. Inventories

The composition of inventories is as follows:

	December 31,	
	2024	**2023**
Raw materials	$ 125,124	$ 154,021
Work in process	27,278	28,738
Finished goods	77,909	75,776
Total	$ 230,311	$ 258,535

5. Prepaid Expenses and Other Current Assets

The composition of prepaid expenses and other current assets is as follows:

	December 31, 2024	December 31, 2023
Cash flow hedge contracts	$ 10,093	$ 51,305
Value-added tax receivable	5,230	7,947
Spare parts and tooling	7,635	6,426
Vendor rebates	2,012	3,402
Prepaid software and licenses	2,094	2,850
Deposits	2,809	2,395
Prepaid contract services	2,319	1,925
Prepaid insurance	1,552	1,812
Other	3,917	2,474
Total	$ 37,661	$ 80,536

6. Property, Plant and Equipment, net

The composition of property, plant and equipment, net is as follows:

	December 31, 2024	December 31, 2023
Land	$ 5,383	$ 5,412
Buildings	13,003	12,778
Machinery and equipment	200,534	190,088
Furniture and fixtures	7,499	7,190
Computers and software	15,317	13,287
Leasehold improvements	10,253	9,651
Construction-in-progress	3,260	4,687
	255,249	243,093
Accumulated depreciation	(189,460)	(168,338)
Total property, plant and equipment, net	$ 65,789	$ 74,755

7. Leases

The table below presents information related to the lease expenses for the year ended December 31, 2024 and 2023:

	December 31, 2024	December 31, 2023
Operating lease expenses	$ 13,851	$ 13,700
Finance lease expenses	288	334
Variable lease expenses	1,394	1,431
Short-term lease expenses	524	1,545
Total lease expenses	$ 16,057	$ 17,010

Supplemental cash flow information related to leases for the year ended December 31, 2024 and 2023:

	December 31, 2024	December 31, 2023
Operating cash flows used by operating leases	$ 13,654	$ 13,248
Operating cash flows used by finance leases	68	48
Financing cash flow used by finance leases	184	203
Operating right of use assets obtained in exchange for operating lease liabilities	$ 22,491	$ 3,004
Finance right of use assets obtained in exchange for finance lease liabilities	216	29

Supplemental balance sheet information related to leases was as follows:

	December 31, 2024	December 31, 2023
Weighted average remaining lease term		
Operating leases	8.6 years	9.8 years
Finance leases	2.3 years	2.0 years
Weighted average discount rate		
Operating leases	13.68%	11.82%
Finance leases	11.49%	11.65%

The following table reconciles the undiscounted future cash flows from operating and finance leases to the operating and finance lease liabilities recorded on the consolidated balance sheet as of December 31, 2024:

Year Ended December 31,	Operating	Finance
2025	$ 14,907	$ 44
2026	12,214	27
2027	10,002	16
2028	8,467	1
2029	5,604	-
Thereafter	39,831	-
Total minimum lease payments	91,025	88
Less: Amount of lease payments representing interest	(38,867)	(11)
Present value of future minimum lease payments	52,158	77
Less: Lease liabilities - current	(8,499)	(37)
Lease liabilities - long-term	$ 43,659	$ 40

8. Goodwill and Intangible Assets, net

Goodwill

The changes in the amount of goodwill during the years ended December 31, 2024 and 2023, were as follows:

	Goodwill
Balance, December 31, 2022	$ 423,236
Goodwill Acquired	2,400
Measurement period adjustments	63
Foreign currency translation	803
Balance, December 31, 2023	$ 426,502
Goodwill Acquired	12,131
Foreign currency translation	(2,888)
Balance, December 31, 2024	$ 435,745

Intangible Assets, net

The Company’s identifiable intangible assets consist of customer relationships, trade names, and developed technology.

The composition of intangible assets, net is as follows:

	December 31, 2024			December 31, 2023		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Customer Relationships	$ 520,838	$ (285,093)	$ 235,745	$ 498,420	$ (231,224)	$ 267,196
Trade Names	18,475	(4,998)	13,477	16,322	(3,922)	12,400
Developed Technology	2,910	(1,782)	1,128	2,910	(1,316)	1,594
	$ 542,223	$ (291,873)	$ 250,350	$ 517,652	$ (236,462)	$ 281,190

During the year ended December 31, 2024, the Company recognized identifiable intangible asset amortization expense related to customer relationships, trade names and developed technology of $56,128 and $973, and $466, respectively. During the year ended December 31, 2023, the Company recognized identifiable intangible asset amortization expense related to customer relationships, trade names and developed technology of $54,503, $978 and $467, respectively.

The estimated future amortization of identifiable intangible assets is expected to be:

Year Ended December 31,	
2025	58,317
2026	56,963
2027	49,950
2028	29,387
2029	12,840
Thereafter	42,893
Total identifiable intangible asset amortization	$ 250,350

As of December 31, 2024, the remaining weighted average amortization period for customer relationships, trade names and developed technology is 5.2 years, 16.5 years and 2.4 years, respectively.

9. Restructuring

As of December 31, 2024 and 2023, the reserve for restructuring charges of $105 and $171, respectively, related to the Company's plans to consolidate certain operations as part of its ongoing efforts to better align overhead costs and operating expenses with market demand for its products. In connection with these activities, the Company incurred $5,649 and $3,960 of restructuring charges during the years ended December 31, 2024 and 2023, respectively.

The following tables summarize changes in the reserve for restructuring activities for the years ended December 31, 2024 and December 31, 2023, respectively:

	Year ended December 31, 2024				
	Reserve 12/31/2023	**Charges**	**Cash Payments**	**Non-cash and Other**	**Reserve 12/31/2024**
Restructuring activities:					
Personnel severance	$ 171	$ 2,765	$ (2,831)	$ -	$ 105
Other contractual commitments and asset write-offs	-	2,884	(2,884)	-	-
	$ 171	$ 5,649	$ (5,715)	$ -	$ 105

	Year ended December 31, 2023				
	Reserve 12/31/2022	**Charges**	**Cash Payments**	**Non-cash and Other**	**Reserve 12/31/2023**
Restructuring activities:					
Personnel severance	$ 422	$ 2,234	$ (2,485)	$ -	$ 171
Other contractual commitments and asset write-offs	-	1,726	(1,726)	-	-
	$ 422	$ 3,960	$ (4,211)	$ -	$ 171

The restructuring charges were determined based on a formal plan approved by the Company's management using the best information available at the time. The amounts the Company ultimately incurs may change as the balances of the plans are executed.

10. Accrued and Other Current Liabilities

The composition of accrued and other liabilities is as follows:

	December 31, 2024	December 31, 2023
Accrued payroll and benefits	$ 27,029	$ 35,563
Forward contract payable	33,041	799
Accrued litigation	15,000	-
Accrued interest	14,492	488
Accrued bonus	3,209	6,511
Accrued services	6,502	7,637
Amounts due to sellers	6,691	3,293
Accrued freight, duties and tariffs	3,729	3,202
Customer rebates	1,061	1,840
Accrued material suppliers	566	1,835
Accrued taxes	864	1,742
Other	1,247	5,464
Total	$ 113,431	$ 68,374

11. Long Term Debt

The composition of long-term debt is as follows:

	December 31, 2024	December 31, 2023
First lien credit facilities, net of discount:		
Term loan, due June 26, 2025	$ -	$ 543,624
Tranche B term loans, due June 26, 2025	-	169,678
Tranche C term loan, due June 26, 2025	-	57,221
Second lien credit facility, net of discount:		
Term loan, due June 26, 2026	-	113,064
Term Loan, due May 10, 2029	926,288	-
Facility Revolver	25,000	-
Note Payable	5,000	-
Foreign government loans, net of discount:	176	459
Foreign commercial credit facilities, net of discount:	–	23
	956,464	884,069
Less: Unamortized issuance costs	(12,621)	(9,187)
Less: Current maturities	(9,516)	(8,409)
	$ 934,327	$ 866,473

The schedule of future principal payments for long-term debt as of December 31, 2024, is as follows:

Year Ended December 31,	
2025	$ 9,516
2026	$ 9,109
2027	$ 9,109
2028	$ 9,050
2029	$931,652
	$968,436

2024 Debt Refinancing

On May 10, 2024 Energy Holdings (Cayman) Ltd. (the Company) entered into an agreement with various lenders to (i) obtain a Term Loan with an aggregate principal amount of $905,000, (ii) obtain a $95,000 Delayed Draw Term Loan available to be utilized until May 10, 2026, and (iii) a revolving credit facility of $100,000, which was available in U.S. dollars and designated foreign currencies and which included sub-limits for letters of credit and other features. The Term Loan is set to mature on May 10, 2029, and requires principal payments as shown in the table above.

As of December 31, 2024, the Company had $287 of outstanding letters of credit secured by the revolving credit facility, there was $25,000 of outstanding borrowings, and $75,000 of the line was unused and available.

The term loan was issued with original issue discounts ("OIDs"). The OID on the term loan and revolving credit facility was 2.00% and the OID on the Delayed Draw Term Loan was 1.00% totaling $18,100, 2,000, and $950, respectively. The OIDs, together with the issuance costs, are being amortized over the life of each credit facility using the effective interest method. The OID amortization after the debt refinancing was $2,760 for the year ended December 31, 2024. The OID amortization related to the old debt prior to the 2024 refinancing was $1,295 and $3,375 for the years ended December 31, 2024, and December 31, 2023, respectively.

First and Second Lien Credit Facilities

The Company's primary credit facility, until the May 2024 refinancing (see above), (the "First Lien Credit Facility") provided for i) a term loan of $583,000 and ii) a revolving credit facility of $100,000, which was available in U.S. dollars and designated foreign currencies and which included sub-limits for letters of credit and other features. The First Lien Credit Facility was repaid on May 10, 2024, in conjunction with the debt refinancing.

Tranche B Term Loans

On April 26, 2021, the Company executed an amendment of its First Lien Credit Facility to provide for incremental term loan commitments in an aggregate principal amount of $100,000 in connection with the Omni Acquisition ("Initial Tranche B Term Loan"). On June 12, 2021, the Company executed a supplemental increase to the aggregate principal amount of its Initial Tranche B Term Loan of $75,000 in connection with the Promark Acquisition (collectively, "Tranche B Term Loans"). The Tranche B Term Loan was repaid on May 10, 2024 in conjunction with the debt refinancing.

Tranche C Term Loan

On September 27, 2022, the Company executed an amendment of its First Lien Credit Facility to provide for an incremental term loan commitment in a principal amount of $60,000 in connection with the Britech Acquisition and MRG Acquisition ("Tranche C Term Loan"). The Tranche C Term Loan was repaid on May 10, 2024 in conjunction with the debt refinancing.

Interest Rates

The Company elected 1 month SOFR and 6 month SOFR variable rates. The margin spreads for term loans are fixed, and for revolving loans were dependent on financial ratios defined in the term loan agreement. The following table summarizes the applicable margin spreads under the agreements:

	Base Rate Spread	Adjusted SOFR Rate Spread
Term Loan	5.50%	6.50%
Revolving Credit Facilities	2.75%	3.75%

The following table summarizes the weighted average interest rates for the year ended December 31, 2024:

	Weighted Average Interest Rate
First Lien Term Loan	8.00%
Second Lien Term Loan	11.28%
Tranche B Term Loans	7.50%
Tranche C Term Loan	10.00%
Term Loan	11.28%

Prepayments of the term loan are subject to a premium of 2.00% if repaid prior to May 10, 2025, or a premium of 1.00% if repaid after May 10, 2025, and prior to May 10, 2026.

Mandatory prepayments may be required under the Term Loan beginning with the year ended December 31, 2025 i) if excess cash flow exceeds certain limits, as defined in the Term Loan agreement; ii) in the event that proceeds from asset sales outside the ordinary course of business are not reinvested in the business; or iii) for certain insurance recovery and condemnation events. No prepayments were required for the years ended 2024 and 2023.

Covenants included in the Term Loan i) required the Company to maintain leverage ratios below limits defined in the agreements, and ii) limit the incurrence of additional debt and certain other transactions. As of December 31, 2024, the Company was in compliance with all such covenants.

Note Payable

The Company has a promissory note payable of $5,000, with an interest rate of 6.0%, associated with the Flex-Tec, Inc. acquisition. Accrued interest is payable quarterly in arrears. The principal amount along with any remaining unpaid interest amounts is due June 21, 2026.

Foreign Government Credit Facilities

The Company's wholly owned subsidiary in Spain has three government-sponsored euro denominated loans from the Ministerio De Industria S.E.I. Such loans bear interest at nominal rates ranging from 0.00% to 3.95%. Aggregate principal outstanding on the three loans as of December 31, 2024, was €162, or approximately $176 which is payable in annual installments, with final payment due July 31, 2026.

Foreign Commercial Credit Facilities

The Company's wholly owned subsidiary in Spain has a term loan and credit facility with Bankinter S.A. Aggregate principal balance due under this facility as of December 31, 2023, was €21, or approximately $23, which was paid in October 2024.

As of December 31, 2024, the Company's wholly owned subsidiary in Poland had no outstanding borrowings.

12. Contingencies

We routinely are involved in various pending or threatened legal proceedings, claims, disputes, regulatory matters and governmental inquiries, inspections or investigations arising in the ordinary course of or incidental to our business, including those noted below in this section. We record provisions in the consolidated financial statements for pending legal matters when we determine that an unfavorable outcome is probable, and the amount of the loss can be reasonably estimated. For matters we have not provided for that are reasonably possible to result in an unfavorable outcome, management is unable to estimate the possible loss or range of loss or such amounts have been determined to be immaterial. At present we believe that the ultimate outcome of these legal proceedings and regulatory and governmental matters, individually and in the aggregate, will not materially harm our financial position, results of operations or cash flows. However, legal proceedings and regulatory and governmental matters are subject to inherent uncertainties, and unfavorable rulings or other events could occur. Unfavorable resolutions could involve substantial fines, civil or criminal penalties, and other expenditures. In addition, in matters for which conduct remedies are sought, unfavorable resolutions could include an injunction or other order prohibiting us from selling one or more products at all or in particular ways, precluding particular business practices or requiring other equitable remedies. An unfavorable outcome might result in a material adverse impact on our business, results of operations or financial position.

The Company has entered into a settlement agreement with a customer related to a product warranty claim for certain products shipped between 2016 – 2021. The Company has accrued $15,000 related to this matter.

13. Income Taxes

The Company's income tax provision the years ended December 31, 2024 and 2023 consists of the following:

	Year Ended December 31,	
	2024	2023
Current		
Federal	$ 955	$ 467
State	(27)	356
Foreign	7,443	17,104
Total current	8,370	17,927
Deferred		
Federal	$ (2,096)	484
State	(1,158)	(2,445)
Foreign	(3,384)	(6,077)
Total deferred	(6,637)	(8,038)
Income Tax Provision	$ 1,733	$ 9,889

Domestic and foreign (loss) income before income tax is as follows:

	December 31,	
	2024	2023
Domestic	$ (76,597)	$ (77,059)
Foreign	12,120	31,638
Total loss before taxes	$ (64,477)	$ (45,421)

A reconciliation between the income tax provision at the federal statutory income tax rate and at the effective tax rate is summarized below:

	Year Ended December 31,	
	2024	2023
U.S. Federal statutory rate	$ (13,587)	$ (9,538)
State income tax (net of federal benefit)	763	(2,728)
Foreign statutory taxes at other than U.S. rate	14	1,285
U.S. taxation of Global Intangible Low-Taxed Income	-	2,450
U.S. taxation of other deemed income inclusions	337	530
Valuation allowances	12,704	15,099
Uncertain tax positions	(636)	4,313
Return-to-provision adjustments	61	(2,164)
Legislative changes enacted	-	-
Permanent differences	2,076	642
Income tax provision	$ 1,733	$ 9,889
Effective income tax rate	-2.68%	-21.77%

The Company recognizes the tax on Global Intangible Low-Taxed Income (GILTI) as a period expense and recorded a provision of $0 and $2,450 for the years ended December 31, 2024 and 2023, respectively.

Deferred Taxes

The tax effects of significant temporary differences representing deferred tax assets and liabilities as of December 31, 2024 and 2023, are as follows:

	December 31, 2024	December 31, 2023
Gross Deferred Tax Assets:		
Net operating loss carryforwards	$ 16,657	$ 21,134
Transaction costs	2,459	2,357
Bad debt reserves	398	413
Inventory reserves	2,582	3,327
Disallowed interest	50,491	37,695
Lease liability	13,964	9,734
Property, plant, and equipment	4,761	6,209
Other	14,458	14,122
Hedge activities	15,309	-
Total deferred tax assets	121,079	94,991
Valuation allowance	(54,109)	(31,590)
Total deferred tax assets, net of valuation allowance	66,970	63,401
Gross Deferred Tax Liabilities:		
Goodwill and intangibles	(49,852)	(54,476)
Operating lease right-of-use asset	(13,186)	(9,382)
Hedge activities	-	(18,848)
Other	(312)	(1,113)
Total deferred tax liabilities	(63,350)	(83,819)
Net Deferred Tax Assets (Liabilities)	$ 3,620	$ (20,418)

The Company records deferred tax assets and liabilities on a net basis by taxing jurisdiction. Net deferred tax assets (liabilities) included in the accompanying consolidated balance sheets are as follows:

	December 31, 2024	December 31, 2023
Deferred Tax Assets:		
Deferred tax assets	$ 22,109	$ 22,672
Valuation allowance	(9,360)	(9,396)
Net deferred tax assets	12,749	13,276
Deferred Tax Liabilities:		
Deferred tax liabilities	(9,129)	(33,694)
Net Deferred Tax Assets (Liabilities)	$ 3,620	$ (20,418)

As of December 31, 2024, the Company had deferred tax assets relating to net operating losses of $16,657, which are comprised of U.S. federal and state net operating losses of $6,798, which generally expire between 2025 and 2044; U.S. federal net operating losses of $6 which do not expire; and foreign net operating losses of $9,853. As of December 31, 2024 and 2023, the Company had deferred tax assets relating to U.S. federal and state interest disallowance carryforwards of $50,491 and $37,695, respectively, which do not expire for U.S. federal purposes and have varying expiration dates for state tax purposes. In 2024, the Company utilized certain deferred tax assets for historical U.S. federal and state net operating losses to reduce current year taxable income. Taxable income was generated in the U.S. in 2024 due to the reversal of deferred tax liabilities, the disallowance of interest, and income generated from Omni, Britech, MRG, and Flex-Tec acquisitions.

Due to the Company's history of pre-tax book basis losses in the U.S. and in certain foreign jurisdictions, the Company evaluated its deferred tax assets and concluded it is more likely than not certain deferred tax assets in the U.S. and deferred tax assets in certain foreign jurisdictions may not be realized. For jurisdictions with a history of pre-tax book basis income, the Company considered the reversal of existing deferred tax liabilities, tax planning strategies, future taxable income and taxable income in prior carryback years. In jurisdictions with a history of pre-tax book basis losses, the Company considered only the most objective evidence, which are reversal of existing deferred tax liabilities and taxable income in prior carryback years. As a result of its conclusion, the Company recorded a valuation allowance on certain U.S. federal, U.S. state, and foreign deferred income tax assets at December 31, 2024 and 2023, respectively. The change in valuation allowance recorded through the Company's income tax provision was $12,704 and $15,099 in the periods ending December 31, 2024 and 2023, respectively. If the Company determines that it is able to realize its deferred tax assets in the future in excess of net recorded amounts, an adjustment to the valuation allowance will benefit income tax expense in the period such determination is made. In evaluating the realization of its deferred tax assets in future periods, the Company will evaluate the impacts of income, if generated, from U.S. federal and state jurisdictions, including the income generated from the Omni, Britech, MRG, and Flex-Tec acquisitions.

Uncertain Tax Positions

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	December 31,	
	2024	**2023**
Balance at beginning of year	$ 17,478	$ 16,357
Increases as a result of tax positions taken during a prior period:	256	330
Decreases as a result of tax positions taken during a prior period:	(1,567)	(86)
Increases as a result of tax positions taken during the current period:	2,079	1,546
Decreases relating to settlements with taxing authorities:	(730)	-
Decrease related to a lapse of applicable statute of limitations:	(1,372)	(669)
Balance at end of year	$ 16,145	$ 17,478

At December 31, 2024 and 2023, other non-current liabilities includes a reserve for uncertain tax positions of $29,728 and $31,301, respectively. At December 31, 2024 and 2023, certain reserves for uncertain tax positions totaling $2,567 and $2,573, respectively, were classified as reductions to deferred tax assets for attribute carryforwards.

The Company classifies interest and penalties associated with uncertain tax positions as a component of income tax expense. As of December 31, 2024 and 2023, the Company had accrued interest and penalties of $16,150 and $16,396, respectively. The Company recognized interest and penalties through its income tax provision of $118, net of expirations and settlements, and $3,065 in the periods ending December 31, 2024 and 2023, respectively.

The total amount of unrecognized tax benefits as of December 31, 2024, that, if recognized, would affect the effective tax rate is $32,295. The Company has not determined it to be reasonably possible that the total amounts of unrecognized tax benefits will significantly increase or decrease within the subsequent 12 months.

As of December 31, 2024, the U.S. federal statute of limitations is closed through 2020. There are currently no federal examinations in progress. In addition, the Company files tax returns in numerous states. The states' statutes of limitations are generally open for the same years as the federal statute of limitations.

In the Company's major taxing jurisdictions, the statutes of limitations are closed in Canada, Morocco, and Spain through 2019; China, Mexico, and Poland through 2018; and Hong Kong through 2017. No foreign tax examinations are in progress as of December 31, 2024.

Other Tax Matters

Under agreement with the prior owners of the Company's Fargo Assembly, Omni, and RIC subsidiaries, the Company is indemnified for certain tax liabilities incurred relating to periods prior to the applicable acquisition date for each separate transaction. As of December 31, 2024 and 2023, other assets includes a receivable from such prior owners of $2,642 and $2,881, respectively.

The Company has a tax holiday in Tangier, Morocco, that allowed an initial five-year exemption, beginning in the year 2014, followed by a reduced rate of 8.75% for the following 20 years. The Company also has a tax holiday in the Philippines that allows an exemption, beginning in the year 2020 and expiring in August 2026, following a two-year extension approved during the year ending December 31, 2024. The tax rate in the Philippines returns to the full statutory rate of 27.5% following that expiration, barring any further extension of the tax holiday.

The Company regularly analyzes its global working capital requirements and the potential tax liabilities that would be incurred if its non-U.S. subsidiaries distributed cash to the U.S., including local country withholding taxes. During the year ended December 31, 2024, the Company determined it would be appropriate to declare distributions from one of its Canada subsidiaries periodically. As such, the Company determined the earnings from this Canada subsidiary would no longer be considered to be indefinitely reinvested. During the year ended December 31, 2022, the Company determined it would be appropriate to declare distributions from one of its Mexico subsidiaries periodically. As such, the Company determined the earnings from its Mexico subsidiary would no longer be considered to be indefinitely reinvested. The Company considers all other non-U.S. earnings to be indefinitely reinvested outside of the U.S., to the extent these earnings are not subject to U.S. income tax under an anti-deferral tax regime. No deferred taxes have been provided on the undistributed earnings of the Company's non-U.S. subsidiaries as of December 31, 2024. As the 2017 Tax Act generally eliminated U.S. federal income taxes on dividends from foreign subsidiaries, the Company does not expect to incur material income taxes if these funds are repatriated, whether from its certain Mexico and Canadian subsidiaries or from other non-U.S. subsidiaries for which earnings are considered to be indefinitely reinvested.

The Company is a member of a multi-national enterprise group that has consolidated revenue of more than EUR 750 million per annum and therefore is in scope of the Organization for Economic Co-operation and Development ("OECD") Global Anti-Base Erosion Rules (more commonly referred to as the "Pillar Two Rules") as of January 1, 2024, within certain taxing jurisdictions and as of January 1, 2025 or beyond in other taxing jurisdictions. Due to the revenue threshold being met, the Company and its subsidiaries are, in principle, subject to the Pillar Two Rules which can potentially lead to additional taxes ('Top-Up Tax') where the effective tax rate (as defined by the Pillar Two Rules) in a jurisdiction is below 15%. The Company has assessed certain transitional safe harbors within the Pillar Two Rules for applicable jurisdictions for the period ending December 31, 2024, and determined the impacted subsidiaries meet such safe harbors. As such the Company has not accrued for any Top-Up Tax in its income tax provision for the period ending December 31, 2024. The Company will continue to assess the impacts of the Pillar Two Rules and monitor developments in legislation, regulation, and interpretive guidance.

14. Derivative Financial Instruments

Foreign Currency Hedges

The Company uses foreign exchange forward contracts that are designated and qualify as cash flow hedges to manage certain of its foreign exchange rate risks. The Company's objective is to limit potential losses in earnings or cash flows from adverse foreign currency exchange rate movements. The Company's foreign currency exposure arises from the transacting of business in a currency other than the U.S. Dollar, primarily the Mexican Peso.

The Company enters into foreign exchange forward contracts after considering future use of foreign currencies, desired foreign exchange rate sensitivities and the foreign exchange rate environment. Prior to entering into a hedge transaction, the Company formally documents the relationship between hedging instruments to be used and the hedged items, as well as the risk management objective for undertaking the hedge transactions. The Company generally does not hedge its exposure to the exchange rate variability of future cash flows beyond three years. The Company recognizes all such derivative contracts as either assets or liabilities in the balance sheet and measures those instruments at fair value (see Note 1) through adjustments to other comprehensive income, current earnings or both, as appropriate.
The Company records deferred gains and losses related to cash flow hedges based on the fair value of open derivative contracts on the reporting date, as determined using a market approach and Level 2 inputs. As of December 31, 2024 and 2023, Company's derivative contracts were in the form of foreign exchange forward contracts, which were designated and qualified as cash flow hedging instruments. Realized gains or losses from the settlement of foreign exchange forward contracts are recognized in earnings in the same period the hedged foreign currency cash flow affects earnings. For the years ended December 31, 2024 and 2023, gains of $33,583 and $49,326, respectively, were recorded in cost of goods sold related to foreign currency cash flow hedges. Additionally, for the years ended December 31, 2024 and 2023, gains of $3,264 and $4,484, respectively, were recorded in selling, general, and administrative related to foreign currency cash flow hedges.

The following table summarizes the Company's outstanding foreign currency derivative contracts, if material:

	Notional Amount (in Thousands)		Weighted Average Remaining Maturity (in Months)		Weighted Average Exchange Rate	
	December 31,		December 31,		December 31,	
Buy / Sell	2024	2023	2024	2023	2024	2023
Mexican pesos / U.S. dollars	15,183,550	11,319,084	14.6	14.0	20.86	20.57
Philipine pesos / U.S. dollars	339,832	585,796	6.5	9.0	51.19	56.10
Chinese yen / U.S. dollars	–	17,200	–	10.0	-	6.88
U.S. dollars / Euro	25,972	14,912	6.6	6.4	1.06	0.90
Polish zloty / Euro	35,152	4,997	6.5	2.0	4.39	5.06
Polish zloty / Pound sterling	15,542	1,287	6.5	2.0	5.18	5.72
U.S. dollars / CAD	14,089	–	6.6	–	1.44	-

Commodity Price Forward Contracts

The products the Company manufactures generally include components made of copper, which is a commodity subject to price fluctuations. As is common in the Company's industry, in most cases the Company's contracts with its customers allow for price adjustments based on changes in the cost of copper.

From time to time, the Company enters into commodity price forward contracts to manage the volatility associated with forecasted purchases of raw materials with significant copper content. Prior to entering into a hedge transaction, the Company formally documents the relationship between hedging instruments to be used and the hedged items, as well as the risk management objective for undertaking the hedge transactions. The Company monitors its commodity price risk exposures regularly to maximize the overall effectiveness of its commodity forward contracts which have been designated as cash flow hedging instruments.

The Company records unrecognized gains and losses in other comprehensive income (loss) and makes regular reclassifying adjustments into cost of goods sold within the consolidated statements of operations and comprehensive loss when the underlying hedged transaction is recognized in earnings. For the years ended December 31, 2024 and 2023, losses of $2,830 and $2,104, respectively, were recorded in cost of goods sold in the Company's consolidated statement of operations and comprehensive loss.

The following table summarizes the Company's outstanding commodity price forward contracts:

	December 31,	
	2024	2023
Notional amount in thousands of U.S. dollars	36,560	25,855
Weighted average remaining maturity in months	13.8	5.1
Weighted average strike price per one unit of Copper	4.3	4.0

Interest Rate Swaps

We use interest rate swaps that have indices related to the pricing of specific liabilities as part of our interest rate risk management strategy. These instruments are highly effective and qualify for hedge accounting treatment. Changes in the fair value of derivatives that are designated as a cash flow hedge, to the extent the hedge is effective, are recorded in accumulated other comprehensive income (loss), net of deferred taxes, and reclassified to earnings when the hedged item affects earnings.

	December 31,	
	2024	2023
Notional amount in thousands of U.S. dollars	620,000	–
Weighted average remaining maturity in months	16.3	–

The following table sets forth the aggregate fair values by derivative financial instrument as of December 31, 2024 and 2023, respectively:

	December 31,	
	2024	2023
Derivatives designated as cash flow hedges		
Foreign currency hedges	(54,723)	$ 77,929
Commodity price forward contracts	(2,498)	(473)
Interest Rate Swaps	(6,069)	-
	$ (63,290)	$ 77,456

Accumulated other comprehensive income as of December 31, 2024 and 2023, included net deferred loss and gain on derivatives of $(52,256) (net of taxes) and $64,182 (net of taxes), respectively, related to cash flow hedges.

15. Fair Value Measurements

Financial Instruments Measured on a Recurring Basis

The following table sets forth, as of December 31, 2024 and 2023 the hierarchy of the Company's financial asset (liability) positions for which fair value is measured on a recurring basis:

	December 31, 2024			
	Level 1	Level 2	Level 3	Balance Sheet Classification
Cash flow hedges - deferred gain contracts	$ –	$ 10,009	$ –	Prepaid expense and other current assets
Commodities hedges - deferred gain contracts	$ –	$ 84	$ –	Prepaid expense and other current assets
Cash flow hedges - deferred gain contracts	$ –	$ 67	$ –	Other non-current assets
Cash flow hedges - deferred (loss) contracts	$ –	$ (27,925)	$ –	Accrued liabilities
Commodities hedges - deferred (loss) contracts	$ –	$ (905)	$ –	Accrued liabilities
Interest Rate Swaps - deferred (loss) contracts	$ –	$ (4,211)	$ –	Accrued liabilities
Commodities hedges - deferred (loss) contracts	$ –	$ (1,676)	$ –	Other non-current liabilities
Cash flow hedges - deferred (loss) contracts	$ –	$ (36,875)	$ –	Other non-current liabilities
Interest Rate Swaps - deferred (loss) contracts	$ –	$ (1,858)	$ –	Other non-current liabilities
	$ –	$ (63,290)	$ –	

	December 31, 2023			
	Level 1	Level 2	Level 3	Balance Sheet Classification
Cash flow hedges - deferred gain contracts	$ –	$ 51,184	$ –	Prepaid expense and other current assets
Commodities hedges - deferred gain contracts	$ –	$ 121	$ –	Prepaid expense and other current assets
Cash flow hedges - deferred gain contracts	$ –	$ 27,050	$ –	Other non-current assets
Cash flow hedges - deferred (loss) contracts	$ –	$ (205)	$ –	Accrued liabilities
Commodities hedges - deferred (loss) contracts	$ –	$ (594)	$ –	Accrued liabilities
Cash flow hedges - deferred (loss) contracts	$ –	$ (100)	$ –	Other non-current liabilities
	$ –	$ 77,456	$ –	

The Company records deferred gains and losses related to cash flow hedges based on the fair value of active derivative contracts on the reporting date, as determined using a market approach. As quoted prices in active markets are not available for identical contracts, Level 2 inputs are used to determine fair value. These inputs include quotes for similar but not identical derivative contracts, market interest rates that are corroborated with publicly available market information and third-party credit ratings for the counterparties to our derivative contracts.

The Company did not have any transfers between levels during the years ended December 31, 2024 and 2023.

Other Financial Instruments

In addition to cash flow hedges, the Company's financial instruments consist of cash equivalents, accounts receivable, long-term debt and other long-term obligations. For cash equivalents, accounts receivable accounts payable, and accrued liabilities, the carrying amounts approximate fair market value. The estimated fair values of the Company's debt instruments as of December 31, 2024 and 2023, are as follows:

	December 31, 2024		
	Fair Value	Carrying Amount	Balance Sheet Classification
Term Loan	906,814	926,288	Long-term debt, including current maturities
Facility Revolver	24,813	25,000	Long-term debt, including current maturities
Note Payable	4,963	5,000	Long-term debt, including current maturities
International debt	176	176	Long-term debt, including current maturities
	$ 936,765	$ 956,464	

	December 31, 2023		
	Fair Value	Carrying Amount	Balance Sheet Classification
First lien term loan	$ 539,547	$ 543,624	Long-term debt, including current maturities
Second lien term loan	103,454	113,064	Long-term debt, including current maturities
Tranche B term loans	168,405	169,678	Long-term debt, including current maturities
Tranche C term loan	56,792	57,221	Long-term debt, including current maturities
International debt	482	482	Long-term debt, including current maturities
	$ 868,680	$ 884,069	

The Company determined fair value of the term loans using Level 2 inputs – other significant observable inputs. The Company estimated the fair value of the credit facility and international debt using Level 3 inputs based on discounted future cash flows using a discount rate that approximates the current effective borrowing rate for comparable loans.

16. Equity Incentive Plans

Employees and directors of the Company are eligible to participate in an equity incentive plan (the "Plan") established by Energy Cerberus Holdings LP, a Cayman Islands limited partnership (the "Partnership") which is an unconsolidated indirect parent of the Company. The Plan provides for the granting of up to 3,366,664 Class B partnership interest units (the "Class B Units") which, in addition to certain other rights, provide an interest in the earnings of the Partnership from the date of grant. The Class B Units granted by the Partnership include Series 1 Units, Series 2 Units, Series 3 Units, Series 4 Units (together the "Restricted Units"). All awards vest over a five-year period based on a participant's continued employment or services

with ECI through the applicable vesting dates. Based on the terms of the agreements, the cash value awards are considered liability classified awards. The vested awards are payable upon the occurrence of certain future liquidity events. Given the conditions for payout, the cash value awards are not deemed probable at this time. No compensation expense has been recognized related to these units for the years ended December 31, 2024 and 2023.

In 2024 and 2023, the Company granted 84,167 and 182,361 Series B-4 units, respectively.

The following tables summarize Restricted Unit award activity for the years ended December 31, 2024 and 2023:

	2024								
	Series B-1		Series B-2		Series B-3		Series B-4		Total
	Restricted Units	Weighted Average Grant Date Fair Value	Restricted Units	Weighted Average Grant Date Fair Value	Restricted Units	Weighted Average Grant Date Fair Value	Restricted Units	Weighted Average Grant Date Fair Value	Restricted Units
Nonvested, beginning of year	142,113	$ 8.65	487,630	$ 4.08	399,791	$ 5.60	256,007	$ 5.52	1,285,541
Granted	-	-	-	-	-	-	84,167	5.52	84,167
Vested	(225,819)	1.13	(231,005)	6.91	(161,564)	5.60	(33,316)	5.52	(651,704)
Forfeited	-	-	-	-	-	-	-	-	-
Nonvested, end of year	(83,706)	$ 9.78	256,625	$ 10.99	238,227	$ 5.60	306,858	$ 5.52	718,004

	2023								
	Series B-1		Series B-2		Series B-3		Series B-4		Total
	Restricted Units	Weighted Average Grant Date Fair Value	Restricted Units	Weighted Average Grant Date Fair Value	Restricted Units	Weighted Average Grant Date Fair Value	Restricted Units	Weighted Average Grant Date Fair Value	Restricted Units
Nonvested, beginning of year	398,068	$ 5.24	733,116	$ 4.10	540,069	$ 5.61	84,167	$ 5.52	1,755,420
Granted	-	-	-	-	-	-	182,361	5.52	182,361
Vested	(255,955)	3.22	(245,486)	4.02	(77,153)	5.52	(10,521)	6	(589,115)
Forfeited	-	-	-	-	(63,125)	6	-	-	(63,125)
Nonvested, end of year	142,113	$ 8.65	487,630	$ 4.08	399,791	$ 5.60	256,007	$ 5.52	1,285,541

As of December 31, 2024, 14,027 Restricted Units were available for future grants.

The Company recognizes expense from Restricted Units ratably over the service period based on their grant date fair value which is determined by a third-party valuation of the Partnership as of the grant date determined using a discounted cash flow method and Level 2 inputs, including peer company data, and Level 3 inputs, including management forecasts.

The discount rate used is the value-weighted average of the Company’s estimated cost of equity and of debt ("cost of capital") derived using both known and estimated customary market metrics. The Company’s weighted average cost of capital is adjusted to reflect a risk factor. Other significant assumptions include terminal value growth rates, terminal value margin rates, future capital expenditures and changes in future working capital requirements. While there are inherent uncertainties related to the assumptions used and to management’s application of these assumptions to this analysis, the Company believes that the income approach provides a reasonable estimate of the fair value of the Restricted Units.

The Company recognizes the impact of award forfeitures as they occur. The Company recognized $1,706 and $1,541 of compensation expense in selling, general and administrative expenses during the years ended December 31, 2024 and 2023, respectively, related to Restricted Units.

As of December 31, 2024, there was unrecognized compensation cost related to outstanding Restricted Units of $2,742 which is expected to be recognized over a period of approximately 2.6 years.

17. Accumulated Other Comprehensive Income

The Company's total other comprehensive income (loss) consists of three components: (i) foreign currency translation adjustments, (ii) gains and losses from designated hedge contracts and (iii) pension gains and losses not recognized as components of net periodic benefit costs.

Accumulated other comprehensive income (loss), net of tax and by component, was as follows:

	Foreign Currency Translation Adjustment	Unrealized Gain (Loss) on Derivatives	Unrealized Pension Plan Loss	Accumulated Other Comprehensive Income (Loss)
Balances as of December 31, 2022	$ (12,771)	$ 28,319	$ (1,520)	$ 14,028
Other comprehensive gain	3,514	35,863	177	39,554
Balances as of December 31, 2023	(9,257)	64,182	(1,343)	53,582
Other comprehensive gain (loss)	(10,484)	(116,439)	590	(126,333)
Balances as of December 31, 2024	$ (19,741)	$ (52,257)	$ (753)	$ (72,751)

The before-tax amount, tax (expense) benefit and net-of-tax amount included in other comprehensive income (loss) on the consolidated statements of operations and comprehensive income (loss), by component, for the years ended December 31, 2024 and 2023, are as follows:

	Year ended December 31, 2024			
	Before-Tax Amount	Tax (Expense) or Benefit	PTU Expense*	Net-of-Tax Amount
Foreign currency translation adjustments	$ (10,484)	$ –	$ –	$ (10,484)
Unrealized gains (losses) on currency hedging activities:				
Unrealized holding losses arising during period	(95,803)	16,081	–	(79,722)
Less: reclassification adjustment for gain realized in net income	(36,847)	5,930	–	(30,917)
Net unrealized loss	(132,650)	22,011	–	(110,639)
Unrealized gains (losses) on copper hedging activities:				
Unrealized holding losses arising during period	(4,854)	810	–	(4,044)
Less: reclassification adjustment for loss realized in net income	2,830	472	–	3,302
Net unrealized loss	(2,024)	1,282	–	(742)
Seniority premium plan (Mexico Plan):				
Unrecognized net gains	854	(197)	(67)	590
Unrealized gains (losses) on interest rate swaps:				
Unrealized holding losses arising during period	(4,696)	783	–	(3,913)
Less: reclassification adjustment for gain realized in net income	(1,374)	229	–	(1,145)
Net unrealized loss	(6,070)	1,012	–	(5,058)
Other comprehensive (loss) income	$ (150,374)	$ 24,108	$ (67)	$ (126,333)

	Year ended December 31, 2023			
	Before-Tax Amount	Tax (Expense) or Benefit	PTU Expense*	Net-of-Tax Amount
Foreign currency translation adjustments	$ 3,514	$ –	$ –	$ 3,514
Unrealized gains (losses) on currency hedging activities:				
Unrealized holding gains arising during period	94,571	(9,855)	–	84,716
Less: reclassification adjustment for gain realized in net income	(53,812)	5,609	–	(48,203)
Net unrealized gain	40,759	(4,246)	–	36,513
Unrealized gains (losses) on Copper hedging activities:				
Unrealized holding losses arising during period	(2,830)	295	–	(2,535)
Less: reclassification adjustment for loss realized in net income	2,104	(219)	–	1,885
Net unrealized loss	(726)	76	–	(650)
Seniority premium plan (Mexico Plan):				
Unrecognized net gains	276	(74)	(25)	177
Other comprehensive income (loss)	$ 43,823	$ (4,244)	$ (25)	$ 39,554

*Mexican employees are currently entitled under Mexican law to receive statutory profit sharing (Participacion a los Trabajadores de las Utilidades or "PTU") payments. The required cash payment to employees is equal to 10% of their employer's profit subject to PTU as prescribed by Mexican law.

18. Retirement Plans

U.S. Plan

The Company has a defined contribution retirement savings plan (the "Retirement Plan") covering substantially all employees working in the U.S. who meet certain eligibility requirements as to age and length of service. The Retirement Plan incorporates the salary deferral provision of Section 401(k) of the Internal Revenue Code, and employees may defer up to the applicable annual maximum limits prescribed by the Internal Revenue Code. The Company has the option to match a percentage of the employees'

deferrals. The Company may also elect to contribute an additional profit-sharing contribution to the Retirement Plan at the end of each year. The Company's contributions, and expense, for the years ended December 31, 2024, and 2023 were $1,140 and $1,123, respectively.

German Plan

The Company has nine pension benefit agreements for its German employees who meet certain eligibility requirements (the "German Plan"). The German Plan is an unfunded plan and for the years ended December 31, 2024 and 2023, the projected benefit liability was $1,459 and $1,499, respectively, and is included in other long-term liabilities in the consolidated balance sheets. Expense related to the German Plan was not material for all periods presented.

Mexico Plans

The Company provides mandated postemployment benefits for severance indemnity and seniority premium for its Mexican employees who meet certain eligibility requirements provided by national labor laws. For severance indemnity-related obligations, the Company determines the liability based on actuarial assumptions. As of December 31, 2024 and 2023, the projected severance indemnity obligation was $1,838 and $2,490, respectively.

As of December 31, 2024 and 2023, the Seniority Premium Plan projected benefit liability and unfunded status was $8,279 and $9,971, respectively.

The reconciliation of the non-U.S. defined benefit pension obligations for the years ended December 31, 2024 and 2023 is as follows:

	Year Ended December 31,			
	2024		2023	
Benefit obligation at beginning of year	$	12,461	$	9,618
Service cost		1,244		1,310
Interest cost		877		885
Actuarial loss/(gain)		717		(161)
Benefits paid		(2,831)		(661)
Exchange rate (gain) loss		(2,128)		1,470
Other		(223)		-
Benefit obligation at end of year	$	10,117	$	12,461
Change in plan assets				
Fair value of plan assets at beginning of year	$	-	$	-
Actual return on plan assets		-		-
Company contributions		2,831		661
Benefits paid		(2,831)		(661)
Exchange rate gain		-		-
Fair value of plan assets at end of year	$	-	$	-
Unfunded status	$	(10,117)	$	(12,461)
Amouts recognized in the consolidated balance sheets				
Non-current assets		-		-
Current liabilities		(2,049)		(2,647)
Non-current liabilities		(8,068)		(9,814)
Total	$	(10,117)	$	(12,461)

The benefit costs of the non-U.S. defined benefit pension obligation for the years ended December 31, 2024 and 2023 are as follows:

	Year Ended December 31,			
	2024		2023	
Service cost	$	1,244	$	1,310
Interest cost(1)	$	877		885
Amortization of net actuarial gain(1)	$	(4)		85
Termination benefits(1)	$	1,160		-
Net periodic benefit cost	$	3,277	$	2,280

(1) In accordance with the adoption of ASU 2017-07, “Compensation-Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Cost”, these costs are recorded within Nonoperating expenses in the Consolidated Statements of Operations on the line item “Other expenses”.

The assumptions used to determine the non-U.S. defined benefit pension obligation and pension expense for the years ended December 31, 2024 and 2023 are as follows:

	Year Ended December 31,	
	2024	2023
Assumptions used to determine benefit obligations		
Weighted-average discount rate	10.55%	9.50%
Weighted-average rate of increase in compensation levels	5.50%	5.50%
Assumptions used to determine benefit cost		
Weighted-average discount rate	9.50%	9.30%
Weighted-average rate of increase in compensation levels	5.50%	5.50%

The expected benefit payments to be paid for the non-U.S. defined benefit pension obligation as of December 31, 2024 are as follows:

	Projected Pension Benefit Payments
2025	$ 2,049
2026	$ 1,690
2027	$ 1,738
2028	$ 1,760
2029	$ 1,683
2030 - 2034	$ 8,580

19. Related-Party Transactions

The Company receives consulting and advisory services from affiliates of an unconsolidated parent company, Cerberus Operations and Advisory Company and Cerberus Technology Solutions (together the "Cerberus Affiliates"). It is at the sole discretion of the Company to determine the extent of consulting or advisory services to be provided by Cerberus Affiliates. The agreement terminates upon a change in control. For the years ended December 31, 2024 and 2023, selling, general and administrative expenses include $2,062 and $2,784, respectively, of costs relating to transactions with Cerberus Affiliates. As of December 31, 2024 and 2023, payables of $410 and $508, respectively, were accrued by the Company to Cerberus Affiliates for services received.

20. Subsequent Events

The Company has evaluated subsequent events through the report issuance date of March 28, 2025, and determined that there have been no events that have occurred that would require adjustments to our disclosures in the consolidated financial statements.

Section B—Alternative performance measures

The presentation of financial measures on an adjusted basis and/or a pro forma basis is not in conformity with US GAAP or any other generally accepted accounting principles.

Reconciliations of each of the Non-GAAP Measures, prepared at the Energy Holdings level, to the most directly comparable measure prepared in accordance with US GAAP are presented below.

$m	2022	2023	2024	YTD Apr 2025
Revenue	1,256	1,365	1,264	404
Pre-acquisition Revenue[(1)]	79	34	17	—
Pro forma Revenue	1,335	1,399	1,281	404
EBITDA (as derived from US GAAP financial statements)	120	138	132	59
Adjusting Items[(2)]				
Cerberus management fees and costs[(3)]	2	4	3	1
Refinancing of Cerberus debt[(4)]	—	—	13	—
Restructuring and footprint optimisation costs[(5)]	20	12	12	4
Acquisition earn-out payment[(6)]	—	3	10	—
Acquisition related costs	4	2	4	1
COVID related costs	1	—	—	—
Other Adjusting Items[(7)]	7	14	15	3
Adjusted EBITDA	154	173	189	68
Pre-acquisition EBITDA[(8)]	21	9	4	—
Pro forma Adjusted EBITDA	175	182	193	68
Pro forma Adjusted Operating Profit	141	152	166	60

(1) Refer to "*Non-US GAAP financial measures in connection with the ECI Group*" on page 3 of this document

(2) "Adjusting items" are those classified as non-recurring or exceptional

(3) Includes sponsor related management fees and consultancy costs associated with business and management reporting improvement initiatives

(4) Includes the loss on early extinguishment of debt

(5) Includes central severance and redundancy costs, as well as certain Mexican footprint consolidation costs

(6) Includes the Omni Earn-Out pursuant to the Omni SPA

(7) Other "Adjusting Items" includes stock compensation expense, unrealised foreign exchange gains and sundry non-recurring items

(8) Refer to "*Non-US GAAP financial measures in connection with the ECI Group*" on page 3 of this document

Adjusted Divisional Financials Revenue ($m)	2023	2024	YTD Apr 2025
Electrification and Industrial	658	557	169
Appliances and HVAC	707	707	235
Total	**1,365**	**1,264**	**404**

Adjusted Operating Profit ($m) ***(% margin)***	2023	2024	YTD Apr 2025
Electrification and Industrial	137 *(21)%*	117 *(21)%*	37 *(22)%*
Appliances and HVAC	55 *(8)%*	90 *(13)%*	37 *(16)%*
Central costs	(49)	(45)	(14)
Total	**143 *(10)%***	**162 *(13)%***	**60 *(15)%***

Adjusted EBITDA ($m) ***(% margin)***	2023	2024	YTD Apr 2025
Electrification and Industrial	151 *(23)%*	128 *(23)%*	40 *(24)%*
Appliances and HVAC	73 *(10)%*	106 *(15)%*	42 *(18)%*
Central costs	(49)	(45)	(14)
Total	**175 *(13)%***	**189 *(15)%***	**68 *(17)%***

Section C—Profit forecast for FY2025

Paragraph 1 of Part 1 (*Letter from the Chief Executive of Rosebank Industries plc*) of this document contains the following statement: *ECI will be acquired, for cash, for an enterprise value of less than $1.9 billion (£1.5 billion) on a debt and cash free basis, subject to adjustments, representing slightly over 9x expected 2025 Adjusted EBITDA and 9.8x 2024 Pro forma Adjusted EBITDA.*

This statements amounts to a "profit forecast" for the purposes of the AIM Rules (the "**ECI Profit Forecast**").

The ECI Profit Forecast is intended to present Shareholders with information to assist them in understanding the financial performance and financial position of ECI Group. It has been prepared on a going concern basis and in a manner that is comparable with the preparation of the audited consolidated financial statements and the adjusted consolidated financial information (as set out in sections A and B of this Part 7 (*Historical Financial Information of the ECI Group*)). It assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business, as described in more detail below. The ECI Profit Forecast is presented for informational purposes only and is not intended to present or be indicative of future results from operations or financial position for any future period or as of any future date.

The ECI Profit Forecast is based upon the reasonable assumptions and predictions listed below over assumed customers, overhead costs and turnover. The Company cannot be certain that these assumptions will prove to be correct, and a change in these factors could materially change the outcome of the ECI Profit Forecast.

- Principal assumptions that are within ECI's control are as follows:
  - no material deterioration in the Enlarged Group's relationship with customers and suppliers;
  - the Enlarged Group's capital expenditure is aligned to expectation;
  - no material change in the operational strategy of the Enlarged Group;
  - no adverse event that will have a material impact on the Enlarged Group's future credit ratings; and
  - no material change in the current key management.
- Principal assumptions that are outside ECI's control are as follows:
  - continued efficiency improvements and cost savings as a result of the successful integration of the businesses acquired or to be acquired into its ongoing operations;
  - no change in legislation, tariffs, or regulatory environment in the Enlarged Group's principal markets that materially impact its operations or the accounting principles or standards it follows;
  - no adverse event that will have a material impact on the Enlarged Group's supply chain, transportation or logistics networks;
  - no adverse event driven by external parties that will have a material impact on the reputation and the brand value of the Enlarged Group;
  - no material change, particularly in regions in which the Enlarged Group operates, to the current prevailing global macroeconomic and political conditions (including any recession, geopolitical tension, further escalation of conflict or war);
  - no material change in market conditions within the Electrification and Industrial division and Appliances and HVAC division in respect of customer demand or the competitive landscape;
  - no material change in relevant foreign exchange rates compared with ECI's estimates not mitigated by current hedging arrangements;
  - no material change in the Enlarged Group's labour, marketing or manufacturing costs driven by external parties or regulations;
  - no material change in inflation, interest rates or tax rates in the Enlarged Group's principal markets;
  - no adverse event that will have a material impact on the Enlarged Group's financial performance; and
  - no litigation, contractual dispute or regulatory action which is material in the context of ECI.

The Directors of Rosebank confirm that the ECI Profit Forecast has made after due and careful enquiry. Additionally, Investec (in its capacity as Rosebank's nominated adviser) confirms to Rosebank that it has satisfied itself that the ECI Profit Forecast has made after due and careful enquiry by the Directors of Rosebank.

Section D—Summary of key differences between US GAAP and IFRS

As at the date of this document, the Directors have not had sufficient access to the accounting records of the ECI Group in order to prepare a complete reconciliation of the US GAAP accounts to IFRS. However, the Directors believe that there are limited differences between the US GAAP audited consolidated financial statements presented in section A of this Part 7 (*Historical Financial Information of the ECI Group*) and any conversion of this financial information under IFRS. Financial information relating to the ECI Group has historically been prepared under US GAAP and, unless otherwise indicated, the historical financial information in this Part 7 (*Historical Financial Information of the ECI Group*) has been prepared under US GAAP. Rosebank currently prepares its financial information under IFRS and will continue to do so immediately post Readmission.

IFRS differs in certain respects from US GAAP as applied by the ECI Group in its historical financial information relating to certain policies for recognition, measurement and presentation. Based on the limited information available, the Directors have identified certain differences in accounting policies between those applied in the US GAAP historical financial information and the IFRS accounting policies of Rosebank. While the Directors believe that they have identified the differences, there may be additional differences not identified and set out below, which may be material. Potential areas of differences include:

- Under US GAAP, leases are classified as either operating or finance leases. In contrast, IFRS employs a single recognition and measurement model for all leases, like the finance lease treatment under US GAAP. IFRS recognises the lease expenses bifurcated into depreciation of the asset and interest on the lease liability for all leases whereas under US GAAP the operating lease expenses are recorded as a single rent expense in the income statement.
- Under US GAAP, development costs are expensed as incurred, subject to certain exceptions. Development costs may be capitalised under IFRS if technical and economic feasibility of a project can be demonstrated in accordance with certain criteria.
- While both US GAAP and IFRS require consideration of uncertain tax positions, their recognition and measurement can differ.
- In addition, the application of Rosebank's IFRS accounting policies to the ECI Group's business post-combination may result in certain balances and transactions being classified and presented differently to how they have been presented in its US GAAP historical financial information.

PART 8
TERMS AND CONDITIONS OF THE OPEN OFFER

1. INTRODUCTION

The Company considers it important that, where reasonably practicable, all Shareholders have an opportunity to participate in its equity fundraisings. Accordingly, in addition to the Placing, the US Private Placement and the Connected Persons Subscription, the Company is proposing to raise up to approximately €8 million (before expenses) by way of the Open Offer which is the maximum amount that can be raised by the Company under the Open Offer without an FCA-approved prospectus. This will provide Qualifying Shareholders, being only Shareholders with a registered address in the UK or Jersey and who have not been invited to participate in the Placing, the US Private Placement or the Connected Persons Subscription, with an opportunity to participate in the proposed issue of Open Offer Shares on a pre-emptive basis whilst providing the Company with additional capital to invest in its business.

The Capital Raise has been structured to maximise the pre-emptive entitlement of Shareholders to the extent reasonably possible without requiring the publication of an FCA-approved prospectus. The Placing, the US Private Placement and the Connected Persons Subscription are being carried out pursuant to exemptions from the requirement to publish an FCA-approved prospectus. In addition, the maximum amount that can be raised by the Company under the Open Offer without an FCA-approved prospectus must not exceed the sterling equivalent of €8 million. This provides Qualifying Shareholders, being those Shareholders with a registered address in the UK or Jersey and who have not been invited to participate in the Placing, the US Private Placement or the Connected Persons Subscription, with an opportunity to participate in the proposed issue of Open Offer Shares on a pre-emptive basis.

The Capital Raise has therefore been structured such that an FCA-approved prospectus is not required to be published, as to do so would have necessitated ECI's financial information being converted from US GAAP to IFRS. The extended timeframe that would have been required to do so would have jeopardised the Company's ability to negotiate the Acquisition in a timeframe acceptable to the Seller.

As indicated in the July 2024 Admission Document, when determining the Issue Price the Directors have had regard to a number of factors, including the issue price at the July 2024 Admission and the underlying assets of the Company. As a result, the New Ordinary Shares will be issued at an Issue Price slightly higher than the issue price at the July 2024 Admission, albeit lower than the market price at which the Company's Ordinary Shares were trading prior to their suspension from trading following the Company's announcement on 2 June 2025 regarding a potential transaction to acquire ECI.

Subject to the terms and conditions of the Open Offer, Shareholders on the Record Date who have not been invited to participate in the Institutional Capital Raise or the Connected Persons Subscription will have the opportunity to apply for up to 19 times their holding of Existing Ordinary Shares at the Record Date in addition to their Basic Entitlement of Open Offer Shares at the Issue Price, payable in cash in full on application.

Each Shareholder's Basic Entitlement has been calculated on the basis of 1 Open Offer Share at the Issue Price for every 9 Existing Ordinary Shares held at the Record Date. However, because the Shareholders who have been invited to participate in the Placing, the US Private Placement and the Connected Persons Subscription are not eligible to apply for Open Offer Shares, approximately 95% of the Open Offer Shares which would otherwise have been available to such Shareholders will also be made available to Qualifying Shareholders in addition to their Basic Entitlement. This additional amount of Open Offer Shares will be made available to Qualifying Shareholders as part of the Excess Entitlement.

In connection with the Excess Entitlement, Qualifying Shareholders will be given the opportunity to apply for additional Open Offer Shares equal to up to 19 times their balance of Existing Ordinary Shares held at the Record Date, subject to the terms and conditions of the Open Offer.

The Receiving Agent can be approached during the Open Offer period, if required, to request additional Excess Entitlements credited to the account of a Qualifying CREST Shareholder to facilitate beneficial underlying client instructions. Any Open Offer Shares comprising the Basic Entitlement of those Shareholders not permitted to participate in the Open Offer, together with any Open Offer Shares forming part of a Basic Entitlement made available to, but not applied for by, a Qualifying Shareholder, will be available to, and

apportioned between, those Qualifying Shareholders who have applied for the Excess Entitlement, with such apportionment expected to be on a pro rata basis as determined by the Company, provided that no Qualifying Shareholder shall be required to subscribe for more Open Offer Shares than they have specified on the Application Form or through CREST.

No assurance can be given that the applications for Open Offer Shares pursuant to the Excess Application Facility will be met in full or in part or at all and valid applications from Qualifying Shareholders may be subject to scaling back or adjustments on a pro rata basis at the sole discretion of the Company, so that the maximum number of Open Offer Shares is not exceeded. Entitlements to apply to acquire Open Offer Shares will be rounded down to the nearest whole number and any fractional entitlement to Open Offer Shares will be disregarded in calculating the Basic Entitlement.

Qualifying Shareholders who do not participate in the Open Offer will experience a dilution to their interests of approximately 95% following the Capital Raise (assuming full subscription under the Open Offer). Qualifying Shareholders who take up their Basic Entitlement in full and who successfully apply for an additional number of Open Offer Shares in the Excess Entitlement (assuming all Qualifying Shareholders receive their pro rata entitlement of the available Excess Entitlements) would suffer a dilution to their interests of a maximum of 84% following the Capital Raise. Any Qualifying Shareholder successfully applying for their maximum Excess Entitlements under the Open Offer would not suffer any dilution to their interests.

Each CREST custodian will need to seek clarification from their clients as to whether they were invited to participate in the Placing, the US Private Placement or the Connected Persons Subscription, for the purpose of confirming whether such clients meet the eligibility requirements to be a Qualified Shareholder who can participate in the Open Offer.

The Open Offer Shares have not been and are not intended to be registered or qualified for sale in any jurisdiction other than the UK and Jersey. Accordingly, unless otherwise determined by the Company and effected by the Company in a lawful manner, the Application Form will not be sent to Shareholders with registered addresses in any jurisdiction other than the UK or Jersey since to do so would require compliance with the relevant securities laws of that jurisdiction. Applications from any such person will, save with the consent of the Company and provided it is lawful to do so, be deemed to be invalid.

The Open Offer is only available to Qualifying Shareholders being those Shareholders with a registered address in the UK or Jersey on the Record Date and who have not been invited to participate in the Placing, the US Private Placement or the Connected Persons Subscription.

Qualifying Shareholders should note that the Open Offer is not a rights issue and therefore any Open Offer Shares which are not applied for by Qualifying Shareholders under their Basic Entitlements will not be sold in the market for the benefit of those who do not apply under the Open Offer but may be allotted to Qualifying Shareholders to meet any valid applications under the Excess Application Facility and the net proceeds will be retained for the benefit of the Company.

Qualifying Shareholders should note that the Open Offer is not underwritten, and that the Open Offer is not conditional upon the number of applications received under the Open Offer.

The Open Offer is subject, *inter alia*, to the passing of the Transaction Resolutions at the General Meeting (or any adjournment thereof) and Admission becoming effective by 8.00 a.m. on 3 July 2025 (or such later date determined by the Company in consultation with the Banks being no later than 8.00 a.m. on 14 September 2025).

The Open Offer Shares to be issued pursuant to the Open Offer will (assuming full take up under the Open Offer) represent approximately 0.55% of the Enlarged Share Capital. The Open Offer Shares will, when issued, be credited as fully paid and rank *pari passu* in all respects with the Existing Ordinary Shares, the Placing Shares, the US Private Placement Shares and the Connected Persons Shares, including the right to receive all dividends and distributions (if any) declared, made or paid in respect of Ordinary Shares after Admission.

A maximum number of 2,248,643 Open Offer Shares will be offered to Qualifying Shareholders as part of the Open Offer. In no circumstances will more than this number of Ordinary Shares be issued pursuant to the Open Offer.

Shareholders should carefully consider the "Risk Factors" set out in Part 4 (*Risk Factors*) of this document before deciding whether or not to proceed with an investment in the Company.

If a Qualifying Shareholder does not wish to apply for Open Offer Shares, they should not complete or return the Application Form or send a USE message through CREST.

2. PRINCIPAL TERMS AND CONDITIONS OF THE OPEN OFFER

Subject to the terms and conditions set out below (and, for Qualifying Non-CREST Shareholders, in the accompanying Application Form), Qualifying Shareholders are being given the opportunity to apply to subscribe for up to 19 times their balance of Existing Ordinary Shares held at the Record Date in addition to their Basic Entitlement at the Issue Price, payable in full on application. Applications for subscription for the Basic Entitlement at the Issue Price, payable in full on application and free of all expenses, pro rata to their existing shareholdings on the basis of:

1 Open Offer Share for every 9 Existing Ordinary Shares

registered in the name of each Qualifying Shareholder on the Record Date and so on in proportion to any other number of Existing Ordinary Shares then held (rounded down to the nearest whole number of Open Offer Shares). Valid applications by Qualifying Shareholders will be satisfied in full up to their Basic Entitlements.

The Basic Entitlement, in the case of Qualifying Non-CREST Shareholders, is equal to the number of Open Offer Shares shown in Box 2 on the Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of Basic Entitlements standing to the credit of their stock account in CREST. Qualifying CREST Shareholders will have their Basic Entitlements credited to their stock accounts in CREST and should refer to this paragraph 2 and paragraphs 2(b) and 3 of this Part 8 (*Terms and Conditions of the Open Offer*) and also to the CREST Manual for further information on the relevant CREST procedures.

Basic Entitlements have been rounded down to the nearest whole number of Ordinary Shares. Any fractional entitlements to Open Offer Shares will be disregarded in calculating Shareholders' Basic Entitlements and will be aggregated and made available to Shareholders under the Excess Application Facility. Qualifying Shareholders with fewer than 9 Existing Ordinary Shares will not be able to apply for Open Offer Shares.

Qualifying Shareholders may apply to acquire less than their Basic Entitlement should they so wish.

However, because the Shareholders who have been invited to participate in the Institutional Capital Raise and the Connected Persons Subscription are not eligible to apply for Open Offer Shares, approximately 95% of the Open Offer Shares which would otherwise have been available to such Shareholders will also be made available to Qualifying Shareholders in addition to their Basic Entitlement. This additional amount of Open Offer Shares will be made available to Qualifying Shareholders as part of the Excess Entitlement. In connection with the Excess Entitlement, Qualifying Shareholders will be given the opportunity to apply for additional Open Offer Shares equal to up to 19 times their balance of Existing Ordinary Shares held at the Record Date, subject to the terms and conditions of the Open Offer.

Any Open Offer Shares not issued to a Qualifying Shareholder pursuant to their Basic Entitlement will be apportioned between those Qualifying Shareholders who have applied for Excess Entitlements on a pro rata basis, provided that no Qualifying Shareholder shall be required to subscribe for more Open Offer Shares than they have specified on the Application Form or through CREST.

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

The aggregate number of New Ordinary Shares available for subscription pursuant to the Open Offer is 2,248,643 New Ordinary Shares.

The Open Offer is conditional, *inter alia*, upon the following:

(a) the passing, without amendment, of the Transaction Resolutions at the General Meeting; and

(b) Admission becoming effective by not later than 8.00 a.m. on 3 July 2025 (or such later date determined by the Company in consultation with the Banks being no later than 8.00 a.m. on 14 September 2025).

If any of these conditions are not satisfied or waived (where capable of waiver) by 8.00 a.m. on 3 July 2025 (or such later date determined by the Company in consultation with the Banks being no later than 8.00 a.m. on 14 September 2025), 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. Revocation of applications for Open Offer Shares cannot occur after dealings have begun.

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 despatched by post to those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in certificated form by 17 July 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 on 3 July 2025.

Application will be made for the Open Offer Shares to be admitted to trading on AIM. Admission is expected to occur at 8.00 a.m. on 3 July 2025, when dealings in the Open Offer Shares are expected to begin.

All monies received by the Receiving Agent in respect of Open Offer Shares will be held in a non-interest bearing bank account by the Receiving Agent.

If for any reason it becomes necessary to adjust the expected timetable as set out in this document, the Company will make an appropriate announcement giving details of the revised dates.

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. Qualifying Non-CREST Shareholders should also note that the Application Form is not a negotiable document and cannot be traded. Qualifying CREST Shareholders should note that, although the Basic Entitlements and Excess Entitlements will be credited to CREST and be enabled for settlement, applications in respect of Basic Entitlements and Excess Entitlements 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 by Qualifying Shareholders under their Basic Entitlements will not be sold in the market for the benefit of those who do not apply under the Open Offer but may be allotted to Qualifying Shareholders to meet any valid applications under the Excess Application Facility and the net proceeds will be retained for the benefit of the Company. Qualifying Shareholders who do not apply to take up Open Offer Shares will have no rights under the Open Offer. Only Shareholders with a registered address in the UK or Jersey and who have not been invited to participate in the Placing, the US Private Placement or the Connected Persons Subscription will have the opportunity to participate in the proposed issue of Open Offer Shares on a pre-emptive basis.

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

Application will be made for the Basic Entitlements and Excess Entitlements to be admitted to CREST where Existing Ordinary Shares are already admitted to CREST and/or Qualifying Shareholders elect for them to be so admitted to CREST. The conditions for such admission having already been met, the Basic Entitlements and Excess Entitlements are, where appropriate, expected to be admitted to CREST with effect from 8.00 a.m. on 12 June 2025.

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. Shareholders who reside in a Restricted Jurisdiction (being Shareholders without a registered address in the UK or Jersey) are referred to paragraph 4 (*Overseas Shareholders*) of this Part 8 (*Terms and Conditions of the Open Offer*).

The Existing Ordinary Shares are in registered form, are traded on AIM and are not traded on any other exchange. The Open Offer Shares will also be in registered form, will be issued credited as fully paid and will rank *pari passu* in all respects with the issued Existing Ordinary Shares, the Placing Shares, the US Private Placement Shares and the Connected Persons Shares. The Open Offer Shares will be issued only pursuant to the Open Offer and will not otherwise be marketed or made available in whole or in part to the public.

The proceeds of the Open Offer will be up to approximately £6.7 million before expenses. The Open Offer Shares will represent approximately 0.55% of the Enlarged Share Capital, assuming full take up of the Open Offer Shares.

Procedure for application and payment for Qualifying Shareholders

The action to be taken by you in respect of the Open Offer depends on whether, at the relevant time, you have an Application Form in respect of the Open Offer or you have Open Offer Entitlements credited to your CREST stock account.

Qualifying Shareholders who hold all their Existing Ordinary Shares in certificated form will receive a personalised Application Form. The Application Form will show the number of Ordinary Shares held at the Record Date. It will also show Qualifying Shareholders their Basic Entitlement and the total number of Open Offer Shares available under their Open Offer Entitlement that can be allotted in certificated form. Qualifying Shareholders who hold all their Existing Ordinary Shares in CREST will be allotted Open Offer Shares in CREST. Qualifying Shareholders who hold Existing Ordinary Shares partly in certificated and partly in uncertificated form that is in CREST, will be allotted Open Offer Shares in both uncertificated form to the extent of their entitlement to Open Offer Shares as a result of holding Existing Ordinary Shares in uncertificated form and will receive an application form for the part held in certificated form. However, it will be possible for Qualifying Shareholders to deposit Open Offer Entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 2(b)(vii) (*Deposit of Basic Entitlements and Excess Entitlements into, and withdrawal from, CREST*) of this Part 8 (*Terms and Conditions of the Open Offer*).

Qualifying Shareholders who do not wish to apply for any Open Offer Shares under the Open Offer should not complete or return the Application Form or submit a USE message through CREST. Qualifying Shareholders who hold their Existing Ordinary Shares through a nominee and who wish to apply for Open Offer Shares must contact their nominee as such Qualifying Shareholders will not be able to apply for Open Offer Shares directly using the Application Form.

(a) If you have an Application Form in respect of your entitlement under the Open Offer

(i) General

Qualifying Non-CREST Shareholders will have received an Application Form with this document. The Application Form shows the number of Existing Ordinary Shares registered in their name on the Record Date in Box 1. It also shows the maximum number of Open Offer Shares for which they are entitled to apply under the Basic Entitlements, as shown by the Basic Entitlement allocated to them set out in Box 2. Box 3 shows how much they would need to pay if they wish to take up their Basic Entitlement in full. Qualifying Non-CREST Shareholders wishing to take up their Basic Entitlement in full should sign, date and return the Application Form together with a sterling cheque for the value stated in Box 3.

Any fractional entitlements to Open Offer Shares will be disregarded in calculating Qualifying Non-CREST Shareholders' Basic Entitlements and will be aggregated and made available to Qualifying Shareholders pursuant to the Excess Entitlements. Any Qualifying Non-CREST Shareholders with fewer than 9 Existing Ordinary Shares will not receive a Basic Entitlement. Any Qualifying Non-CREST Shareholder with fewer than 9 Existing Ordinary Shares will not be able to apply for Open Offer Shares pursuant to the Excess Entitlements (see paragraph 2 of this Part 8 (*Terms and Conditions of the Open Offer*)). Qualifying Non-CREST Shareholders may apply for less than their Basic Entitlement should they wish to do so. Qualifying Non-CREST Shareholders wishing to apply for Open Offer Shares representing less than their Basic Entitlement may do so by completing Boxes 4 and 7 of the Application Form. Assuming that Qualifying Shareholders have accepted their Basic Entitlement in full, they will have the opportunity to apply for up to a maximum of 19 times their balance of Existing Ordinary Shares held at the Record Date in addition to their Basic Entitlement of Open Offer Shares, subject to scaling back for over subscriptions, by completing Boxes 4, 5, 6 and 7 of the Application Form (see paragraph 2(a)(iii) of this Part 8 (*Terms and Conditions of the Open Offer*)). Qualifying Non-CREST Shareholders may hold such an Application Form by virtue of a bona fide market claim (see paragraph 2(a)(ii) of this Part 8 (*Terms and Conditions of the Open Offer*)).

The instructions and other terms set out in the Application Form are part of the terms of the Open Offer.

(ii) Bona fide market claims

Applications by Qualifying Non-CREST Shareholders 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 market purchase of Existing Ordinary Shares prior to the Ex-Entitlement Date. Application Forms may not be assigned, transferred or split, except to satisfy bona fide market claims, up to 3.00 p.m. on 25 June 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 or her holding of Existing Ordinary Shares prior to the Ex-Entitlement Date, should consult his or her broker or other professional adviser 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 transferee from his or her counterparty. Qualifying Non-CREST Shareholders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Box 8 on the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee or the Receiving Agent in accordance with the instructions set out in the accompanying Application Form. The Application Form should not, however, subject to certain exceptions, be forwarded to or transmitted in or into any Restricted Jurisdiction. 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 procedures set out in paragraph 2(b)(vii) of this Part 8 (*Terms and Conditions of the Open Offer*).

(iii) Excess Entitlements

Provided that Qualifying Non-CREST Shareholders have accepted their Basic Entitlement in full, Qualifying Non-CREST Shareholders may apply to acquire Open Offer Shares pursuant to their Excess Entitlements, should they wish. Qualifying Non-CREST Shareholders wishing to apply for Open Offer Shares pursuant to their Excess Entitlements will have the opportunity to apply for up to a maximum of 19 times their balance of Existing Ordinary Shares at the Record Date in addition to their Basic Entitlement of Open Offer Shares, subject to scaling back for over subscriptions, by completing Boxes 4, 5, 6 and 7 of the Application Form. The total number of Open Offer Shares is fixed and will not be increased in response to any applications under the Excess Entitlements. Applications for Open Offer Shares pursuant to the Excess Entitlements will be allocated on a pro rata basis, and no assurance can be given that the applications for Open Offer Shares pursuant to the Excess Entitlements by Qualifying Non-CREST Shareholders will be met in full or in part or at all. Excess monies in respect of applications which are not met in full will be returned to the applicant (at the applicant's risk) without interest as soon as practicable thereafter by way of cheque or CREST payment, as appropriate.

(iv) Application procedures

Qualifying Non-CREST Shareholders wishing to apply to acquire all or any of the Open Offer Shares to which they are entitled should complete the Application Form in accordance with the instructions printed on it. Completed Application Forms should be posted in the accompanying reply paid envelope (for use only in the UK) to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA with a cheque drawn in pounds sterling on a bank or building society in the UK which is either a 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 for members of either of those companies.

Cheques should be drawn on the personal account to which the shareholder has sole or joint title. Third party cheques may not be accepted with the exception of building society cheques where the building society has endorsed the back of the draft or cheque by adding the Shareholder's details and the branch stamp or has provided a supporting letter confirming the source of funds. Such cheques must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application.

Applications must be received by Equiniti Limited (at the address detailed above) no later than 11.00 a.m. on 27 June 2025, after which time, subject as set out in this paragraph, Application Forms will not be valid. Once submitted, applications are irrevocable. If an Application Form is being sent

by post in the UK, Qualifying Shareholders are recommended to allow at least four working days for delivery. Cheques should be made payable to Equiniti Limited Re Rosebank Open Offer and crossed "A/C Payee Only". It is a condition of application that cheques will be honoured on first presentation and the Company may in its absolute discretion elect not to treat as valid any application in respect of which a cheque is not so honoured. The Company reserves the right in its sole discretion to (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 Application Forms received after 11.00 a.m. on 27 June 2025 but not later than 8.00 a.m. on 3 July 2025 with the envelope bearing a legible postmark not later than 11.00 a.m. on 27 June 2025 or applications in respect of which remittances are received before 8.00 a.m. on 3 July 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. Multiple applications will not be accepted.

Cheques are liable to be presented for payment upon receipt.

Post-dated cheques will not be accepted. If they are presented before the conditions of the Open Offer are fulfilled, the application monies will be kept in a separate bank account until the conditions are fully met. If the conditions of the Open Offer are not fulfilled on or before 8.00 a.m. on 3 July 2025 (or such later date as determined by the Company in consultation with the Banks being no later than 8.00 a.m. on 14 September 2025), the Open Offer will lapse and all application monies will be returned at the shareholders own risk without interest by either a cheque by first class post to the address set out in the Application Form or returned direct to the account of the bank or building society on which the relevant cheque was drawn, in each case, as soon as practicable, following the lapse of the Open Offer. Interest earned on monies held in the separate bank account will be retained for the benefit of the Company.

(v) Effect of application

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

1. represents and warrants to the Company and Investec that they have 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 or her rights, and perform his or her obligations under any contracts resulting therefrom and that they are 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;

2. confirms to the Company and Investec that in making the application they are not relying and have not relied on Investec or any other person affiliated with Investec in connection with any investigation of the accuracy of any information contained in this document or his or her investment decision;

3. confirms to the Company and Investec that no person has been authorised to give any information or to make any representation concerning the Group or the Open Offer Shares (other than as contained in this document) and, if given or made, any such other information or representation should not be, and has not been, relied upon as having been authorised by the Company or Investec;

4. requests that the Open Offer Shares to which they will become entitled be issued to him, her or it on the terms set out in this document and subject to the Articles;

5. agrees that all applications under the Open Offer and contracts resulting therefrom, shall be governed by and construed in accordance with the laws of England;

6. represents and warrants that they are not applying on behalf of any 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 and they are not applying with a view to reoffering, reselling, transferring or delivering any of the Open Offer Shares which are the subject of the application 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 a Restricted Jurisdiction except where proof satisfactory to the Company has been provided to the Company that they are 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;

7. represents and warrants that they are not and nor are they 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 Section 93 (depository receipts) or Section 96 (clearance services) of the Finance Act 1986;

8. confirms that the Open Offer Shares have not been offered to the applicant by means of any "*directed selling efforts*" as defined in Regulation S;

9. confirms that the Open Offer Shares are being offered and sold to the applicant in an "*offshore transaction*" as defined in Regulation S;

10. confirms that in making such application they are not relying on any information in relation to the Company other than that contained in this document and 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 other information and further agrees that having had the opportunity to read this document, they will be deemed to have had notice of all the information concerning the Company contained therein;

11. represents and warrants that they are not participating, and have not been invited to participate, in the Placing, the US Private Placement or the Connected Persons Subscription;

12. represents and warrants that they are the Qualifying Shareholder originally entitled to the relevant Basic Entitlement or that they have received such Basic Entitlement by virtue of a bona fide market claim; and

13. represents and warrants that they have a registered address in the UK or Jersey.

Should you need advice with regard to these procedures, please contact Equiniti on +44 (0)371 384 2050 quoting the allotment number of your Application Form. Calls to Equiniti's help line number are charged at the applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Lines are open between 8.30 a.m. and 5.30 p.m. Monday to Friday (excluding public holidays in England and Wales). Equiniti cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

Qualifying Non-CREST Shareholders who do not wish to apply for Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form.

Qualifying Non-CREST Shareholders are, however, encouraged to vote at the General Meeting by attending in person or by completing and returning the Form of Proxy enclosed with this document.

(b) *If you are a Qualifying Shareholder and have Basic Entitlements and Excess Entitlements credited to your stock account in CREST*

(i) General

Each Qualifying CREST Shareholder will receive a credit to his, her or its stock account in CREST equal to the number of Open Offer Shares which represents his, her or its Basic Entitlement, and also in respect of his, her or its Excess Entitlement (an amount equal to 19 times their balance of Existing Ordinary Shares held at the Record Date). Any fractional entitlements to Open Offer Shares will be disregarded in calculating Qualifying Shareholders' Basic Entitlement and will be aggregated and made available for other Shareholders pursuant to their Excess Entitlements. Any Qualifying CREST Shareholders with fewer than 9 Existing Ordinary Shares will not receive a

Basic Entitlement. Any Qualifying Non-CREST Shareholders with fewer than 9 Existing Ordinary Shares will not be able to apply for Open Offer Shares pursuant to their Excess Entitlements (see paragraph 2 of this Part 8 (*Terms and Conditions of the Open Offer*)).

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 Entitlements and Excess Entitlements have been allocated.

If for any reason the Basic Entitlements and Excess Entitlements cannot be admitted to CREST, or the stock accounts of Qualifying CREST Shareholders cannot be credited, by 8.00 a.m. on 12 June 2025, or such later time and/or date as the Company and the Nominated Adviser may decide, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Basic Entitlements and Excess Entitlements which should have been credited to his, her or its 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 such Application Forms.

CREST members who wish to apply to acquire some or all of their entitlement to Open Offer Shares should refer to the CREST Manual for further information on the CREST procedures referred to below.

Should you need advice with regard to these procedures, please contact Equiniti on +44 (0)371 384 2050 quoting the allotment number of your Application Form. Calls to Equiniti's help line number from outside the UK are charged at the applicable international rate. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Lines are open between 8.30 a.m. and 5.30 p.m. Monday to Friday (excluding public holidays in England and Wales). Equiniti cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for Open Offer Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

(ii) Market claims

Each of the Basic Entitlements and the Excess Entitlements will constitute a separate security for the purposes of CREST and will have a separate ISIN. Although Basic Entitlements and Excess Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Basic Entitlements and Excess 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 Entitlement will generate an appropriate market claim transaction and the relevant Basic Entitlement(s) will thereafter be transferred accordingly.

(iii) Excess Entitlements

Subject to availability, and assuming that Qualifying CREST Shareholders have accepted their Basic Entitlement in full, Qualifying CREST Shareholders may apply to acquire Open Offer Shares pursuant to their Excess Entitlements, should they wish. Qualifying CREST Shareholders will have the opportunity to apply for up to a maximum of 19 times their balance of Existing Ordinary Shares held at the Record Date in addition to their Basic Entitlement, subject to scaling back for over subscriptions.

An Excess Entitlement may not be sold or otherwise transferred. The CREST accounts of CREST Shareholders will be credited with an Excess Entitlement in order for any applications for Open Offer Shares pursuant to their Excess Entitlements to be settled through CREST.

Qualifying CREST Shareholders should note that, although the Basic Entitlements and the Excess Entitlements will be admitted to CREST, they will have limited settlement capabilities (for the purposes of market claims only). Neither the Basic Entitlements nor the Excess 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 Open Offer Shares pursuant to their Excess Entitlements, Qualifying CREST Shareholders should follow the instructions in paragraphs 2(b)(iv) and 2(b)(vi) of this Part 8 (*Terms and Conditions of the Open Offer)* and must not return a paper form and cheque.

Should a transaction be identified by the CREST Claims Processing Unit as "cum" the Basic Entitlement and the relevant Basic Entitlement will be transferred, while the Excess Entitlements will not be transferred to the purchaser automatically. The purchaser will need to contact the Receiving Agent and request Excess CREST Open Offer Entitlements to be credited accordingly. Please note that a separate USE Instruction must be sent to Euroclear in respect of any application under the Excess Entitlement.

Fractions of Ordinary Shares will not be issued pursuant to applications for Open Offer Shares pursuant to Excess Entitlements and fractions of Ordinary Shares will be rounded down to the nearest whole number. Any fractional Ordinary Shares will be aggregated and be made available for Shareholders as Excess Entitlements.

The total number of Open Offer Shares is fixed and will not be increased in response to any applications under the Excess Entitlements. Applications for Open Offer Shares pursuant to the Excess Entitlements will be allocated on a pro rata basis, and no assurance can be given that the applications for Open Offer Shares pursuant to the Excess Entitlements by Qualifying Non-CREST Shareholders will be met in full or in part or at all. Excess monies in respect of applications which are not met in full will be returned to the applicant (at the applicant's risk) without interest as soon as practicable thereafter by way of cheque or CREST payment, as appropriate.

Should you need advice with regard to these procedures, please contact Equiniti on +44 (0)371 384 2050 quoting the allotment number of your Application Form. Calls to Equiniti's help line number from outside the UK are charged at the applicable international rate. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Lines are open between 8.30 a.m. and 5.30 p.m. Monday to Friday (excluding public holidays in England and Wales). Equiniti cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

(iv) 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 Entitlement and Excess 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:

1. the crediting of a stock account of the Registrar under the participant ID and member account ID specified below, with a Basic Entitlement and/or Excess Entitlements corresponding to the number of Open Offer Shares applied for; and
2. the creation of a CREST payment, in accordance with the CREST payment arrangements, in favour of the payment bank of the Registrar in respect of the amount specified in the USE Instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in paragraph 2(b)(i) above.

(v) Content of USE Instruction in respect of Basic 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:

1. the number of Open Offer Shares for which application is being made (and hence the number of shares comprised in the Basic Entitlement being delivered to Equiniti);

2. the ISIN of the Basic Entitlement, which is JE00BTPLRW12;
3. the participant ID of the accepting CREST member;
4. the member account ID of the accepting CREST member from which the Basic Entitlements are to be debited;
5. the participant ID of Equiniti in its capacity as a CREST receiving agent, which is 2RA52;
6. the member account ID of Equiniti in its capacity as a CREST receiving agent, which is RA375001;
7. 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 1 above;
8. the intended settlement date. This must be on or before 11.00 a.m. on 27 June 2025; and
9. 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 27 June 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:

(1) a contact name and telephone number (in the free format shared note field); and

(2) 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 27 June 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 3 July 2025 or such later time and date as determined by the Company (being no later than 8.00 a.m. on 14 September 2025), the Open Offer will lapse, the Basic Entitlements and Excess Entitlements admitted to CREST will be disabled and the Registrar will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter. The interest earned on such monies will be retained for the benefit of the Company.

(vi) Content of USE Instruction in respect of Excess Entitlements

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

1. the number of Ordinary Shares for which the application is being made pursuant to the Excess Entitlements (and hence the number of the Excess Entitlement(s) being delivered to the Registrar);
2. the ISIN of the Excess Entitlement. This is JE00BTPLS514;
3. the participant ID of the accepting CREST member;
4. the member account ID of the accepting CREST member from which the Excess Entitlements are to be debited;
5. the participant ID of Equiniti in its capacity as Receiving Agent. This is 2RA53;
6. the member account ID of Equiniti in its capacity as Receiving Agent. This is RA375002;

7. 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 shares pursuant to the Excess Entitlements referred to in paragraph 1 above;

8. the intended settlement date. This must be on or before 11.00 a.m. on 27 June 2025; and

9. the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for the application in respect of an Excess 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 27 June 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:

(1) a contact name and telephone number (in the free format shared note field); and

(2) 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 27 June 2025 in order to be valid is 11.00 a.m. on that day. Please note that automated CREST generated claims and buyer protection will not be offered on the Excess Entitlement security.

(vii) Deposit of Basic Entitlements and Excess Entitlements into, and withdrawal from, CREST

A Qualifying Non-CREST Shareholder's Basic Entitlement as set out in his, her or its Application Form may be deposited into CREST (either into the account of the Qualifying Holder named in the Application Form or into the file name of a person entitled by virtue of a bona fide market claim). Similarly, Basic Entitlements held in CREST may be withdrawn from CREST so that the entitlement under Basic Entitlements 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 Basic 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 Entitlement and the entitlement to apply under the Excess Application Facility following its deposit into CREST to take all necessary steps in connection with taking up his, her or its entitlement prior to 11.00 a.m. on 27 June 2025. In particular, having regard to normal processing times in CREST and on the part of Equiniti, 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 Entitlements in CREST, is 3.00 p.m. on 24 June 2025, and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Basic Entitlements from CREST is 23 June 2025, in either case so as to enable the person acquiring or (as appropriate) holding the Basic Entitlement 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 Entitlement and/or Excess Entitlements as the case may be prior to 11.00 a.m. on 27 June 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 Equiniti 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 Equiniti from the relevant CREST member(s) that it/they is/are not citizen(s) or resident(s) of any Restricted Jurisdiction or any 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.

(viii) 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 27 June 2025 will constitute a valid application under the Open Offer.

(ix) 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, her or its CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by no later than 11.00 a.m. on 27 June 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.

(x) Incorrect or incomplete applications

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

1. to reject the application in full and refund the payment to the CREST member in question without payment of interest;

2. 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 payment of interest; and

3. 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 payment of interest.

(xi) Effect of valid application

A CREST member who makes or is treated as making a valid application in accordance with the above procedures thereby: 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 Equiniti's 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):

1. represents and warrants to the Company and Investec that they have the right, power and authority, and have taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise their rights, and perform their obligations under any contracts resulting therefrom and that they are 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;

2. confirms to the Company and Investec that in making the application they are not relying and have not relied on Investec or any other person affiliated with Investec in connection with any investigation of the accuracy of any information contained in this document or his or her investment decision;

3. confirms to the Company and Investec that no person has been authorised to give any information or to make any representation concerning the Group or the Open Offer Shares (other than as contained in this document) and, if given or made, any such other information or representation should not be, and has not been, relied upon as having been authorised by the Company or Investec;

4. requests that the Open Offer Shares to which they will become entitled be issued to him, her or it on the terms set out in this document and subject to the Articles;

5. agrees that all applications under the Open Offer and contracts resulting therefrom shall be governed by, and construed in accordance with, the laws of England;

6. represents and warrants that they are not applying on behalf of any 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 and they are not applying with a view to reoffering, reselling, transferring or delivering any of the Open Offer Shares which are the subject of the application 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 a Restricted Jurisdiction except where proof satisfactory to the Company has been provided to the Company that they are 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;

7. represents and warrants that they are not and nor are they 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 Section 93 (depository receipts) or Section 96 (clearance services) of the Finance Act 1986;

8. confirms that the Open Offer Shares have not been offered to the applicant by means of any "directed selling efforts" as defined in Regulation S;

9. confirms that the Open Offer Shares are being offered and sold to the applicant in an "offshore transaction" as defined in Regulation S;

10. confirms that in making such application they are not relying on any information in relation to the Company other than that contained in this document and 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 other information and further agrees that having had the opportunity to read this document, they will be deemed to have had notice of all the information concerning the Company contained therein;

11. represents and warrants that they are the Qualifying Shareholder originally entitled to the relevant Basic Entitlement or that they have received such Basic Entitlement by virtue of a bona fide market claim;

12. represents and warrants that they are not participating, and have not been invited to participate, in the Placing, the US Private Placement or the Connected Persons Susbcription; and

13. represents and warrants that they have a registered address in the UK or Jersey.

(xii) Discretion of the Company as to the rejection and validity of applications

The Company may:

1. 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 8 (*Terms and Conditions of the Open Offer*);

2. 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 and the Nominated Adviser may determine;

3. 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 Equiniti receives a properly authenticated dematerialised instruction giving details of the first instruction, or thereafter, either the Company or Equiniti have 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

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 Equiniti in connection with CREST.

3. MONEY LAUNDERING REGULATIONS

(a) *Holders of Application Forms*

It is a term of the Open Offer that, to ensure compliance with the Money Laundering, Terrorist Financing and Transfer of Funds Regulations 2017 (as amended and supplemented) (the "**Money Laundering Regulations**"), the money laundering provisions of the Criminal Justice Act 1993, Part VIII of FSMA and the Proceeds of Crime Act 2002 (together with other guidance and source books produced in relation to financial sector firms), Equiniti may at its absolute discretion require verification of identity from any person lodging an Application Form (the "**applicant**") including, without limitation, any applicant who (i) tenders payment by way of cheque drawn on an account in the name of a person or persons other than the applicant, or (ii) appears to Equiniti to be acting on behalf of some other person. In the former case, verification of the identity of the applicant may be required. In the latter case, verification of the identity of any person on whose behalf the applicant appears to be acting may be required. In the event that an applicant fails to provide the required verification of identity may have their application to participate in the Open Offer refused.

The verification of identity requirements will not usually apply:

i. 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 (Directive (EU) 2024/1640));

ii. if the applicant (not being an applicant who delivers his or her application in person) makes payment by way of a cheque drawn on an account in the applicant's name; or

iii. if the aggregate Issue Price for the Open Offer Shares is less than the pounds sterling equivalent of €15,000 (approximately £12,649).

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

(i) if payment is made by building society cheque (not being a cheque drawn on an account in the name of the applicant), by the building society or bank endorsing on the cheque the applicant's name and the number of an account held in the applicant's name at such building society or bank, such endorsement being validated by a stamp and an authorised signature;

(ii) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in (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 non-EU members of which are Argentina, Australia, Brazil, Canada, China, Gibraltar, Hong Kong, Iceland, Japan, Mexico, New Zealand, Norway, Russian Federation, the Republic of Korea, the Republic of South Africa, Singapore, Switzerland, Turkey, UK Crown Dependencies and the United States and, by virtue of their membership of the Gulf Co-operation Council, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), 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 Equiniti. If the agent is not such an organisation, it should contact Equiniti using the telephone numbers set out above.

If requested, you should ensure that you have with you evidence of identity bearing your photograph (for example your passport). 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 27 June 2025, Equiniti have not received evidence

satisfactory to them as aforesaid, Equiniti may, at their discretion, as the agents 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 drawee 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).

(b) ***Basic Entitlements and Excess Entitlements held in CREST***

If you hold your Basic Entitlements and Excess Entitlements in CREST and apply for Open Offer Shares in respect of all or some of your Basic Entitlement and/or Excess Entitlements 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, the Registrar 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 the Receiving Agent before sending any USE Instruction 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 the Registrar such information as may be specified by the Registrar as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to the Registrar as to identity, the Registrar 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 as to the identity of the person or persons on whose behalf the application is made.

4. OVERSEAS SHAREHOLDERS (i.e. Shareholders who are resident in a Restricted Jurisdiction)

Only Qualifying Shareholders, which means only Shareholders with a registered address in the UK or Jersey and who have not been invited to participate in the Placing, the US Private Placement or the Connected Persons Subscription, will be eligible to make an application for Open Offer Shares, and in particular no person receiving a copy of this document, the Application Form and/or a credit of an Open Offer Entitlement to a stock account in CREST in any other territory may treat the same as constituting an offer or invitation to him/her nor should he/she in any event use the Application Form nor a credit of an Open Offer Entitlement to a stock account in CREST. Accordingly, persons receiving this document and Application Form should not send the same into any other territory, and any copy of this document or the Application Form which is received in any such jurisdiction is sent for information only, is confidential and should not be copied or distributed.

The Company reserves the right to treat as invalid any application or purported application to subscribe for new Ordinary Shares pursuant to the Open Offer which appears to the Company or its agent to have been executed, effected or dispatched in a manner which may involve a breach of the securities laws or regulations of any jurisdiction or which does not include the warranties set out in the Application Form.

The Open Offer Shares have not been and are not intended to be registered or qualified for sale in any jurisdiction other than the UK and Jersey. Accordingly, unless otherwise determined by the Company and effected by the Company in a lawful manner, the Application Form will not be sent to Shareholders with registered addresses in any jurisdiction other than the UK or Jersey since to do so would require compliance with the relevant securities laws of that jurisdiction. Applications from any such person will, save with the consent of the Company and provided it is lawful to do so, be deemed to be invalid.

5. ADMISSION, SETTLEMENT AND DEALINGS

The result of the Open Offer is expected to be announced on 1 July 2025. Application will be made to the London Stock Exchange for all of the New Ordinary Shares to be admitted to trading on AIM. It is expected that, subject, *inter alia*, to the Open Offer becoming unconditional in all respects, Admission will become effective and that dealings in the Open Offer Shares will commence on 8.00 a.m. on 3 July 2025. The earliest date for settlement of such dealings will be 8.00 a.m. on 3 July 2025.

The Company's Existing Ordinary Shares are already admitted to CREST. Accordingly, no further application for admission to CREST is required for the Open Offer Shares, all of which, when issued and fully paid, may be held and transferred by means of CREST.

Application has been made for the Basic Entitlements to be admitted to CREST. The conditions to such admission having already been met, the Basic Entitlements are expected to be admitted to CREST with effect from 8.00 a.m. on 12 June 2025. Basic Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 27 June 2025 (the latest time and date for applications under the Open Offer).

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 the day on which all conditions to the Open Offer are satisfied (expected to be 3 July 2025). On this day, Equiniti will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Open Offer Shares with effect from Admission (expected to be at 8.00 a.m. on 3 July 2025). The stock accounts to be credited will be accounts under the same participant IDs and member account IDs in respect of which the USE Instruction was given.

Qualifying CREST Shareholders should note that they will be sent no confirmation of the credit of the Open Offer Shares to their CREST stock account nor any other written communication by the Company in respect of the issue of the Open Offer Shares.

Notwithstanding any other provision of this document, the Company reserves the right to send CREST Shareholders an Application Form instead of crediting the relevant stock account with a Basic Entitlement, Excess Entitlements and/or to issue 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 any part of CREST), or on the part of the facilities and/or systems operated by Equiniti in connection with CREST. This right may also be exercised if the correct details (such as participant ID and member account ID details) are not provided as requested.

For Qualifying Non-CREST Shareholders who have applied by using an Application Form, share certificates for the Open Offer Shares validly applied for are expected to be despatched by post by 17 July 2025. No temporary documents of title will be issued. Pending despatch of definitive share certificates, transfers of the Open Offer Shares by Qualifying Non-CREST Shareholders will be certified against the register. All documents or remittances sent by or to an applicant (or his or her agent as appropriate) will (in the latter case) be sent through the post and will (in both cases) be at the risk of the applicant.

Times and dates

The Company shall, in its discretion, and after consultation with its financial and legal advisers, be entitled to amend the dates on which 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 make an announcement on a RIS.

No withdrawal rights

An application under the Open Offer once made is irrevocable and cannot be withdrawn or changed.

6. TAXATION

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

Please refer to paragraph 1 (*UK Taxation*) of Part 9 (*Taxation*) of this document for further information on UK tax considerations; and to paragraph 2 (*Jersey Taxation*) of Part 9 (*Taxation*) of this document for further information on Jersey tax considerations.

7. 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, the laws of England. The courts of England 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 including, without limitation,

disputes relating to any non-contractual obligations arising out of or in connection with the Open Offer, this document or the Application Form. By taking up Open Offer Shares under the Open Offer 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 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 9
TAXATION

1. UK Taxation

The following comments are a general guide to certain UK tax considerations and do not purport to be a complete analysis of all potential UK tax consequences of acquiring, holding or disposing of Ordinary Shares. They are based on current UK legislation and what is understood to be the current practice of HM Revenue & Customs (which may not be binding on HM Revenue & Customs) as at the date of this document, both of which may change, possibly with retroactive effect.

Except where otherwise specifically stated, the comments below are intended to apply only to Shareholders: (i) who are resident in the UK for UK tax purposes (and, in the case of individuals, who are not eligible for and claiming relief from the UK taxation of foreign income and gains under Chapter 1, Part 2 of the Finance Act); (ii) to whom split-year treatment does not apply; (iii) who are and will be the absolute beneficial owners of their Ordinary Shares and any dividends paid in respect of them; and (iv) who hold, and will hold, Ordinary Shares as investments (otherwise than through an individual savings account or a pension arrangement) and not as securities to be realised in the course of a trade. The tax position of certain other categories of Shareholders who are subject to special rules (such as persons acquiring their Ordinary Shares in connection with employment, dealers in securities, insurance companies or collective investment schemes) is not considered.

The comments below do not constitute tax advice. Prospective investors who are in any doubt as to their tax position or who are subject to tax in a jurisdiction other than the UK should consult their own professional advisers.

1.1 *Taxation of Dividends*

Where the Company pays dividends no UK withholding taxes are required to be deducted at source. Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

1.1.1 *UK tax resident individuals*

When the Company pays a dividend to an individual Shareholder who is resident (for tax purposes) in the UK (a "**UK resident individual shareholder**"), the amount of income tax payable on the receipt, if any, will depend on the individual's own personal tax position.

No UK income tax should be payable by a UK resident individual shareholder if the amount of dividend income received, when aggregated with the Shareholder's other dividend income in the year of assessment, does not exceed the dividend allowance. The dividend allowance for the tax year 2025/2026 is £500. Dividend income in excess of the dividend allowance is subject to UK income tax at the following rates for the tax year 2025/2026:

(a) 0% to the extent that it falls within the personal allowance;

(b) 8.75% to the extent that it falls within the basic rate band;

(c) 33.75% to the extent it falls within the higher rate band; and

(d) 39.35% to the extent it falls within the additional rate band.

For the purposes of determining which of the taxable bands dividend income falls into, dividend income is treated as the highest part of a UK resident individual Shareholder's total income charged to UK income tax (less relevant reliefs and allowances). In addition, dividend income which is within the dividend allowance counts towards an individual's basic or higher rate limits and so will be taken into account in determining whether the threshold for higher rate or additional rate income tax is exceeded.

1.1.2 *Non-UK tax resident individual Shareholders*

Individual Shareholders who are not tax resident in the UK and who hold their Ordinary Shares as an investment and not in connection with any trade, profession or vocation carried on by them in the UK should generally not be subject to UK tax on dividends received from the Company. Any such non-UK tax resident individual Shareholders may be subject to non-UK taxation on any dividend income they receive, under local law.

1.1.3 *Corporate Shareholders within the charge to UK corporation tax*

Shareholders within the charge to UK corporation tax that are "small companies" (for the purposes of the UK taxation of dividends) will generally not be subject to UK tax on dividends from the Company provided that certain conditions (including an anti-avoidance condition) are met.

Other Shareholders within the charge to UK corporation tax (which are not "small companies" for the purposes of the UK taxation of dividends) should not be subject to UK tax on dividends from the Company, so long as the dividends fall within an exempt class and certain conditions are met. In general: (i) dividends paid on non-redeemable "ordinary shares" (that is, non-redeemable shares that do not carry any present or future preferential rights to dividends or to the Company's assets on its winding up); and (ii) dividends paid to a UK resident corporate Shareholder holding less than 10% of the issued share capital of the class in respect of which the dividend is paid, should fall within an exempt class and accordingly should not be subject to UK corporation tax. However, it should be noted that the exemptions are not comprehensive and are subject to anti-avoidance rules. Such Shareholders will need to ensure that they satisfy the requirements of an exempt class and that no anti-avoidance rules apply before treating any dividend as exempt, and seek appropriate professional advice where necessary.

1.1.4 *Non-UK corporate Shareholders*

Corporate Shareholders who are not resident in and have no permanent establishment in the UK and who hold their Ordinary Shares as an investment and not in connection with any trade carried on by them, should generally not be subject to UK tax on dividends received from the Company. Any such non-UK tax resident corporate Shareholders may be subject to non-UK taxation on any dividend income they receive, under local law.

1.2 *Chargeable Gains*

1.2.1 *UK tax resident individuals*

A disposal (or deemed disposal) of the Ordinary Shares by a UK resident individual shareholder may give rise to a chargeable gain (or allowable loss) for the purposes of UK capital gains tax, depending on the circumstances and subject to any available exemption or relief. No indexation allowance will be available to a UK resident individual shareholder in respect of any disposal of Ordinary Shares. However, the capital gains tax annual exempt amount may be available to exempt any chargeable gain, to the extent that the exemption has not already been utilised. The annual exempt amount for individuals for the tax year 2025/2026 is £3,000.

Capital gains tax on share disposals by a UK resident individual Shareholder will generally be charged at 18% to the extent that the total chargeable gains and total taxable income arising in the tax year of disposal, after all allowable deductions (including losses, the income tax personal allowance and the capital gains tax annual exempt amount), are less than the upper limit of the income tax basic rate band. To the extent that any chargeable gains (or part of any chargeable gains) arising in the tax year of disposal exceed the upper limit of the income tax basic rate band when aggregated with any such income (in the manner referred to above), capital gains tax will generally be charged at 24%.

1.2.2 *Shareholders within the charge to UK corporation tax*

A disposal (or deemed disposal) of the Ordinary Shares by a Shareholder within the charge to UK corporation tax may give rise to a chargeable gain (or allowable loss) for the purposes of UK corporation tax, depending on the circumstances and subject to any available exemption or relief. The main rate of UK corporation tax is currently 25%.

1.2.3 *Non-UK tax resident Shareholders*

A Shareholder who is not resident for tax purposes in the UK will generally not be subject to UK taxation on the disposal or deemed disposal of the Ordinary Shares unless the Shareholder is carrying on a trade, profession or vocation in the UK through a branch or agency (or, in the case of a corporate Shareholder, a permanent establishment) in connection with which the Ordinary Shares are used, held or acquired. Non-UK tax resident Shareholders may be subject to non-UK taxation on any gain under local law.

An individual Shareholder who is temporarily non-resident for UK tax purposes may, in certain circumstances, become liable to UK capital gains tax in respect of gains realised while they were not resident in the UK.

1.3 Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

The statements in this section are intended as a general guide to the current UK stamp duty and SDRT position. They apply to all Shareholders, regardless of residence or domicile/deemed domicile.

No stamp duty or SDRT will arise on the issue of the Ordinary Shares.

No stamp duty or SDRT will arise on transfers or agreements to transfer Ordinary Shares which are admitted to trading on AIM and are not listed on a recognised stock exchange. If the Ordinary Shares cease to be admitted to trading on AIM or are listed on a recognised stock exchange, such as the Main Market of the London Stock Exchange: (i) SDRT will not arise on transfers or agreements to transfer Ordinary Shares provided that the Ordinary Shares are not registered in a register kept in the UK by or on behalf of the Company; and (ii) stamp duty should not be payable on transfers of the Ordinary Shares which take place solely within the CREST system. The Company does not intend to register the Ordinary Shares in a register kept within the UK.

2. Jersey Taxation

2.1 *General*

The following summary of the anticipated treatment of the Company and holders of Ordinary Shares (other than residents of Jersey) is based on Jersey taxation law and practice as they are understood to apply at the date of this document and is subject to changes in such taxation law and practice. It does not constitute legal or tax advice and does not address all aspects of Jersey tax law and practice (including such tax law and practice as they apply to any land or building situate in Jersey). Prospective investors in Ordinary Shares should consult their professional advisers on the implications of acquiring, buying, selling or otherwise disposing of Ordinary Shares in the Company under the laws of any jurisdiction in which they may be liable to taxation.

2.2 *Taxation of the Company*

The Company is not regarded as resident for tax purposes in Jersey. The Company is resident in the UK for UK tax purposes by virtue of its place of central management and control being located in the UK. Therefore, the Company will not be liable to Jersey income tax other than on Jersey source income (except where such income is exempted from income tax pursuant to the Income Tax (Jersey) Law 1961, as amended) and dividends on Ordinary Shares may be paid by the Company without withholding or deduction for or on account of Jersey income tax. The holders of Ordinary Shares (other than residents of Jersey) will not be subject to any tax in Jersey in respect of the holding, sale or other disposition of such Ordinary Shares.

2.3 *Stamp duty*

In Jersey, and on the basis that the Ordinary Shares do not confer a direct or indirect interest in Jersey real estate, no stamp duty is levied on the issue or transfer of Ordinary Shares except that stamp duty is payable on Jersey grants of probate and letters of administration, which will generally be required to transfer Ordinary Shares on the death of a holder of such shares. In the case of a grant of probate or letters of administration, stamp duty is levied according to the size of the estate (wherever situated in respect of a holder of Ordinary Shares domiciled in Jersey, or situated in Jersey in respect of a holder of Ordinary Shares domiciled outside Jersey) and is payable on a sliding scale at a rate of up to 0.75% of such estate and such duty is capped at £100,000.

2.4 *Other Jersey taxes*

Jersey does not otherwise levy taxes upon capital, inheritances, capital gains or gifts nor are there other estate duties.

3. US Taxation

The following discussion describes certain United States federal income tax consequences of the purchase, ownership and disposition of Ordinary Shares. This discussion deals only with Ordinary Shares that are held as capital assets by a US Holder (as defined below) and that are acquired pursuant to the Capital Raise.

For the purposes of this discussion, the term "US Holder" means a beneficial owner of Ordinary Shares that is, for US federal income tax purposes, any of the following: (i) an individual who is a citizen or resident of the United States; (ii) a corporation (or other entity treated as a corporation for US federal income tax purposes) created or organised in or under the laws of the United States, any state thereof or the District of Columbia; (iii) an estate the income of which is subject to US federal income taxation regardless of its source; or (iv) a trust if it: (a) is subject to the primary supervision of a court within the United States and one or more US persons have the authority to control all substantial decisions of the trust; or (b) has a valid election in effect under applicable US Treasury regulations to be treated as a United States person.

This discussion is based upon provisions of the United States Internal Revenue Code of 1986, as amended (the "Code"), the Treasury regulations promulgated thereunder, administrative rulings and judicial decisions and the current income tax treaty between the United States and the United Kingdom (the "Treaty"), all as of the date hereof. Those authorities may be changed, perhaps with retroactive effect, so as to result in US federal income tax consequences different from those summarised below.

This discussion does not represent a detailed description of the US federal income tax consequences applicable to a US investor who is subject to special treatment under the US federal income tax laws, including a US investor who is:

- a dealer or broker in securities or currencies;
- a financial institution;
- a regulated investment company;
- a real estate investment trust;
- an insurance company;
- a tax-exempt organisation;
- a person holding Ordinary Shares as part of a hedging, integrated or conversion transaction, a constructive sale or a straddle;
- a trader in securities that has elected the mark-to-market method of accounting for its securities;
- a person liable for alternative minimum tax;
- a person who owns or is deemed to own 10% or more of the Company's stock (by vote or value);
- a partnership or other pass-through entity for US federal income tax purposes;

- a person required to accelerate the recognition of any item of gross income with respect to Ordinary Shares as a result of such income being recognised on an applicable financial statement; or
- a US Holder whose "functional currency" is not the US dollar.

If a partnership (or other entity or arrangement treated as a partnership for US federal income tax purposes) holds Ordinary Shares, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. US investors who are a partnership or a partner of a partnership holding Ordinary Shares, should consult their own tax advisers.

This discussion does not contain a detailed description of all the US federal income tax consequences to US investors in light of their particular circumstances and does not address the Medicare tax on net investment income, US federal estate and gift taxes or the effects of any state, local or non-US tax laws. **US investors who are considering the purchase of Ordinary Shares, should consult their own tax advisers concerning the particular US federal income tax consequences to them of the purchase, ownership and disposition of Ordinary Shares, as well as the consequences arising under other US federal tax laws and the laws of any other taxing jurisdiction.**

US Federal Income Tax Treatment of the Company

For US federal income tax purposes, a corporation generally is considered to be a tax resident of the jurisdiction of its organisation or incorporation. The Company is organised under the laws of Jersey and accordingly, under the generally applicable US federal income tax rules, the Company expects to be treated as a non-US corporation (and, therefore, not a US tax resident) for US federal income tax purposes. However, Section 7874 of the Code provides an exception to this general rule, pursuant to which a non-US corporation (or other entity treated as a corporation for US federal income tax purposes) will be treated as a US corporation for US federal income tax purposes if an 80% Inversion (as defined below) occurs. These rules are complex and guidance regarding their application is unclear and incomplete.

Under Section 7874 of the Code, an "80% Inversion" occurs if each of the following three conditions are met: (i) a non-US corporation, directly or indirectly, acquires substantially all of the properties held directly or indirectly by a US corporation (including through the acquisition of all of the outstanding shares of the US corporation) (a "**Domestic Entity Acquisition**"); (ii) the non-US corporation's "expanded affiliated group" does not have "substantial business activities" in the non-US corporation's country of organisation or incorporation relative to the expanded affiliated group's worldwide activities (the "**Substantial Business Activities Test**"); and (iii) after the Domestic Entity Acquisition, former shareholders of the acquired US corporation hold at least 80% (by either vote or value) of the shares of the non-US acquiring corporation by reason of holding shares in the US acquired corporation, as determined for purposes of Section 7874 of the Code (the "**80% Ownership Test**"). If the Company is treated as a US corporation for US federal income tax purposes, the Company or the Enlarged Group could be subject to substantial additional US federal income tax obligations.

Further, Section 7874 of the Code can limit the ability of US corporations and their US affiliates acquired by "surrogate foreign corporations" to utilise certain US tax attributes. These limitations can potentially apply if the 80% Ownership Test would be satisfied if it were applied by substituting "60%" for "80%" (the "**60% Ownership Test**"). If the 60% Ownership Test is satisfied, certain adverse tax consequences may apply to a surrogate foreign corporation and its subsidiaries, including restrictions on the use of tax attributes of the acquired US corporation with respect to "inversion gain" recognised over a 10-year period following the Domestic Entity Acquisition, the recapture of certain deductions previously taken by the surrogate foreign corporation under Section 965(e) of the Code at an unfavorable rate, the imposition of an excise tax equal to 1% of the fair market value of stock that the surrogate foreign corporation repurchases and the requirement that any US subsidiaries treat certain payments to the surrogate foreign corporation as "base erosion payments" that may be subject to a minimum US federal income tax. In addition, dividends paid by a surrogate foreign corporation to non-corporate US shareholders would not be eligible for the reduced rates of taxation applicable to "qualified dividend income" (see "*—Taxation of Dividends*" below).

Based upon the terms of the Acquisition, the rules for determining the ownership percentage under Section 7874 of the Code and the Treasury regulations promulgated thereunder, and certain factual assumptions, the Company currently expects that former shareholders of ECI will be treated as holding

less than 60% (by either vote or value) of the Company's Ordinary Shares by reason of holding shares in ECI. Accordingly, the Company does not expect to be treated as a US corporation for US federal income tax purposes under Section 7874 of the Code and the Company does not expect the limitations and other rules described above to apply to the Enlarged Group after the Acquisition. However, whether the 80% Ownership Test or the 60% Ownership Test has been satisfied must be finally determined after completion of the Acquisition, by which time there could be changes to the relevant facts and circumstances or adverse rule changes. In addition, even if the Enlarged Group is not subject to the above adverse consequences under Section 7874 of the Code as a result of the Acquisition, the Company could, in certain specific circumstances, be limited in using its equity to engage in future acquisitions of US corporations. The rules for determining ownership under Section 7874 of the Code are complex, unclear and the subject of ongoing regulatory change. Accordingly, there can be no assurance that the IRS would not assert a contrary position to those described above or that such an assertion would not be sustained by a court.

The remainder of this discussion assumes the Company will not be treated as a US corporation for US federal income tax purposes under Section 7874 of the Code and that the Enlarged Group will not be subject to the limitations and other rules under Section 7874 of the Code.

Taxation of Dividends

Subject to the discussion under "—*Passive Foreign Investment Company*" below, the gross amount of distributions on Ordinary Shares will be taxable as dividends to the extent paid out of the Company's current or accumulated earnings and profits, as determined under US federal income tax principles. To the extent that the amount of any distribution exceeds the Company's current and accumulated earnings and profits for a taxable year, the distribution will first be treated as a tax-free return of capital, causing a reduction in a US Holder's tax basis in the Ordinary Shares, and to the extent the amount of the distribution exceeds the US Holder's tax basis, the excess will be treated as capital gain recognised on a sale or exchange. The Company, however, does not expect to determine earnings and profits in accordance with US federal income tax principles. Therefore, a US Holder should expect that a distribution will generally be reported as a dividend.

Any dividends received by US Holders will be includable in their gross income on the day actually or constructively received by them. Such dividends will not be eligible for the dividends received deduction generally allowed to corporations under the Code. Subject to applicable limitations (including a minimum holding period requirement), dividends received by non-corporate US Holders (including individuals) from a qualified foreign corporation may be treated as "qualified dividend income" that is subject to reduced rates of taxation. A qualified foreign corporation includes a foreign corporation that is eligible for the benefits of a comprehensive income tax treaty with the United States which the United States Treasury Department determines to be satisfactory for these purposes and which includes an exchange of information provision. The United States Treasury Department has determined that the Treaty meets these requirements.

Notwithstanding the foregoing, the Company will not be treated as a qualified foreign corporation, and non-corporate US Holders will not be eligible for reduced rates of taxation on any dividends received from the Company, if it is a passive foreign investment company in the taxable year in which such dividends are paid or if it was in the preceding taxable year (see "—*Passive Foreign Investment Company*" below). In addition, the jurisdiction of tax residence of future subsidiaries of the Company and the jurisdiction in which such subsidiaries operate in the future may impact the eligibility of dividends received by a US Holder from the Company to be treated as "qualified dividend income."

The taxable amount of any dividend paid in pounds sterling will equal the US dollar value of the pounds sterling received calculated by reference to the exchange rate in effect on the date the dividend is actually or constructively received by a US Holder, regardless of whether the pounds sterling are converted into US dollars. If the pounds sterling received as a dividend are converted into US dollars on the date they are received, the US Holder generally will not be required to recognise foreign currency gain or loss in respect of the dividend income. If the pounds sterling received as a dividend are not converted into US dollars on the date of receipt, the US Holder will have a basis in the pounds sterling equal to their US dollar value on the date of receipt. Any gain or loss realised on a subsequent conversion or other disposition of the pounds sterling will be treated as US-source ordinary income or loss.

Passive Foreign Investment Company

In general, the Company will be a PFIC for any taxable year in which:

- at least 75% of the Company's gross income is passive income, or
- at least 50% of the value (generally determined based on a quarterly average) of the Company's assets is attributable to assets that produce or are held for the production of passive income.

For this purpose, passive income generally includes dividends, interest, royalties and rents (other than royalties and rents derived in the active conduct of a trade or business and not derived from a related person). In addition, cash and other assets readily convertible into cash are generally considered passive assets. If the Company owns at least 25% (by value) of the stock of another corporation, for purposes of determining whether the Company is a PFIC, the Company will be treated as owning the Company's proportionate share of the other corporation's assets and receiving the Company's proportionate share of the other corporation's income.

The Company does not believe it is or will become a PFIC for the current or any future taxable year. However, such determination depends on the application of complex US federal income tax rules that are subject to differing interpretations and is a fact-intensive inquiry made annually after the close of each taxable year and depends, in part, upon the composition and value of the Company's income and assets, among other facts, including the timing of Acquisition Completion. In particular, depending on when Acquisition Completion occurs, it is possible the Company will be a PFIC. Should Acquisition Completion occur in Q4 2025, it is likely the Company would be a PFIC. Accordingly, there can be no assurances in this regard and even if the Company is not a PFIC in the current taxable year, it is possible that it may become a PFIC in a future taxable year due to changes in the Company's asset or income composition or in the value of the Company's assets. If the Company is a PFIC for any taxable year during which a US Holder holds Ordinary Shares, such US Holder will be subject to special tax rules discussed below.

If the Company is a PFIC for any taxable year during which a US Holder holds Ordinary Shares and such US Holder does not make a timely mark-to-market election, as described below, the US Holder will be subject to special tax rules with respect to any "excess distribution" received and any gain realised from a sale or other disposition, including a pledge, of Ordinary Shares. Distributions received in a taxable year will be treated as excess distributions to the extent that they are greater than 125% of the average annual distributions received during the shorter of the three preceding taxable years or the holding period of a US Holder for the Ordinary Shares. Under these special tax rules:

(i) the excess distribution or gain will be allocated ratably over the holding period of a US Holder for the Ordinary Shares;

(ii) the amount allocated to the current taxable year, and any taxable year prior to the first taxable year in which the Company was a PFIC, will be treated as ordinary income; and

(iii) the amount allocated to each other year will be subject to tax at the highest tax rate in effect for that year for individuals or corporations, as applicable, and the interest charge generally applicable to underpayments of tax will be imposed on the resulting tax attributable to each such year.

Although the determination of whether the Company is a PFIC is made annually, if the Company is a PFIC for any taxable year in which a US Holder holds Ordinary Shares, the US Holder will generally be subject to the special tax rules described above for that year and for each subsequent year in which the US Holder holds Ordinary Shares (even if the Company does not qualify as a PFIC in such subsequent years). However, if the Company ceases to be a PFIC, the US Holder can avoid the continuing impact of the PFIC rules by making a special election to recognise gain as if the US Holder's Ordinary Shares had been sold on the last day of the last taxable year during which the Company was a PFIC. US Holders are urged to consult their own tax adviser about this election.

In lieu of being subject to the special tax rules discussed above, US Holders may make a mark-to-market election with respect to their Ordinary Shares provided such Ordinary Shares are treated as "marketable stock." The Company's Ordinary Shares generally will be treated as marketable stock if they are regularly traded on a "qualified exchange or other market" (within the meaning of the applicable Treasury

regulations). Existing Ordinary Shares are listed on AIM, which must meet certain trading, listing, financial disclosure and other requirements to be treated as a qualified exchange for these purposes, and no assurance can be given that the Company's Ordinary Shares will be "regularly traded" for purposes of the mark-to-market election.

If a US Holder makes an effective mark-to-market election, for each taxable year that the Company is a PFIC such US Holder will include as ordinary income the excess of the fair market value of their Ordinary Shares at the end of the year over their adjusted tax basis in the Company's common shares. US Holders will be entitled to deduct as an ordinary loss in each such year the excess of their adjusted tax basis in their Ordinary Shares over their fair market value at the end of the year, but only to the extent of the net amount previously included in income as a result of the mark-to-market election. US Holders adjusted tax basis in their Ordinary Shares will be increased by the amount of any income inclusion and decreased by the amount of any deductions under the mark-to-market rules. In addition, upon the sale or other disposition of a US Holder's Ordinary Shares in a year that the Company is a PFIC, any gain will be treated as ordinary income and any loss will be treated as ordinary loss to the extent of the net amount previously included in income as a result of the mark-to-market election, and thereafter as capital loss.

If a US Holder makes a mark-to-market election, it will be effective for the taxable year for which the election is made and all subsequent taxable years unless Ordinary Shares are no longer regularly traded on a qualified exchange or other market, or the IRS consents to the revocation of the election. However, because a mark-to-market election cannot be made for any lower-tier PFICs that the Company may own (as discussed below), the US Holder will generally continue to be subject to the special tax rules discussed above with respect to their indirect interest in any such lower-tier PFIC. US Holders are urged to consult their tax adviser about the availability of the mark-to-market election, and whether making the election would be advisable in their particular circumstances.

Alternatively, a US Holder can sometimes avoid the special tax rules described above by electing to treat a PFIC as a "qualified electing fund" under Section 1295 of the Code. A "qualified electing fund" election requires US Holders to include currently in income each year their pro rata share of a PFIC's ordinary earnings and net capital gains (as ordinary income and long-term capital gain, respectively), regardless of whether or not such earnings and gains are actually distributed. Thus, US Holders could have a tax liability with respect to such earnings or gains without a corresponding receipt of cash. A US Holder's basis in the shares of a qualified electing fund will be increased to reflect the amount of the taxed but undistributed income. Distributions of income that had previously been taxed will result in a corresponding reduction of basis in the shares and will not be taxed again as a distribution to the US Holder. US Holders must make a qualified electing fund election if they wish to have this treatment. To make a qualified electing fund election, US Holders will need to have an annual information statement from the PFIC setting forth the earnings and capital gains for the year. If the Company determines that it is a PFIC in a given year, the Company will use commercially reasonable endeavors to provide a PFIC annual information statement for such year to any shareholder or former shareholder who requests it to permit such requesting shareholder to make a "qualified electing fund" election, but there can be no assurance that the Company will timely provide such information. In general, US Holders must make a qualified electing fund election on or before the due date for filing their income tax return for the first year to which the qualified electing fund election will apply. Under applicable Treasury regulations, US Holders will be permitted to make retroactive elections in particular circumstances, including if they had a reasonable belief that the Company was not a PFIC and filed a protective election. US Holders should consult their own tax advisers as to the consequences of making a protective qualified electing fund election or other consequences of the qualified electing fund election.

If the Company is a PFIC for any taxable year during which a US Holder holds Ordinary Shares and any of the Company's non-US subsidiaries are also a PFIC, such US Holder will be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC for purposes of the application of the PFIC rules. US Holders are urged to consult their tax advisers about the application of the PFIC rules to any of the Company's subsidiaries.

US Holders will generally be required to file IRS Form 8621 if they hold Ordinary Shares in any year in which the Company is classified as a PFIC. US Holders are urged to consult their tax advisers concerning the US federal income tax consequences of holding Ordinary Shares if the Company is considered a PFIC in any taxable year.

Taxation of Gains or Losses

For US federal income tax purposes, US Holders will recognise taxable gains or losses on any sale, exchange or other taxable disposition of Ordinary Shares in an amount equal to the difference between the amount realised for such shares and their tax basis in such shares, both determined in US dollars. Subject to the discussion under "—*Passive Foreign Investment Company*" above, such gains or losses will generally be US-source capital gains or losses and will generally be long-term capital gains or losses if the US Holder held Ordinary Shares for more than one year. Long-term capital gains of non-corporate US Holders (including individuals) are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

Information Reporting and Backup Withholding

In general, information reporting will apply to dividends in respect of Ordinary Shares and the proceeds from the sale, exchange or other disposition of Ordinary Shares that are paid to US Holders within the United States (and in certain cases, outside the United States), unless such US Holders establish that they are an exempt recipient. A backup withholding tax may apply to such payments if US Holders fail to provide a taxpayer identification number and a certification that they are not subject to backup withholding or if they fail to report in full dividend and interest income.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a US Holder's US federal income tax liability provided the required information is timely furnished to the IRS.

PART 10
ADDITIONAL INFORMATION

1. Responsibility

The Company and the Directors, whose names and functions appear on page 5 of this document, accept responsibility for the information contained in this document and declare that, to the best of the knowledge of the Company and the Directors, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import, or make it misleading.

2. The Company

2.1 The Company was incorporated and registered in Jersey on 31 May 2024 under the Companies Law as a public company limited by shares with registration number 154528, and with the name Rosebank Industries plc.

2.2 The Company's registered office is at 26 New Street, St Helier, Jersey JE2 3RA.

2.3 The Company's principal place of business is at 20 North Audley Street, London, W1K 6WE.

2.4 The Company's telephone number is 0203 940 6627 and its website is https:// www.rosebankindustries.com

2.5 The liability of the members of the Company is limited.

2.6 The principal legislation under which the Company operates is the Companies Law.

2.7 The accounting reference date of the Company is 31 December.

2.8 The Company's legal name is Rosebank Industries plc and its commercial name is Rosebank.

2.9 The Company's LEI is 2138005KFPHBAEW69F51. The Company's ISIN is JE00BSBJ5M88.

3. Share capital

3.1 On incorporation, the authorised share capital was £10.00 divided into 10,000 Ordinary Shares of £0.001 each, of which two Ordinary Shares were issued at par, fully paid up to the subscribers.

3.2 As at the date of this document, the Company's issued share capital is as follows:

3.2.1 20,000,000 Existing Ordinary Shares;

3.2.2 88,000 Series A Incentive Shares; and

3.2.3 50,000 Series B Incentive Shares.

3.3 Immediately following Admission, assuming the Open Offer is fully subscribed, the Company's authorised and issued share capital will be as follows:

3.3.1 406,607,653 Ordinary Shares;

3.3.2 88,000 Series A Incentive Shares; and

3.3.3 50,000 Series B Incentive Shares.

3.4 No Existing Ordinary Shares have been issued other than as fully paid.

3.5 The Company resolved by written resolutions passed on 2 July 2024, that (amongst other things):

3.5.1 the Company convert its shares from par value shares into no par value shares and the Company alter its share capital as follows:

(a) the issued and unissued Ordinary Shares of £0.001 each in the share capital of the Company be converted into 10,000 Ordinary Shares of no par value; and

(b) the Company be authorised to issue an unlimited number of Ordinary Shares of no par value;

3.5.2 the issue of a series of Incentive Shares designated as "Series A Incentive Shares" be approved and the directors of the Company be generally authorised to exercise all the powers of the Company from time to time to allot and issue Series A Incentive Shares and grant options to subscribe for Series A Incentive Shares, in each case at a price to be determined by the directors, provided that the aggregate number of options when added to the number of Series A Incentive Shares in issue does not exceed 100,000;

3.5.3 the issue of a series of Incentive Shares designated as "Series B Incentive Shares" be approved and the directors of the Company be generally authorised to exercise all the powers of the Company from time to time to allot and issue Series B Incentive Shares and grant options to subscribe for Series B Incentive Shares, in each case at a price to be determined by the directors, provided that the aggregate number of options when added to the number of Series B Incentive Shares in issue does not exceed 100,000;

3.5.4 the issue of a series of Incentive Shares designated as "Series C Incentive Shares" be approved and the directors of the Company be generally authorised to exercise all the powers of the Company from time to time to allot and issue Series C Incentive Shares and grant options to subscribe for Series C Incentive Shares, in each case at a price to be determined by the directors, provided that the aggregate number of options when added to the number of Series C Incentive Shares in issue does not exceed 100,000; and

3.5.5 any shares in the capital of the Company purchased or redeemed by the Company from time to time may be held by the Company as treasury shares in accordance with Articles 58A and 58B of the Companies Law.

3.6 In connection with the July 2024 Admission (and the related placing and direct subscription), the Company resolved by written resolutions passed on 2 July 2024, that (amongst other things):

3.6.1 the Directors of the Company be generally and unconditionally authorised to exercise all or any of the powers of the Company to allot, issue, convert any security into, grant options over or otherwise dispose of Ordinary Shares in respect of:

(a) up to 19,999,998 Ordinary Shares to be allotted in connection with the July 2024 Admission;

(b) in addition, following the July 2024 Admission, up to an additional aggregate number of Ordinary Shares as represents 33.3% (one-third) of the issued Ordinary Share capital of the Company immediately following the July 2024 Admission; and

(c) in addition, following the July 2024 Admission, up to a further aggregate number of Ordinary Shares as represents 66.6% (two-thirds) of the issued Ordinary Share capital of the Company immediately following the July 2024 Admission (such amount to be reduced by the aggregate number of allotments or grants made under paragraph (b) above) in connection with a fully pre-emptive offer:

(i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing shareholdings; and

(ii) to holders of other Equity Securities as required by the rights of those Equity Securities or, subject to such rights, as the Directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange, provided that (unless previously revoked, varied or renewed) such authorities shall apply until the earlier of the end of the next annual general meeting of the Company after the passing of the resolution described in this paragraph 3.6.1 and 31 December 2025 but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require Ordinary Shares to be allotted or otherwise disposed of, or grants of options over Ordinary Shares to be made or securities to be converted into

Ordinary Shares, after the authority ends and the Directors may allot or otherwise dispose of Ordinary Shares, or grant options over Ordinary Shares or convert securities into Ordinary Shares under any such offer or agreement as if the authority had not ended;

3.6.2 conditional upon the passing of the resolution described in paragraph 3.6.1 above and the July 2024 Admission occurring, the Directors of the Company be empowered to allot Equity Securities for cash or sell treasury shares for cash as if the pre-emption rights in the articles of association of the Company did not apply to such allotment or sale, such power to be limited to:

(a) the allotment of up to 19,999,998 Equity Securities in connection with the July 2024 Admission;

(b) the allotment of Equity Securities or sale of treasury shares in connection with an offer of Equity Securities (but in the case of an allotment pursuant to the authority granted under paragraph (c) of the resolution described in paragraph 3.6.1 above, such power shall be limited to the allotment of Equity Securities in connection with a fully pre-emptive offer only):

(i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and

(ii) to holders of other Equity Securities as required by the rights of those Equity Securities or, subject to such rights, as the Directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange;

(c) the allotment of Equity Securities or sale of treasury shares (otherwise than in the circumstances set out in paragraphs (a) and (b) of the resolution described in this paragraph 3.6.2) pursuant to the authority granted by paragraph (b) of the resolution described in paragraph 3.6.1 above up to an aggregate number of Equity Securities as represents 5% of the issued Ordinary Share capital of the Company immediately following the July 2024 Admission;

(d) the allotment of Equity Securities or sale of treasury shares (otherwise than in the circumstances set out in paragraphs (a) and (b) of the resolution described in this paragraph 3.6.2 and in addition to the power conferred by paragraph (c) above) pursuant to the authority granted by paragraph (b) of the resolution described in paragraph 3.6.1 above up to an aggregate number of Equity Securities as represents 5% of the issued Ordinary Share capital of the Company immediately following the July 2024 Admission provided that the authority conferred by this paragraph (d) of the resolution described in this paragraph 3.6.2 is used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the board of Directors determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of the notice in respect of the resolution described in this paragraph 3.6.2; and

(e) the allotment of Equity Securities or sale of treasury shares (otherwise than under paragraphs (a), (b), (c) or (d) of the resolution described in this paragraph 3.6.2) up to an aggregate number equal to 20% of any allotment of Equity Securities or sale of treasury shares from time to time under each of paragraph (c) or (d) above, as the case may be, such authority to be used only for the purposes of making a follow on offer which the Directors determine to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre Emption Rights most recently published by the Pre-Emption Group prior to the date of the notice in respect of the resolution described in this paragraph 3.6.2,

provided that (unless previously revoked, varied or renewed) such authorities shall apply until the earlier of the end of the next annual general meeting of the Company after the passing of the resolution described in this paragraph 3.6.2 and 31 December 2025 but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require Equity Securities to be allotted after the authority ends and the directors may allot Equity Securities under any such offer or agreement as if the authority had not ended;

3.6.3 conditional upon the July 2024 Admission, the Directors be authorised pursuant to Article 57 of the Companies Law to make market purchases of Ordinary Shares, subject to the following conditions:

(a) the maximum number of Ordinary Shares authorised to be purchased may not be more than 14.99% of the issued share capital of the Company immediately following the July 2024 Admission;

(b) the minimum price (exclusive of expenses) which may be paid for an Ordinary Share is £0.001; and

(c) the maximum price (exclusive of expenses) which may be paid of an Ordinary Share shall not exceed:

(i) an amount equal to 105% of the average middle market quotation for Ordinary Shares taken from the London Stock Exchange plc Daily Official List for five business days immediately preceding the date on which such shares are to be contracted to be purchased; and

(ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange plc Daily Official List at the time,

provided that (unless previously revoked, varied or renewed) such authorities shall apply until the earlier of the end of the next annual general meeting of the Company after the passing of the resolution described in this paragraph 3.6.3 and 31 December 2025 save that the Company may enter into a contract to purchase shares before this authority expires under which such purchase will or may be contemplated or executed wholly or partly after this authority expires and may make a purchase of shares pursuant to any such contract as if this authority had not expired.

3.7 At the Company's Annual General Meeting held on 8 May 2025, the Company resolved, that:

3.7.1 the Directors of the Company be generally and unconditionally authorised to exercise all or any of the powers of the Company to allot, issue, convert any security into, grant options over or otherwise dispose of Ordinary Shares in respect of:

(a) up to an aggregate number of Ordinary Shares as represents 33.3% (one-third) of the issued Ordinary Share capital of the Company as at 28 March 2025; and

(b) up to an aggregate number of Ordinary Shares as represents 66.6% (two-thirds) of the issued Ordinary Share capital of the Company as at 28 March 2025 (such amount to be reduced by the aggregate number of allotments or grants made under paragraph (a) above) in connection with a fully pre-emptive offer:

(i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing shareholdings; and

(ii) to holders of other Equity Securities as required by the rights of those Equity Securities or, subject to such rights, as the Directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange, provided that (unless previously revoked, varied or renewed) such authorities shall apply until the earlier of the end of the next annual general meeting of the Company after the passing of the

resolution described in this paragraph 3.7.1 and 7 August 2026 but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require Ordinary Shares to be allotted or otherwise disposed of, or grants of options over Ordinary Shares to be made or securities to be converted into Ordinary Shares, after the authority ends and the Directors may allot or otherwise dispose of Ordinary Shares, or grant options over Ordinary Shares or convert securities into Ordinary Shares under any such offer or agreement as if the authority had not ended;

3.7.2 the Directors of the Company be and are empowered to allot Equity Securities for cash or sell treasury shares for cash as if the pre-emption rights in the Articles did not apply to such allotment or sale, such power to be limited to:

(a) the allotment of Equity Securities or sale of treasury shares in connection with an offer of Equity Securities (but in the case of an allotment pursuant to the authority granted under paragraph 3.7.1 (b) above, such power shall be limited to the allotment of Equity Securities in connection with a fully pre-emptive offer only):

(i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and

(ii) to holders of other Equity Securities as required by the rights of those Equity Securities or, subject to such rights, as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange;

(b) the allotment of Equity Securities or sale of treasury shares (otherwise than in the circumstances set out in paragraph (a) above) pursuant to the authority granted by paragraph 3.7.1 (a) above up to an aggregate number of Equity Securities as represents 10% of the issued ordinary share capital of the Company as at 28 March 2025 (being the latest practicable business day prior to the publication of the notice of annual general meeting);

(c) the allotment of Equity Securities or sale of treasury shares (other than in circumstances set out in paragraphs (a) or (b) above) pursuant to the authority granted by paragraph 3.7.1 (a) above up to an aggregate number of Equity Securities as represents 10% of the issued ordinary share capital of the Company as at 28 March 2025 (being the latest practicable business day prior to the publication of the notice of annual general meeting), provided that the authority conferred by this paragraph is used only for the purposes of financing (or refinancing, if the authority is to be used within twelve months after the original transaction) a transaction which the board of Directors determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of the notice of annual general meeting; and

(d) the allotment of Equity Securities or sale of treasury shares (otherwise than in the circumstances set out in paragraphs (a), (b) or (c) above) up to an aggregate number equal to 20% of any allotment of Equity Securities or sale of treasury shares from time to time under each of paragraphs (b) or (c) above, such authority to be used only for the purposes of making a follow-on offer which the Directors determine to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the publication of the notice of annual general meeting,

provided that (unless previously revoked, varied or renewed), such authorities shall apply until the earlier of 7 August 2026 and the conclusion of the annual general meeting of the Company to be held in 2026 but, in each case, during this period the Company may make

offers and enter into agreements which would, or might, require Equity Securities to be allotted (and treasury shares to be sold) after the authority ends and the Directors may allot Equity Securities (and sell treasury shares) under any such offer or agreement as if the authority had not ended; and

3.7.3 the Directors be and are authorised to make market purchases of Ordinary Shares, subject to the following conditions:

(a) the maximum number of Ordinary Shares authorised to be purchased may not be more than 14.99% of the issued share capital of the Company as at 28 March 2025 (being the latest practicable business day prior to the publication of the notice of annual general meeting);

(b) the minimum price (exclusive of expenses) which may be paid for an Ordinary Share is £0.001; and the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall not exceed:

(i) an amount equal to 105% of the average middle market quotation for Ordinary Shares taken from the London Stock Exchange plc Daily Official List for five business days immediately preceding the date on which such shares are to be contracted to be purchased; and

(ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange plc Daily Official List at the time,

provided that (unless previously revoked, varied or renewed) such authorities shall apply until the earlier of the end of the next annual general meeting of the Company after the passing of the resolution described in this paragraph 3.7.3 and 7 August 2026 save that the Company may enter into a contract to purchase Ordinary Shares before this authority expires under which such purchase will or may be contemplated or executed wholly or partly after this authority expires and may make a purchase of shares pursuant to any such contract as if this authority had not expired.

3.8 The register of members of the Company is held at the registered office address of the Company at 26 New Street, St Helier, Jersey JE2 3RA.

4. Memorandum and Articles of Association

The Articles, which were adopted by special resolution of the Company passed on 8 July 2024 and which became effective on 11 July 2024, contain provisions, *inter alia*, to the following effect:

4.1 General

4.1.1 Under the Companies Law, the capacity of a Jersey company is not limited by anything contained in its memorandum or articles of association. Accordingly, it is not necessary to include an objects clause in the memorandum of association of the Company or in its Articles.

4.1.2 Under the Companies Law and the Articles:

(a) matters which require the approval of Shareholders by ordinary resolution require to be passed by a simple majority of the Shareholders who (being entitled to do so) vote in person, or by proxy, on such resolution at a general meeting of the Company; and

(b) matters which require the approval of Shareholders by special resolution require to be passed by three-fourths of the Shareholders who (being entitled to do so) vote in person, or by proxy, on such resolution at a general meeting of the Company.

4.1.3 Set out below is a summary of certain material provisions of the Articles. This summary does not purport to give a complete overview and should be read in conjunction with, and is qualified in its entirety by reference to, the Articles and the relevant provisions of the

Companies Law as in force on the date of this document. This summary does not constitute legal advice regarding those matters and should not be regarded as such. The full text of the Articles is available at the offices of the Company during regular business hours and on the Company's website.

4.1.4 Reference should also be made to paragraph 15 of this Part 10 (*Additional Information*) which contains further information regarding the Companies Law.

4.1.5 Subject to the provisions of the Companies Law, the Shareholders by special resolution may alter the Articles.

4.2 Share capital

4.2.1 *Allotment of shares*

Pursuant to the Articles, all unissued shares for the time being in the capital of the Company are at the disposal of the Board. However, because the Companies Law does not contain provisions requiring the directors to be authorised by Shareholders to issue shares and with a view to providing Shareholders with similar protections to those that would be available were the Company incorporated in the UK, the Articles require the Board to be authorised from time to time by ordinary resolution of the Company to issue, subject to limited exceptions, shares in the Company or to grant rights to subscribe for, or to convert any security into, shares in the Company and the Board's authority to issue such rights will be limited by the terms of any such ordinary resolution. Paragraphs 3.5 and 3.6 of this Part 10 *(*Additional Information*)* provide further details of certain resolutions already passed by the initial Shareholders, including a resolution conferring certain authority on the Board to issue shares in the capital of the Company.

Subject to the foregoing, the Board may reclassify, allot (with or without conferring a right of renunciation), grant options over, or otherwise dispose of unissued shares (including any interests in such shares) on such terms and conditions and at such times as the Board thinks fit. The Board may also, without prejudice to any rights attaching to any existing shares or class of shares, issue any share with such rights or restrictions as the Shareholders by ordinary resolution determine or, in the absence of such determination, as the Board determines. The Board may also issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the holder, or convert existing shares into such redeemable shares, as the Board may determine.

4.2.2 *Purchase of shares and treasury shares*

Subject to the Companies Law, including the requirement that the Shareholders approve the same by way of special resolution, the Company may purchase its own shares. Such shares may be held as treasury shares, which can subsequently be cancelled, sold, transferred or continue to be held by the Company. Pursuant to the Companies Law, shares held in treasury are subject to various restrictions, including that they may not be voted while held as treasury shares.

Paragraphs 3.5 and 3.6 of this Part 10 (*Additional Information*) provide further details of certain resolutions already passed by the initial Shareholders, including a resolution conferring certain authority on the Board to purchase shares in the capital of the Company and to hold the same as treasury shares.

4.2.3 *Commissions, etc.*

The Company, acting by its Board, may exercise all powers of paying or giving commissions, discounts or allowances conferred or permitted by the Companies Law, which can be satisfied in cash, by the allotment of fully or partly paid shares, or otherwise.

4.2.4 *Trusts not recognised*

Pursuant to the Companies Law and the Articles, no notice of a trust, express, implied or constructive, shall be receivable by the Company's registrar or entered on the register of members.

4.2.5 *Uncertificated shares*

As Jersey law permits shares to be held in uncertificated form, the Articles provides that the Board may permit the holding of shares in any class of shares in uncertificated form through an authorised operator such as CREST, or an operator of an applicable computer system. The Board may lay down regulations in respect of uncertificated shares, including as to their issue, holding and transfer. Shares are not treated for the purposes of the Articles as being in a separate class simply by virtue of their being uncertificated. The Articles provide various powers to the Board in respect of shares held in uncertificated form, including the power to require them to be changed into certificated form, for the purposes of enforcing any rights the Company has under the Articles in respect of the disposal, forfeiture, surrender, enforcement of a lien over, or otherwise in respect of, such shares.

4.3 Rights attaching to Incentive Shares

4.3.1 For the purposes of this paragraph 4.3:

"**Demerger**" means any segregation of the group including by way of a distribution by the Company to its shareholders of a subsidiary undertaking or subsidiary undertakings and subsequent listing of the distributed entity or entities, and in respect of which the value to be attributed to the Demerger for the purposes of the definition of "Returns" shall be the value determined by the remuneration committee to be fair and reasonable so far as the holders of Ordinary Shares are concerned;

"**N**" means the number of Ordinary Shares in issue immediately prior to the relevant Trigger Date;

"**Net Capital**" means for a given month, the Ordinary Share Cost in that month or the Returns in that month or, in the event that there is both, the net amount of Ordinary Share Cost minus Returns, and which for the avoidance of doubt may be zero or a negative number;

"**Ordinary Share Cost**" means the total amount (in pounds sterling) paid up on any allotment of Ordinary Shares in the relevant period, provided that (i) if any part of such amount paid up on any ordinary share is paid up otherwise than in cash, the amount paid up on that share shall be deemed to be the price certified by Investec (or other broker for the time being of the Company) to be the average closing middle market quotation (in pounds sterling) of an ordinary share as derived from the Daily Official List for the ten business days immediately preceding the announcement of a transaction, where the terms of the transaction are agreed at the time of such announcement (and would require an announcement to be made pursuant to Rule 12 of the AIM Rules For Companies, were such Rules to be applicable (or its equivalent in other analogous rules or regulations where the Company's Ordinary Shares are listed on a different exchange)) or where the announcement constitutes an announcement of a firm intention to make an offer, pursuant to Rule 2.7 of the Takeover Code (or its equivalent in other jurisdictions), and (ii) if any Ordinary Shares shall be allotted credited as fully paid by way of capitalisation of profits, the amount paid up on such shares shall be excluded from the calculation of Ordinary Share Cost;

"**Returns**" or "**Return**" means the sum (in pounds sterling) of any dividends or distributions of any kind paid or made on or in respect of the Ordinary Shares in the relevant period, including (i) a purchase of any of the Company's own shares (whether or not out of the proceeds of any fresh issue of shares or out of unrealised profits), (ii) a reduction of share capital by repaying paid up share capital, and (iii) any other returns of capital in the relevant period, whether in cash or otherwise and however described (which shall, for the avoidance of doubt, include as part of a Demerger), excluding:

(a) any issue of shares credited as fully paid to holders of Ordinary Shares by way of capitalisation of profits which is to be, or may at the election of the shareholders be, issued instead of the whole or any part of a cash dividend which the shareholders concerned would or could otherwise have received; and

(b) any issue of shares credited as fully paid to the shareholders (or as they may direct) by way of capitalisation of profits;

"**SP**" means the price certified by Investec (or other brokers for the time being of the Company) to be the average closing middle market quotation (in pounds sterling) of an ordinary share in the capital of the Company as derived from the Daily Official List for the 40 business days prior to the Trigger Date;

"**Threshold Calculation**" means:

[1.08(t/12) – 1]

where "t" is the number of whole months between the two months used to determine Threshold Capital (and, for the avoidance of doubt, there are 12 months between the same months in consecutive years) and references to a month are to a calendar month. For the avoidance of doubt, where "Net Capital" is a negative number, the Threshold Calculation formula shall continue to be applicable;

"**Threshold Capital**" means for a given month, (i) the Net Capital for that month, plus (ii) that Net Capital multiplied by the relevant Threshold Calculation for the period from the commencement of that month until the commencement of the month in which the Trigger Date falls; and

"**Threshold Invested Capital**" means the sum of the Threshold Capital for each month in which there is either an Ordinary Share Cost (for the avoidance of doubt, increasing invested capital) or a Return (for the avoidance of doubt, decreasing invested capital) from (and including) the month in which the relevant Commencement Date for that series of Incentive Shares occurs up to (and including) the month in which the relevant Trigger Date for that series of Incentive Shares occurs which for the avoidance of doubt could be zero or a negative number.

4.3.2 The Company may, if authorised by ordinary resolution for each series, issue multiple series of Incentive Shares with differing Commencement Dates and Trigger Dates. The first such series shall be designated as "Series A Incentive Shares" and each subsequent series shall be designated by reference to the next available letter of the alphabet, and all references to "Incentive Shares" in the Articles shall apply to each series of Incentive Shares so approved. The Trigger Date for the Series A Incentive Shares shall, unless accelerated pursuant to paragraphs 4.3.16, 4.3.17 and 4.3.18 below, be 31 May 2027. For each subsequent series of Incentive Shares, (i) the "**Commencement Date**" shall be the calendar day immediately following the Trigger Date for the preceding series; and (ii) the Trigger Date shall be the calendar day immediately prior to the date falling three years after the Commencement Date for that series of Incentive Shares, unless the Trigger Date for a previous series of Incentive Shares has been accelerated pursuant to paragraphs 4.3.16, 4.3.17 and 4.3.18 below, in which case it may be such later date as the remuneration committee may determine, or as may be specified in a resolution of the Company approving such new series of Incentive Shares.

4.3.3 In the event that, as at the Trigger Date for a series of Incentive Shares, calculating [(SP x N) – Threshold Invested Capital] results in a positive number, then:

(a) the holders of the relevant series of Incentive Shares shall, not later than 20 business days after the Trigger Date relating to that series, be paid a dividend which shall be equal to such amount per such Incentive Share (the "**Dividend Amount**") as equals the Conversion Number (as determined in accordance with paragraph 4.3.6 below for that Trigger Date, except that if the Conversion Number is a fraction it shall not be rounded up) multiplied by SP. To the extent that a dividend is paid in respect of such Incentive Shares in accordance with this paragraph 4.3.3(a), those shares shall, with effect from the payment date, be re-designated (and in any event shall have the same rights (and no other rights)) as non-voting deferred shares, having the rights set out in paragraph 4.3.14 below;

(b) prior to the Trigger Date, the remuneration committee may in its absolute discretion determine that the Dividend Amount to be paid on the relevant series of Incentive Shares should be reduced in whole or in part. If the Dividend Amount is reduced in whole, such Incentive Shares shall be converted in accordance with the remaining provisions of this paragraph 4.3. If the Dividend Amount is reduced in part, such Incentive Shares shall be converted in accordance with the remaining provisions of this paragraph 4.3 save that the Conversion Number shall be reduced to reflect the amount of the dividend per share to be paid. The Company shall serve a notice on the holders of such Incentive Shares (a "conversion notice") informing such holders of the determination by the remuneration committee and such notice shall be served within five business days of such determination; and

(c) if the Company is unable (for whatever reason) to pay the full amount of the dividend which is due as provided for in paragraphs 4.3.3(a) or 4.3.3(b) or if the Company decides not to pay such a dividend or if the remuneration committee determines in accordance with paragraph 4.3.3(b) that Incentive Shares should be converted but the Company fails to convert such Incentive Shares in accordance with paragraph 4.3.3(b) and the remaining provisions of this paragraph 4.3, then the Company shall procure that such Incentive Shares shall be purchased, not later than 25 business days after the Trigger Date, by a person or entity to be nominated by the Company for consideration per Incentive Share equal to the Dividend Amount (as defined in paragraph 4.3.3(a)), failing which, subject to the Companies Law, the Company shall purchase or redeem (as the case may be) such Incentive Shares, not later than 25 business days after the Trigger Date, for a redemption payment per Incentive Share equal to the Dividend Amount.

4.3.4 In the event that, as at the Trigger Date for a series of Incentive Shares, calculating [(SP x N) – Threshold Invested Capital] results in a number that is equal to or less than zero, then those Incentive Shares shall, with effect from the payment date, be re-designated (and in any event shall have the same rights (and no other rights)) as non-voting deferred shares, having the rights set out in paragraph 4.3.14 and, for the avoidance of doubt, shall not be entitled to payment of the dividend provided for in paragraphs 4.3.3(a) and 4.3.3(b), conversion into Ordinary Shares pursuant to paragraph 4.3.3(b) or purchase or redemption pursuant to paragraph 4.3.3(c).

Conversion

4.3.5 If a conversion notice is served in accordance with paragraph 4.3.3(b), or pursuant to paragraphs 4.3.16, 4.3.17 or 4.3.18, on conversion each Incentive Share in the relevant series shall convert into such number of fully paid Ordinary Shares as equals the Conversion Number (save where a dividend has been paid on such Incentive Shares in accordance with paragraph 4.3.3(b) in which case the Conversion Number shall be reduced to reflect the amount of any dividend per share actually paid).

4.3.6 Subject to paragraphs 4.3.10 and 4.3.16 and subject always to adjustment in accordance with paragraphs 4.3.19 and/or 4.3.20, the "Conversion Number" equals:

$$\frac{\frac{10}{100} \text{ x } [(\text{SP x N}) - \text{CNC}] \text{ x } \frac{1}{\text{SP}}}{\text{NIS}}$$

Where:

"**NIS**" = the number of Incentive Shares of the relevant series to which the relevant Trigger Date applies in issue on the relevant Trigger Date; and

"**CNC**" = the cumulative net invested capital (in pounds sterling) relating to the Ordinary Shares in the relevant period, being the Ordinary Share Costs (for the avoidance of doubt, increasing invested capital) minus Returns (for the avoidance of doubt, decreasing invested capital) from (and including) the relevant Commencement Date for the relevant series of Incentive Shares up to (and including) the relevant Trigger Date for such Incentive Shares, which for the avoidance of doubt could be zero or a negative number.

For these purposes:

(a) the Ordinary Share Cost as at the Commencement Date of the first series of Incentive Shares shall be the deemed market capitalisation of the Company (in pounds sterling) on Admission, based on the Placing Price; and

(b) the Ordinary Share Cost as at the Commencement Date of any subsequent series of Incentive Shares shall be equal to:

(i) in the event that calculating [(SP x N) – Threshold Invested Capital] as at the Trigger Date for the preceding series of Incentive Shares results in a positive number (such that that series of Incentive Shares became entitled to payment of the dividend provided for in

paragraphs 4.3.3(a) and 4.3.3(b), conversion into Ordinary Shares pursuant to paragraph 4.3.3(b) or purchase or redemption pursuant to paragraph 4.3.3(c)), the market capitalisation of the Company as at the business day immediately preceding the relevant Commencement Date for that series of Incentive Shares, calculated by reference to SP for the Trigger Date immediately preceding the relevant Commencement Date; and

(ii) in the event that calculating [(SP x N) – Threshold Invested Capital] as at the Trigger Date for the preceding series of Incentive Shares does not result in a positive number (such that the preceding series of Incentive Shares did not become entitled to payment of the dividend provided for in paragraphs 4.3.3(a) and 4.3.3(b), conversion into Ordinary Shares pursuant to paragraph 4.3.3(b) or purchase or redemption pursuant to paragraph 4.3.3(c)), the CNC as at the Trigger Date for that preceding series of Incentive Shares.

4.3.7 In the Articles, the "Trigger Date" is determined in accordance with paragraph 4.3.2 above. If, however, the Company's annual accounts for its preceding financial period (or where applicable a summary financial statement derived from the annual accounts) have (or has) not been published by the last day of the month falling two months before the Trigger Date, the remuneration committee may determine that the Trigger Date is two months after the date on which the annual accounts (or where applicable the summary financial statement) are (or is) so published. If the Company shall change its accounting reference date from 31 December, the remuneration committee may determine that there shall be substituted for the specified Trigger Date, the date falling five months after the new accounting reference date.

4.3.8 The Ordinary Shares to which a holder is entitled on conversion shall not rank for any dividends or other distributions paid or made on Ordinary Shares prior to the relevant Trigger Date but shall rank for any paid or made thereafter, and subject thereto they shall rank *pari passu* in all respects and form one class with the Ordinary Shares then in issue.

4.3.9 If a conversion notice is served in accordance with paragraph 4.3.3(b), on or within 20 business days after the Trigger Date (the "conversion date"), the Board shall convert the Incentive Shares into the Ordinary Shares and deferred shares (if any) arising on conversion and, as soon as reasonably practicable thereafter, shall cause the CREST accounts of such holders (or their nominees) to be credited or issue to the holders of such Ordinary Shares without charge certificates for such Ordinary Shares. No share certificates shall be issued in respect of deferred shares (if any). In the meantime, transfers of Ordinary Shares shall be certified against the register.

4.3.10 Except for the purposes of paragraph 4.3.3(a), where the Conversion Number is a fraction, the Conversion Number shall be rounded up to the nearest whole number provided that where a holder of Incentive Shares converts more than one Incentive Share at the same time, then for the purposes of determining the number of Ordinary Shares to which a holder is entitled and whether a (and if so what) fraction of an Ordinary Share arises, the number of Ordinary Shares arising on the conversion of Incentive Shares by any one holder shall first be aggregated.

4.3.11 Where a block admission arrangement is in place with a relevant investment exchange, the Company will use its best endeavours to procure that the aggregate Conversion Number of Ordinary Shares shall, upon conversion, be admitted to the relevant investment exchange. Where a block admission arrangement is not in place or is insufficient to deal with the aggregate Conversion Number, the Company will apply for admission to the relevant investment exchange for that number of Ordinary Shares for which there are insufficient Ordinary Shares available under a block admission arrangement to satisfy the aggregate Conversion Number. The Company shall prepare and use its best endeavours to issue any listing particulars and other documents that may be required to be issued in respect of any Ordinary Shares arising on conversion pursuant to the rules of any relevant investment exchange.

4.3.12 The Board may in its absolute discretion from time to time decide the manner in which Incentive Shares are to be converted, subject to the provisions of the Articles and the Companies Law, and for the avoidance of doubt may decide to effect conversion of Incentive Shares partly in one manner and partly in another.

4.3.13 Without prejudice to paragraph 4.3.12, the Board may, pursuant to the authority given by the adoption of these Articles and without the requirement for any further resolution of the Company or of the holders of any class of shares, elect to effect conversion, in whole or in part, by division, in which case each Incentive Share to be converted shall, pursuant to the authority granted by the adoption of this article, be divided and re-designated into:

(a) such number of Ordinary Shares of the same amount as the Ordinary Shares of the Company at such time as the Board determines (subject to the limitation on timing set out in paragraph 4.3.9), equal to (or no greater than) the Conversion Number; and

(b) a non-voting deferred share at a value equal to the balance of such share, having the rights set out in paragraph 4.3.14 (a "**deferred share**" and, together, the "**deferred shares**").

4.3.14 The deferred shares shall not confer the right to be paid a dividend or to receive notice of or to attend or vote at a general meeting. On a winding up, after the distribution of the first £10,000,000,000 of the assets in accordance with paragraph 4.3.2 above, the holders of the deferred shares (if any) shall be entitled to receive an amount equal to the value of such deferred shares pro rata to their respective holdings. The deferred shares shall not, save as referred to in this paragraph 4.3.14, be transferable. Conversion of an Incentive Share is deemed to confer irrevocable authority on the Board at any time to do all or any of the following without obtaining the sanction of the holder of any or all of the deferred shares:

(a) to appoint a person to execute on behalf of each holder of deferred shares an instrument of transfer for or an agreement to transfer (or both) all or some of the deferred shares, without making a payment to the holder, to such person as the Board may decide, as custodian;

(b) to purchase all or some of the deferred shares (subject to the provisions of the Companies Law) for a price of one penny for all the deferred shares purchased, without obtaining the sanction of the holder;

(c) for the purposes of any such purchase, to appoint any person to execute on behalf of the holder of deferred shares a contract for the sale to the Company of any such deferred shares by him or her; and

(d) to cancel all or any of the same so purchased in accordance with the Companies Law.

Pending the transfer or purchase the Company may retain the certificates for the deferred shares.

4.3.15 Without prejudice to paragraph 4.3.12, and notwithstanding the provisions of paragraph 4.28 below, the Board may without the requirement for any further resolution of the Company or of the holders of any class of shares, (i) elect to effect conversion, in whole or in part, by way of the capitalisation of profits, whether or not available for distribution, (ii) appropriate the sum to be capitalised to any one or more holders of Incentive Shares and whether or not in proportion to the amounts of shares held by them, and apply that sum on such holders' behalf in or towards paying up in full unissued Ordinary Shares of an amount equal to that sum, and to allot the shares to such holders or as they may direct. Immediately upon such allotment, the Incentive Shares to be converted at any one time and held by such holder shall, if conversion is effected in whole pursuant to this paragraph 4.3.15, pursuant to the authority given by the adoption of the Articles and without the requirement for any further resolution of the Company, be re-designated as non-voting deferred shares having the rights set out in paragraph 4.3.14.

Acceleration of Trigger Date

4.3.16 If, prior to the payment of the dividend provided for in paragraphs 4.3.3(a) and 4.3.3(b), the conversion of the Incentive Shares into Ordinary Shares pursuant to paragraph 4.3.5 or the

purchase or redemption of the Incentive Shares pursuant to paragraph 4.3.3(c), as the case may be, but no earlier than the date falling two years following Admission, the Company becomes aware that "CNC" (as defined in paragraph 4.3.6) for has become equal to or less than zero, then the Company shall give notice to all holders of Incentive Shares forthwith upon it becoming so aware. If the remuneration committee determines that it is appropriate in the circumstances to do so, then the dividend shall be paid, or the Incentive Shares shall convert or be repurchased or redeemed, as the case may be, in accordance with this paragraph 4.3 (provided that, for the avoidance of doubt, the calculation of [(SP x N) – Threshold Invested Capital] results in a positive number, in accordance with paragraph 4.3.3) except that for such purposes the "Trigger Date" shall be the date falling 40 business days after the date of the Return which caused the CNC to become, or fall below, zero.

4.3.17 If, prior to the payment of the dividend provided for in paragraphs 4.3.3(a) and 4.3.3(b), the conversion of Incentive Shares into Ordinary Shares pursuant to paragraph 4.3.5 or the purchase or redemption of Incentive Shares pursuant to paragraph 4.3.3(c), as the case may be, the Company becomes aware that, as a result of an offer made to all holders of Ordinary Shares (or all holders of Ordinary Shares other than the offeror and any associates of the offeror, as defined in Article 123 of the Companies Law) to acquire all or some of the Ordinary Shares (including any such offer implemented by way of a court approved scheme of arrangement under Part 18A of the Companies Law) the right to cast more than 50% of the votes that may ordinarily be cast on a poll at a general meeting has or will become vested in the offeror and those associates, the Company shall give notice to all holders of all series of Incentive Shares forthwith upon it becoming so aware and such notice shall also state that the Dividend Amount shall be reduced in whole and that a conversion shall occur in accordance with paragraph 4.3.3(b). Subject to paragraph 4.3.7, the relevant series of Incentive Shares shall convert in accordance with paragraph 4.3.3(b) and such number of Ordinary Shares as is equal to the whole of the Conversion Number shall be allotted pursuant to paragraph 4.10.3(d), and such Ordinary Shares shall be entitled to participate in the offer resulting in the change of control of the Company (the "Change of Control"), alongside the existing Ordinary Shares. Such conversion shall occur contemporaneously with, and conditional upon, the Change of Control occurring, in accordance with this paragraph 4.3, except that for such purposes the "Trigger Date" shall be the date of, but immediately prior to, the Change of Control and "SP" shall be the value of the "per share" consideration being paid by the offeror and any associates of the offeror pursuant to the Change of Control. In the event that part or all of the offer price is not in cash, the remuneration committee shall determine the value of the non-cash element, having been advised by an investment bank of repute that such valuation is fair and reasonable. For the avoidance of doubt, any offer so made (including any offer implemented by way of a court approved scheme of arrangement under Part 18A of the Companies Law) which results in the Company being controlled by a new company ("New Company") in which at least 90% of the shares in the New Company are held by substantially the same persons who immediately before the offer was made were shareholders in the Company shall not constitute a Change of Control of the Company and no "Trigger Date" shall be deemed to have occurred provided that all Incentive Shares have been exchanged or are exchangeable for new incentive shares in the New Company on substantially the same terms as the relevant series of Incentive Shares.

4.3.18 If, prior to the payment of the dividend provided for in paragraphs 4.3.3(a) and 4.3.3(b), the conversion of the Incentive Shares into Ordinary Shares pursuant to paragraph 4.3.3(b) or the purchase or redemption of the Incentive Shares pursuant to paragraph 4.3.3(c), as the case may be, either (i) a resolution for voluntary winding up of the Company is passed or (ii) a winding-up order is made by the court in relation to the Company, subject to paragraph 4.10.3(d), the Incentive Shares shall be treated as if they had converted in accordance with this paragraph 4.3 on the date of, and with effect immediately prior to, the resolution for the voluntary winding up of the Company being passed or the date of the winding up order being made, as the case may be (in either case, the "operative date") except that for such purposes the "Trigger Date" shall be the operative date. In that event, the holder thereof shall be entitled to be paid, in satisfaction of the amount due in respect of his

or her Incentive Shares, a sum equal to the amount to which they would have been entitled on a return of capital on a winding-up if they had been the holder of the Ordinary Shares to which they would have become entitled on such conversion.

Disputes and adjustments

4.3.19 If a doubt or dispute arises concerning the calculation of the Conversion Number or any component part of the formulae for calculating the Conversion Number, the Board shall refer the matter to the auditors and their certificate as to such calculation shall be conclusive and binding on all concerned.

4.3.20 In the event that any provision (or combination of provisions) in this paragraph 4.3 or any future change to the capital structure of the Company produces, or is likely to produce, a Conversion Number which appears to the remuneration committee to be an anomalous result or there shall be quantified material information known to the remuneration committee in relation to the current financial position of the Company that is not in the public domain that would, in the reasonable opinion of the remuneration committee, produce an anomalous result if such information were in the public domain, it may make such adjustments to the method of calculating the Conversion Number as it considers appropriate to ensure that conversion is fair and reasonable, and as an investment bank of repute shall have confirmed in writing to be fair and reasonable so far as the holders of Ordinary Shares are concerned.

4.4 Pre-emption rights

If the Board proposes to issue Equity Securities (as defined in section 560 of the 2006 Act) for cash, Shareholders will generally have pre-emption rights to those securities on a pro rata basis pursuant to the Articles. Pre-emption rights are transferable during the subscription period relating to a particular offering. The Shareholders may, by way of special resolution, grant authority to the Board to allot Equity Securities for cash as if the pre-emption rights did not apply. Issues of shares for a consideration other than cash, or partly for cash and partly for another form of consideration and the issue of any series of Incentive Shares (or the issue of any other shares in connection with an employees' share scheme), are not subject to such pre-emption rights.

Paragraphs 3.5 and 3.6 of this Part 10 (*Additional Information*) provide further details of certain resolutions already passed by the initial Shareholders, including a resolution conferring certain authority on the Board to issue shares in the capital of the Company free of the pre-emption rights referred to above.

4.5 Employee Share Schemes and DTRs

4.5.1 *Approval of Employee Share Schemes and Long Term Incentive Plans*

The Articles require the Board to be authorised by ordinary resolution of the Company to issue multiple series of Incentive Shares with differing Commencement Dates and Trigger Dates. The Board has, pursuant to a resolution passed on 2 July 2024, as further described in paragraph 3.5 above, issued certain Series A Incentive Shares and Series B Incentive Shares, and has been authorised to issue certain Series C Incentive Shares, details of which are set out in paragraph 10.3 of this Part 10 (*Additional Information*). Any issue of subsequent series of Incentive Shares shall require an ordinary resolution of the Company.

4.5.2 *Application of DTR*

DTR 5 is incorporated by reference into the Articles and Shareholders are required to comply with the notification requirements under DTR 5 as if the Company was a UK issuer (and not a non-UK issuer). Accordingly, Shareholders are required to notify the Company if the voting rights attached to shares held by them (subject to some exceptions) reach, exceed or fall below 3% and each 1% threshold thereafter up to 100%.

Pursuant to the Articles, the Company may also send a notice to any person whom it knows or believes to be interested in its shares, requiring such person to confirm whether they have such an interest and, if so, details of that interest.

Under the Articles, if a Shareholder fails to supply the information requested in such a notice or provides information that is false in a material particular, the Board may serve a restriction notice on such person stating amongst other things that the Shareholder may not attend or vote at any general meeting or class meeting in respect of some or all of its shares. In relation to more significant holdings (being holdings of at least 0.25% in number of the shares comprised in the relevant share capital) the Board has further enforcement powers, including the ability to withhold dividends and place restrictions on transfers of the shares.

4.6 Variation of rights

Pursuant to the Articles, rights attached to any class of shares in the capital of the Company may be varied or abrogated either with the written consent of the holders of at least three-quarters in number of the issued shares of the class, or with the sanction of a special resolution passed at a separate class meeting of the class of Shareholders affected.

Pursuant to the Companies Law and the Articles, a variation which reduces the liability of any class of shares to contribute to the share capital of the Company, or reduces the liability of any such class otherwise to pay money to the Company, or increases the benefits to which any such class is or may become entitled, comprises a variation of the rights attached to each other class of shares of the Company.

4.7 Share certificates

Subject to certain limited exceptions, a Shareholder is entitled to receive a share certificate in respect of any shares held by that Shareholder in certificated form. A certificate sealed by the company, or signed either by two directors or one director and the secretary, specifying the shares held by a Shareholder, is prima facie evidence of the Shareholder's title to the shares.

4.8 Calls, lien and forfeiture

Where shares are allotted nil or partly paid, subject to the terms of allotment the Company may make a call at any time for some or all of the outstanding amounts due on that share. The Articles contain various provisions in respect of the making of such calls, and the consequences of not complying with a call, which can include the sale or forfeiture of the relevant share.

The Company has a first and paramount lien on every share (not being a fully paid share) for all moneys payable to the Company (whether presently or not) in respect of that share.

4.9 Restrictions on ownership of shares

There are no provisions in the Articles that restrict persons from holding shares or from exercising voting rights attaching to shares, due to their nationality or residency.

4.10 Restrictions on transfer of shares

4.10.1 *General transfer procedures*

A transfer of a certificated share must be in writing, either by the usual transfer form or in any other form which the Board approves. The transfer form must be signed by or on behalf of the person transferring the share and, unless the share is fully paid, by or on behalf of the person acquiring the share. The transfer form does not need to have a seal attached. If the certificated shares being transferred are only partly paid, the Board is entitled to refuse to register the transfer without giving any reason for the refusal as long as it does not prevent dealings in shares from taking place on an open and proper basis. The Board can also refuse to register the transfer of a certificated share if: (a) the transfer form is not lodged, properly stamped (if stamping is required), at the registered office (or any other place chosen by the Board) together with the share certificate for the shares being transferred and any other evidence of the right of the transferor to make the transfer that the Board reasonably asks for; (b) the transfer is for more than one class of shares; or (c) the transfer is to more than four joint Shareholders.

If the Board refuses to register a transfer of a share, it must notify the transferee of this refusal. This notice must be sent out within two months of the date on which the transfer form was received by the Company (in the case of certificated shares). An instrument of transfer which the Board refuses

to register shall be returned to the person lodging it when notice of the refusal is sent. If the transfer is of shares in CREST, the notice must be sent out within two months of the date on which the operator instruction was received by the Company. The Company cannot charge a Shareholder for registering a transfer form or other documents relating to its shares or affecting its title to a share.

4.10.2 *Transfer restrictions relating to Incentive Shares*

(a) For the purposes of this paragraph 4.10.2(a), "**Permitted Transferees**" shall mean: (i) the trustees of a trust of which the only beneficiaries (and the only people capable of being beneficiaries) are the holder of Incentive Shares who established the trust and who is transferring the relevant Incentive Shares, the holder's spouse and/or the holder's lineal descendants by blood or adoption; and/or (ii) a company whose voting control is and will remain until the relevant Trigger Date under the control of the holder, the holder's spouse and/or lineal descendant(s) by blood or adoption; and/or (iii) the holder's spouse; and/or (d) the holder's lineal descendants by blood or adoption.

(b) Subject to paragraph 4.10.2(c), the holders of the Incentive Shares may not transfer, charge, encumber, grant any option over or otherwise dispose of any Incentive Share or any interest therein.

(c) A holder may at any time transfer an Incentive Share with the prior written consent of the Board, subject to paragraph 4.10.2(d).

(d) If a transfer of an Incentive Share is made to a Permitted Transferee under paragraph 4.10.2(c) and such Permitted Transferee shall at any time prior to the relevant Trigger Date cease to be a Permitted Transferee in relation to the original holder, it shall be the duty of the trustees and/or the person holding the relevant Incentive Share to notify the Board in writing that such event has occurred and the trustees and/or the person shall be bound to execute such documents as are required and to do such other things as may be necessary to transfer the relevant Incentive Share at the price (if any) for which it was acquired, to the original holder (who shall be bound to acquire the relevant Incentive Share) and, if they or the original holder fail to do so, the directors may authorise any director to execute any such documents and to do such other things as may be necessary or desirable to transfer the relevant Incentive Share on behalf of the trustees and/or the person holding the relevant Incentive Share pursuant to this paragraph 4.10.2(d).

(e) The Board may require from any person purporting to transfer an Incentive Share such information and evidence as the Board thinks fit regarding any matter which they may reasonably deem relevant for the purposes of this paragraph 4.10.2 and may refuse to recognise the relevant transfer until they have received information and evidence satisfactory to them.

4.10.3 *Compulsory transfer or conversion of Incentive Shares*

(a) For the purposes of this paragraph 4.10.3:

"**Bad Leaver**" means a Leaver who becomes a Leaver other than for a Good Leaver Reason;

"**Good Leaver**" means a Leaver who becomes a Leaver for a Good Leaver Reason;

"**Good Leaver Reason**" means:

(i) death, permanent ill-health or permanent disability;

(ii) the termination of his or her employment or directorship without cause;

(iii) retirement of the Holder by agreement with the Company or the subsidiary undertaking of the Company by which they are employed;

(iv) resignation or termination in connection with a Change of Control; or

(v) any other circumstances if the remuneration committee in its absolute discretion decides in any particular case;

"**Holder of Leaver Shares**" means a holder of any Incentive Shares or the original holder of any Incentive Shares transferred pursuant to paragraph 4.10.2;

"**Leaver**" means a Holder of Leaver Shares who, if an employee of the Company or any of its subsidiary undertakings, ceases to be an employee, or if a director of the Company or any of its subsidiary undertakings, ceases to be a director, or if an employee and director, ceases to be both.

(b) Unless the remuneration committee shall in its absolute discretion determine otherwise, the provisions of paragraphs 4.10.3(c) and 4.10.3(d) shall apply in respect of:

(i) a Bad Leaver; and

(ii) any person to whom the Bad Leaver has transferred Incentive Shares pursuant to paragraph 4.10.2 and any subsequent transferee of such Incentive Shares,

(together, the "**compulsory transferors**").

(c) Each Incentive Share held by the compulsory transferors shall within the period of 20 business days following the Bad Leaver ceasing to be an employee or director, be transferred to the trustees of an employee share ownership trust, or such person as the board may direct (which, for the avoidance of doubt, may include the Company), or, subject to the Companies Law, may be redeemed by the Company for nil consideration, and the compulsory transferors shall be bound to execute a stock transfer form and to do such other things as may be necessary to transfer the relevant shares and if they fail to do so, the directors may authorise any director to execute any stock transfer form and to do such other things as may be necessary or desirable to transfer the relevant shares on behalf of the compulsory transferors.

(d) Following a cessation of employment or directorship causing paragraphs 4.10.3(c) and 4.10.3(d) to apply to particular Incentive Shares, those Incentive Shares may not be transferred pursuant to paragraph 4.10.2(c). In the event of a Change of Control between the date of cessation of employment or directorship and the relevant transfer date in paragraph 4.10.3(c), those Incentive Shares shall convert in accordance with paragraph 4.3.17 except that each such Incentive Share shall convert into one fully paid Ordinary Share and one fully paid deferred share with a value equal to the balance of the value of the Incentive Share (the "**Bad Leaver Conversion Rate**"). In the event of either (i) a resolution for a voluntary winding-up of the Company being passed or (ii) a winding-up order being made by the court in relation to the Company, in either case between the date of cessation of employment or directorship and the relevant transfer date in paragraph 4.10.3(c), those Incentive Shares shall convert in accordance with paragraph 4.3.9 except that each such Incentive Share will convert in accordance with the Bad Leaver Conversion Rate.

(e) Save in circumstances where a Holder of Leaver Shares becomes a Good Leaver as a result of his or her resignation or termination in connection with a Change of Control, the remuneration committee may, in its absolute discretion, require that a Good Leaver and any person to whom such Good Leaver has transferred Incentive Shares pursuant to paragraph 4.10.2 and any subsequent transferee of such shares shall be deemed to be a compulsory transferor and that the provisions of paragraph 4.10.3(c) shall apply to such Good Leaver or transferee as the case may be, in respect of some or all of the Unvested Portion of the Incentive Shares held by such Good Leaver, as they apply to a Bad Leaver.

(f) Any determination by the remuneration committee in accordance with paragraph 4.10.3(e) shall be notified to such Good Leaver within three months of such person becoming a Good Leaver.

(g) For the purposes of this paragraph 4.10.3, "**Unvested Portion**" shall mean any Incentive Shares which have not yet vested, where vesting shall occur on a straight line basis to reflect the period from the Commencement Date to the date on which the Holder became a Leaver as a proportion of the period from the Commencement Date to the relevant Trigger Date. For the avoidance of doubt, any Incentive Shares held by the relevant Holder where the Commencement Date for that series of Incentive Shares has not yet been reached shall be considered part of the Unvested Portion of Incentive Shares.

4.11 Shareholder meetings

4.11.1 *Annual general meeting*

The Company will hold an annual general meeting each year in accordance with the requirements of the Companies Law. The first annual general meeting will be held in 2025.

4.11.2 *Other general meetings*

The Board can call a general meeting to be held whenever and at such times and places and/or in such other manner as it determines.

Shareholders who, at the time of deposit of such requisition, hold not less than 5% of the paid-up capital of the Company carrying the right to vote at the meeting requisitioned, can requisition the Company to convene a general meeting in accordance with the Companies Law.

4.11.3 *Location of meetings*

The Articles provide the Board with the power to convene a general meeting in more than one location, i.e. including satellite meeting places.

The Board may also make arrangements for persons entitled to attend a general meeting to be able to view and hear, or hear, the proceedings of the general meeting, which may include the ability to speak at the meeting by attending a venue, but any person attending such a venue or venues will not be regarded as present at the general meeting.

4.12 Notice of general meetings

4.12.1 *Period of notice*

At least 21 clear days' notice will be given of an annual general meeting, and at least 14 clear days' notice will be given of any other general meeting.

4.12.2 *Entitlement to receive notice*

Notice of a general meeting must be sent to all of the Shareholders (subject to certain exceptions for holders of partly-paid shares), the Board and the auditors. The notice calling a general meeting must specify the time and date (and, for a physical meeting, place or places) and general nature of the business of the meeting, and certain other information (as below) where the meeting is to be a 'virtual meeting' (where all persons entitled to participate in the meeting do so solely by participating in a communication in accordance with the Companies Law) or is a physical meeting at which 'virtual attendance' is permitted ('virtual attendance' being attendance by means of participating in a communication in accordance with the Companies Law where certain other persons entitled to do so attend by being physically present). Such other information to be specified in the notice includes the means of communication for attendance, the manner of identity or eligibility authentication and any special provisions for the exercise of votes by such persons who so attend the meeting. A notice calling an annual general meeting must state that the meeting is an annual general meeting.

4.12.3 *Circulation of Shareholder resolutions and statements*

Shareholders of the Company may require the Company to circulate a notice of a resolution to Shareholders. For this purpose, the Shareholders must represent (i) at least 5% of the total voting rights of all Shareholders who have a right to vote on the relevant resolution, or (ii) not less than 100 in number who have a right to vote on such resolution and hold an average of at least £100, per Shareholder, of paid-up shares in the Company.

Similarly, if so requested the Company shall also circulate to Shareholders a statement of not more than 1,000 words with respect to a matter referred to in a proposed resolution to be dealt with at a particular meeting or other business to be dealt with at that meeting.

4.12.4 *Information rights*

Pursuant to the Articles, a Shareholder has the right to nominate another person, on whose behalf it holds shares, to enjoy the same information rights, as if the provisions of sections 146 to 149 of the 2006 Act (with certain exceptions) applied.

4.12.5 *Power to require website publication of audit concerns*

If so requested by Shareholders, the Company shall publish on its website a statement setting out any matter relating to the audit of its accounts or any circumstances connected with an auditor of the Company ceasing to hold office. For this purpose, the requesting Shareholders must represent (i) at least 5% of the total voting rights of all Shareholders who have a right to vote at the relevant general meeting, or (ii) not less than 100 in number who have a right to vote at such meeting and hold an average of at least £100, per Shareholder, of paid up shares in the Company.

4.13 Proceedings at general meetings

4.13.1 *Quorum*

A quorum for a general meeting is three qualifying persons (who in turn represent at least three Shareholders). For these purposes, a "qualifying person" means (i) an individual who is a Shareholder, (ii) a person authorised under the Companies Law to act as a representative of a Shareholder which is a corporation, or (iii) a person appointed as proxy of a Shareholder.

If a quorum is not present (including, by attorney or by proxy or in the case of a corporate Shareholder by representative; in relation to virtual meetings by participating in a communication in accordance with the Companies Law; or, in the case of a physical meeting at which virtual attendance is permitted, by way of virtual attendance) within 30 minutes of the time set for the general meeting (or such longer time not exceeding one hour as the chairperson of the meeting may determine), the meeting shall be adjourned to such later time and (in the case of a physical meeting, whether or not virtual attendance is permitted) place as the chairperson of the meeting may determine, unless the meeting was called at the request of the Shareholders in which case it shall be dissolved. If the general meeting is adjourned for more than 30 days, the Board must give Shareholders at least seven clear days' notice of the adjourned meeting.

4.13.2 *Chairperson*

The chairperson of the Board, or in their absence the deputy chairperson, or in their absence any other director nominated by the Board, shall preside as chairperson of a general meeting.

The Chairperson is given various procedural powers pursuant to the Articles, including in respect of adjournments of general meetings.

4.13.3 *Methods of voting*

Any resolution at a general meeting will be put to a vote by show of hands or will be put to a poll vote if the Directors have decided in advance that voting shall be held by a poll vote or a poll has been demanded in accordance with the Articles or the meeting is held in a manner such that it appears to the chairperson that voting on a show of hands is impossible or impracticable.

4.13.4 *No resolutions in writing*

No Shareholder resolution shall be passed in writing.

4.14 Votes of Shareholders

On a vote by show of hands, every Shareholder present has one vote (although where a person acts as proxy for more than one Shareholder, such person has one vote for and one vote against the resolution if it has contrasting instructions from the Shareholders for whom they act as proxy).

On a poll vote, each Shareholder present shall have one vote for every share of which it is the holder and a Shareholder entitled to more than one vote need not, if it votes, use all its votes or cast all the votes it uses in the same way.

Pursuant to the Articles, Shareholders may require the Board to obtain an independent report on any poll taken, on the terms set out in the Articles.

If at the time of any general meeting or class meeting, any moneys then payable by a Shareholder in respect of a nil or partly paid share held by the Shareholder have not been paid, they will not be entitled to vote that Share (either in person or by proxy) or exercise any other right attached to that Share at that general meeting.

A Shareholder who is in contravention of the DTR as incorporated into the Articles (see above) may be prevented from voting the Shares held by that Shareholder.

The holders of the Incentive Shares have the right to receive notice of and to attend general meetings of the Company, but do not have the right to vote thereat (other than at a meeting of the holders of the Incentive Shares, or a relevant series, as a class or on a written resolution of such holders).

4.15 Proxies and corporate representatives

A Shareholder may attend and/or vote at general meetings or class meetings in person or by proxy. The Articles contain provisions for the appointment of proxies, including electronic communication of appointments and cut off times for appointments prior to general meetings.

The Articles provide that a Shareholder will have until at least 48 hours before the meeting to deliver its proxy (although, in calculating this period, the Company may specify that any part of a day which is not a working day can be ignored). The notice of general meeting will state the time by which any proxy must be delivered.

A proxy appointment entitles the proxy to exercise all or any of the appointing Shareholder's rights to attend and speak and vote at the general meeting in respect of the shares to which the proxy appointment relates.

A corporation may, by resolution of its directors or other governing body, authorise such persons as it thinks fit to act as its representative at any general meeting. Such persons are entitled to exercise on behalf of such corporation the same powers as such corporation could exercise if it were an individual Shareholder.

4.16 Directors

4.16.1 *Number of directors*

The Company must have at least two Directors on the Board (not counting alternate directors). There is no maximum number of directors.

4.16.2 *Appointment and retirement of directors*

A person will only be eligible for appointment as a director of the Board if: (a) they are a retiring director; or (b) they are recommended by the Board; or (c) a Shareholder who is entitled to vote at the general meeting has given the Company a written notice at least seven days (but not more than 21 days) before the date for which the meeting is called of its intention to propose someone (other than itself) as a director. The notice must include all the details of that person which would be required to be included in the register of directors, and be accompanied by a written confirmation from the proposed director confirming their willingness to be appointed as a director.

Subject to the above, Shareholders (by ordinary resolution) or the Board can appoint any person willing to be a director either to fill a vacancy or as an additional director. Where the appointment is made by the Board, the director must retire at the next annual general meeting and can then be put forward by the Board for reappointment by shareholders in accordance with the Articles.

At every annual general meeting, the Articles require that all of the directors at the date of the notice convening the annual general meeting shall retire from office.

4.16.3 *No Share qualification*

Directors do not need to be shareholders.

4.16.4 *Alternate directors*

Any director may appoint any other director, or any other person approved by resolution of the Board, to be the alternate director of that director. An alternate director is entitled to attend and vote at meetings at which their appointing director is not personally present and generally to perform the functions of their appointor.

4.17 Powers of the Board

The Board is empowered to manage the business of the Company and to exercise all powers of the Company, save as otherwise directed by special resolution of Shareholders and save for any powers which require Shareholder approval under the Companies Law or the Articles.

4.18 Delegation of Board powers

The Board is authorised to delegate any of its powers to any committee consisting of one or more directors. The Board may also delegate to any director holding executive office such of its powers as the Board considers desirable to be exercised by them. Any such delegation shall, unless otherwise provided, include the authority to sub-delegate to one or more directors or to any employee or agent of the Company or its group. The Board may co-opt onto any committee persons other than directors, who may enjoy voting rights in the committee, provided that such co-opted persons comprise less than one-half of the total membership of the committee and a resolution of any committee shall only be effective if a majority of the persons present are directors.

The Board may also establish local or divisional boards or agencies for managing any of the affairs of the Company.

The Board may also, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes, with such powers, authorities and discretions (not exceeding those vested in the Board) and on such conditions as the Board determines.

4.19 Borrowing powers of the Board

The Board can exercise all the Company's powers relating to borrowing money, giving security over all or any of the Company's business and activities, property, assets (present and future) and uncalled capital, and issuing debentures and other securities.

4.20 Disqualification and removal of directors

In certain circumstances a director may be disqualified from acting as a director in which case they cease to be a director. Those circumstances include where the director becomes bankrupt or is prohibited by law from acting as a director.

The Shareholders by ordinary resolution may remove a director from office. Any such removal will be without prejudice to any claim the director may have for damages for breach of any agreement between the director and the Company.

The Articles provide that the Company shall comply with the provisions contained in sections 215 to 221 of the 2006 Act in relation to payments made to directors (or persons connected to such directors) for loss of office, and the circumstances in which such payments would require the approval of members, as if the Company were subject to such sections of the 2006 Act.

4.21 Non-executive directors

The Board is empowered to enter into, vary and terminate arrangements with any director who does not hold executive office for the provision of their services to the Company.

4.22 Directors' expenses

Directors may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at board, committee and Shareholder meetings or otherwise in connection with the discharge of their duties.

4.23 Executive directors

The Board can appoint a director to any executive position (except that of auditor), on such terms and for such period as it thinks fit. The Board can also terminate or vary an executive appointment whenever it wishes and decide on any fee or other form of remuneration to be paid for such appointment. This fee or other remuneration may be as well as or instead of any fees payable to the director as a director.

4.24 Directors' interests

Subject to the provisions of the Companies Law, as long as a director has disclosed the nature and extent of their interest to the Board, a director can: (a) be a party to, or otherwise have an interest in, any transaction or arrangement with the Company or in which the Company has a direct or indirect interest; (b) act by themselves or through their firm in a paid professional role for the Company (other than as auditor); and (c) be a director, officer or employee of or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company has any interest whether direct or indirect. A director who has, and is permitted to have, any interest referred to in the above paragraph can keep any remuneration or other benefit which they derive as a result of having that interest as if they were not a director. Any disclosure may be made at a meeting of the Board, by notice in writing or by general notice or otherwise in accordance with the Companies Law.

The Board may authorise directors' actual and potential conflicts of interests, provided that any director concerned does not vote or count towards the quorum at the meeting where the matter is considered. Where a director's relationship with another person has been authorised and such relationship gives rise to an actual or potential conflict of interest, the director will not be in breach of the general duties they owe to the Company if they absent themselves from meetings, or make arrangements not to receive documents and information, relating to the actual or potential conflict of interest for so long as they reasonably believe that the same subsists.

4.25 Loans to Directors

The provisions of section 197 (excluding sub-section 197(5)(a)), section 198 (excluding sub-section 198(6)(a)), section 199, section 200 (excluding sub-section 200(6)(a)), section 201 (excluding sub-section 201(6)(a)) and section 202 of the 2006 Act shall apply to the Company.

4.26 Proceedings of the Board

The Articles contain various provisions as to proceedings of the Board, including as to notice and quorum requirements.

4.27 Dividends (distributions)

Subject to the provisions of the Companies Law, Shareholders may by ordinary resolution declare any dividend, but no dividend shall exceed the amount recommended by the Board. Subject to the provisions of the Companies Law, the Board may pay interim dividends if it appears to the Board that this is justified by the financial position of the Company.

If the share capital is divided into different classes and Shareholders with preferential dividend rights suffer as a result of an interim dividend being paid to other Shareholders, the Board will not be liable for the loss if it acted in good faith.

Except as otherwise provided by the rights attached to shares, all dividends shall be declared, apportioned and paid *pro rata* according to the number of shares in issue on which the dividend is paid (otherwise than in advance of calls).

The Company does not have to pay interest on any dividend or other money due to a Shareholder in respect of its shares, unless the rights of the share state otherwise.

If a dividend or other money payable in respect of a share remains unclaimed for 12 years from the date it was declared or became due for payment, the Board can pass a resolution to forfeit the payment and the Shareholder will lose the right to the dividend.

If recommended by the Board, Shareholders can pass an ordinary resolution to direct that a dividend will be satisfied in whole or in part by distributing assets instead of cash. This includes, amongst other things, paid up shares or debentures of another company.

The Board can make any arrangements it wishes to settle any difficulties which may arise in connection with a distribution, including for example (a) the valuation of the assets, or (b) the payment of cash to any Shareholder on the basis of that value in order to adjust the rights of Shareholders, and (c) the transfer of any asset to a trustee.

The Board may, if authorised by ordinary resolution, offer Shareholders the right to elect to receive shares by way of scrip dividend (which are credited as fully paid) instead of cash in respect of some or all of a dividend.

The Incentive Shares do not confer a right to be paid a dividend, other than in accordance with paragraph 4.3.3 above.

4.28 Capitalisation of profits and reserves

If authorised by ordinary resolution of the Shareholders or, if required by the Companies Law, a special resolution of the Shareholders, the Board can pass a resolution to capitalise any undistributed profits (unless required for paying a preferential dividend) or other sum in any reserve or other fund which may be applied for such purposes. The amount capitalised must be distributed to the Shareholders or holders of shares of any class on the record date as if it were distributed by way of dividend.

4.29 Accounts

Shareholders will be entitled to receive a copy of the annual accounts of the Company in accordance with the Companies Law and the Articles. Otherwise, Shareholders do not have the right to inspect any accounting records or other books or documents of the Company except as conferred by law or authorised by the Board or by ordinary resolution of the Shareholders or order of a court of competent jurisdiction.

4.30 Restrictions on political donations

The Company may not make a political donation to a political party or other political organisation, or to an independent election candidate, or incur any political expenditure, unless such donation or expenditure is authorised by an ordinary resolution in accordance with the Articles and is passed before the donation is made or the expenditure incurred.

4.31 Communications

The Articles contain various provisions dealing with the method of communications between the Company and Shareholders. These provisions include the ability to communicate electronically and/or via the Company's website, in accordance with the provisions of the Articles.

Shareholders whose address on the register of members is outside the UK or Jersey are not entitled to receive notices or other documents or information from the Company unless they give an address within such a territory to which such notices or other documents or information may be sent.

4.32 Untraced Shareholders

The Company is authorised to sell, at the best price reasonably obtainable, the shares of any Shareholder if at least three dividends in respect of such shares have remained uncashed and the Company has given notice in a UK national daily newspaper and in a newspaper circulating in the area of the last known address of such Shareholder giving notice of the intention to sell.

4.33 Winding up

Except as otherwise provided by the rights attached to shares, if the Company is wound up, the assets available for distribution among the Shareholders shall be apportioned and paid *pro rata* according to the number of shares in issue. If the Company is wound up, the liquidator can, with the approval of a special resolution passed by the Shareholders and any other sanction required by the Companies Law, divide some or all of the Company's assets among the Shareholders. The liquidator may determine the value of such assets and how they are to be divided between the Shareholders.

On a return of capital on winding-up (but not otherwise), the holders of the Incentive Shares shall be entitled to participate in the Company's assets available for distribution among the members in accordance with paragraph 4.3.9 above.

4.34 Indemnification of officers

Subject to the restrictions set out in the Companies Law relating to the indemnification of officers, the Company will indemnify every director or other officer of the Company out of the assets of the Company against any liability incurred by them for negligence, default, breach of duty, breach of trust or otherwise in relation to the affairs of the Company. This provision does not affect any indemnity which a director or officer is otherwise entitled to.

5. Admission, Readmission, settlement, CREST and dealings

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM, conditional on (amongst other things) Shareholder approval at the General Meeting. It is expected that Admission will become effective and dealings in the New Ordinary Shares will commence at 8.00 a.m. on 3 July 2025 (or such later date determined by the Company in consultation with the Banks being no later than 8.00 a.m. on 14 September 2025).

Following Admission, share certificates representing the New Ordinary Shares are expected to be despatched by post to subscribers who wish to receive New Ordinary Shares in certificated form by no later than 17 July 2025. In respect of subscribers in the Capital Raise who wish to receive New Ordinary Shares in uncertificated form, New Ordinary Shares will be credited to their CREST stock accounts on or soon after 8.00 a.m. on 3 July 2025. The Company reserves the right to issue any New Ordinary Shares in certificated form should it consider this to be necessary or desirable.

As the Acquisition is classified as a reverse takeover under the AIM Rules, upon Acquisition Completion occurring, the admission of the Ordinary Shares then in issue will be cancelled and application will be made for the immediate readmission of the Enlarged Share Capital to trading on AIM. Acquisition Completion is subject to certain conditions being satisfied (or, if permitted, waived) and there is no guarantee that these conditions will be satisfied (or waived). Readmission is expected to occur shortly following Acquisition Completion. Acquisition Completion is conditional upon, *inter alia*, the conditions to Acquisition Completion (including regulatory clearances and Admission occurring) being satisfied by no later than the Longstop Date (or such later date as the parties may agree).

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. The Company's Existing Ordinary Shares are already admitted to CREST. Accordingly, no further application for admission to CREST is required for the New Ordinary Shares, all of which, when issued and fully paid, may be held and transferred by means of CREST. The Articles contain provisions permitting the holding and transfer of Ordinary Shares in uncertified form.

6. General Meeting and Resolutions

The Notice of General Meeting convenes a general meeting of Shareholders to be held at 11.00 a.m. on 1 July 2025 at the offices of Investec, 30 Gresham Street, London EC2V 7QP. The Notice of General Meeting is set out at the end of this document. The following Resolutions will be proposed at the General Meeting:

(a) **Resolution 1:** The Acquisition will constitute a reverse takeover pursuant to the AIM Rules and as such will require the approval of Shareholders. Accordingly, Resolution 1 is an ordinary resolution to approve the Acquisition.

(b) **Resolution 2:** The Company does not currently have sufficient authority to allot shares under the Articles to effect the Capital Raise. Accordingly, conditional on the passing of Resolution 1, Resolution 2 is an ordinary resolution to ensure that the Directors have sufficient authority under the Articles to issue the New Ordinary Shares. This authority will expire on 31 March 2026.

(c) **Resolution 3:** To give effect to the Capital Raise, it will be necessary to waive the pre-emptive rights regime set out in the Company's Articles. Conditional on the passing of Resolution 2, Resolution 3 is a special resolution to authorise the Directors to allot Equity Securities for cash as if Article 7.1

(Pre-emptive Rights) of the Articles did not apply to such allotment, subject to certain limits and requirements. This authority will expire on 31 March 2026. The Ordinary Shares in relation to which pre-emption rights would be disapplied represent the New Ordinary Shares to be allotted for the purposes of the Capital Raise.

(d) **Resolution 4:** Resolution 4 grants standing authority to the Directors, subject to and conditional on Admission, to issue Ordinary Shares representing approximately one-third of the Enlarged Share Capital and, in the event of a rights issue, representing up to approximately two-thirds of the Enlarged Share Capital pursuant to Article 6.3 and in substitution for the authority granted by resolution 9 passed at the annual general meeting of the Company on 8 May 2025. This authority will expire at the Company's annual general meeting in 2026.

(e) **Resolution 5:** Resolution 5 grants standing authority to the Directors, subject to and conditional on Admission, to allot Equity Securities for cash or sell treasury shares for cash as if Article 7.1 (Pre-emptive Rights) of the Articles did not apply to such allotment or sale in substitution for the authority granted by resolutions 10 and 11 passed at the annual general meeting of the Company on 8 May 2025. This authority will expire at the Company's annual general meeting in 2026. The Ordinary Shares in relation to which pre-emption rights would be disapplied pursuant to such standing authority represent (i) an additional 10% of the Enlarged Share Capital; (ii) an additional 10% of the Enlarged Share Capital for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction; and (iii) an additional 20% for the purposes of making a follow-on offer.

(f) **Resolution 6:** In order to give effect to market purchases that the Directors consider necessary following Admission from time to time, Resolution 6 authorises the Directors to make market purchases of Ordinary Shares of up to 14.99% of the Enlarged Share Capital, subject to certain limitations and requirements and in substitution for the authority granted by resolution 12 passed at the annual general meeting of the Company on 8 May 2025. This authority will expire at the Company's annual general meeting in 2026.

The authorities in Resolutions 1, 2 and 3 are required to effect the Acquisition and the Capital Raise.

Resolutions 1, 2 and 4 are ordinary resolutions and require a majority of more than 50% of the shares voted to be passed. Resolution 3, 5 and 6 are special resolutions and require the approval of 75% of shares voted to be passed.

The Notice of General Meeting is contained at the end of this document and sets out the Resolutions in full.

7. Organisational structure

The Company is the holding company of the Group.

The Company has a wholly-owned subsidiary, Rosebank Industries Holdings Limited, ("**RIHL**"). RIHL was incorporated in England and Wales on 21 December 2023.

RIHL has two wholly-owned subsidiaries: (i) RB Industries Advisors Corp., which was incorporated in the state of Delaware, United States, on 4 November 2024; and (ii) Gilchrist BidCo Corp. ("**Bidco**"), which was incorporated in the state of Delaware, United States, on 20 February 2025.

ECI Target is the holding company of the ECI Group.

ECI Target has 53 wholly-owned (directly or indirectly) subsidiaries as listed below:

	Entity Name	Country of Incorporation
1.	Energy Topco Limited	Cayman
2.	Energy Midco Limited	Cayman
3.	Energy Holdings (Cayman) Limited	Cayman
4.	ECI Holding Company (US) LLC	United States
5.	Energy Acquisition, LP	United States
6.	Energy Acquisition Company Inc.	United States
7.	ECI Holdco, Inc.	United States

	Entity Name	Country of Incorporation
8.	Electrical Components International, Inc.	United States
9.	Aerosystems International Inc.	Canada
10.	NRI Electronics, Inc.	United States
11.	Fargo Assembly Company, Inc.	United States
12.	Fargo ND REO I LLC	United States
13.	Fargo ND REO II LLC	United States
14.	Omni Buyer LLC	United States
15.	Omni Connection, LLC	United States
16.	Zima Connection, LLC	United States
17.	Whitepath Fab Tech, Inc.	United States
18.	Fargo Assembly of PA, Inc.	United States
19.	Fargo PA REO LLC	United States
20.	BHC Cable Assemblies Inc.	Canada
21.	Promark Electronics Inc.	Canada
22.	BriTech LLC	United States
23.	Norwood US Holdings, Inc.	United States
24.	MRG US, LLC	United States
25.	American Battery Company, LLC	United States
26.	Champion Battery Sales, LLC	United States
27.	Flex-Tec, Inc.	United States
28.	Flex-Tec Mexico, S. de R.L. de C.V.	Mexico
29.	Cordset Designs, Inc.	United States
30.	ECM Holding Company	United States
31.	Electrical Components International (Thailand) Company Limited	Thailand
32.	Electrical Components International Limited	United Kingdom
33.	ECI Technology Private, Limited	India
34.	Electrical Components International S.a.r.l.	Luxembourg
35.	Electrical Components International S.a.r.l. (Turin Branch)	Luxembourg (Italy Branch)
36.	Electrical Components International Sp. z o.o.	Poland
37.	Electrical Components International Sp. z o.o.	Poland (Hungary Branch)
38.	Electrical Components International Korea Limited	South Korea
39.	Electrical Components International de Mexico S de R.L. de C.V.	Mexico
40.	CABIND G.m.b.H	Germany
41.	Electrical Components International Industria de Componentes Electronicos do Brasil Ltda	Brazil
42.	Electrical Components International G.m.b.H	Germany
43.	Electrical Components International, S.L.U.	Spain
44.	Electrical Components International Maroc, S.a.r.l.	Morocco
45.	Electro Componentes de Mexico, S.A. de C.V.	Mexico
46.	Electrical Components Canada, Inc.	Canada
47.	ECI Hong Kong Company, Limited	Hong Kong
48.	Guangzhou Wire Harness Company, Limited	China
49.	ECI Huizhou Company, Limited	China
50.	Xiamen Rei Ho Electronics, Limited	China
51.	OCR Enterprise Philippines Inc.	Philippines
52.	Nanan Xinshun Electronics Co., Limited	China
53.	Xiamen Xinjie Trading Co., Limited	China

8. Employees

As at the date of this document, the Group has 11 employees.

9. Details of the Connected Persons Subscription

Conditional on, *inter alia*, the passing of the Transaction Resolutions, the Rosebank Co-Founders and the Non-Executive Directors (together, the "Connected Persons") have agreed to subscribe for, in aggregate, 4,359,010 Connected Persons Shares for a total price of £13,077,030, as follows:

- Justin Dowley has agreed to subscribe for 333,334 Connected Persons Shares for a total price of £1,000,002;
- Simon Peckham has agreed to subscribe for 1,216,216 Connected Persons Shares for a total price of £3,648,648;
- Matt Richards has agreed to subscribe for 243,243 Connected Persons Shares for a total price of £729,729;
- Christopher Miller has agreed to subscribe for 729,730 Connected Persons Shares for a total price of £2,189,190;
- Joff Crawford has agreed to subscribe for 683,333 Connected Persons Shares for a total price of £2,049,999;
- Jim Slattery has agreed to subscribe for 486,487 Connected Persons Shares for a total price of £1,459,461; and
- Geoff Morgan has agreed to subscribe for 666,667 Connected Persons Shares for a total price of £2,000,001.

The Connected Persons Shares will be issued at the Issue Price at the time of the Placing, the US Private Placement and the Open Offer but will not form part of the Placing, the US Private Placement or the Open Offer. The Connected Persons will not be participating in the Open Offer.

The Connected Persons Shares will, when issued, be subject to the Articles, be credited as fully paid and rank *pari passu* in all respects with the Existing Ordinary Shares, the Placing Shares, the US Private Placement Shares and the Open Offer Shares, including the right to receive all dividends and other distributions (if any) declared, made or paid on or in respect of Ordinary Shares after the date of issue of the Connected Persons Shares.

10. Directors' and the Senior Executives' interests

10.1 As at the date of this document, the interests of the Directors and the Senior Executives, all of which are beneficial unless otherwise indicated, in the issued Ordinary Share capital of the Company which have been notified to the Company and the interests of persons connected with a Director or Senior Executive, the existence of which is known or could with reasonable diligence be ascertained by each of them, is as follows:

Director / Senior Executive	Number of Ordinary Shares	Percentage of the Existing Ordinary Share capital
Justin Dowley	108,108	0.54%
Simon Peckham	540,541	2.70%
Matt Richards	108,108	0.54%
Christopher Miller	324,325	1.62%
Joff Crawford	216,216	1.08%
Jim Slattery	216,216	1.08%
Geoff Morgan	216,216	1.08%

10.2 Following the Capital Raise and assuming the Open Offer is fully subscribed, the interests of the Directors and the Senior Executives, all of which are beneficial unless otherwise indicated, in the issued Ordinary Share capital of the Company and the interests of persons connected with a Director or Senior Executive, the existence of which is known or could with reasonable diligence be ascertained by that Director or Senior Executive, will be as follows:

Director / Senior Executive	Number of Ordinary Shares	Percentage of the Enlarged Share capital
Justin Dowley	441,442	0.11%
Simon Peckham	1,756,757	0.43%
Matt Richards	351,351	0.09%
Christopher Miller[(1)]	1,887,388	0.46%
Joff Crawford	899,549	0.22%
Jim Slattery	702,703	0.17%
Geoff Morgan	882,883	0.22%

(1) The interest of Christopher Miller includes 833,333 Ordinary Shares held by Harris & Sheldon Investments Limited, a person which is connected with Christopher Miller.

10.3 The Company's issued share capital includes 88,000 Series A Incentive Shares and 50,000 Series B Incentive Shares, which are held as follows:

Director / Senior Executive	Number of Series A Incentive Shares	Percentage of authorised Series A Incentive Share Capital	Number of Series B Incentive Shares	Percentage of authorised Series B Incentive Share Capital
Simon Peckham	24,000	24%	10,000	10%
Matt Richards	16,000	16%	10,000	10%
Joff Crawford	16,000	16%	10,000	10%
Jim Slattery	16,000	16%	10,000	10%
Geoff Morgan	16,000	16%	10,000	10%

In addition, the Board has been authorised to allot a further 12,000 Series A Incentive Shares, 50,000 Series B Incentive Shares and 100,000 Series C Incentive Shares to employees (or an employee share ownership plan trust) at the discretion of the Board or the remuneration committee.

10.4 The Company is not aware of any person or persons who could, directly or indirectly, jointly or severally, exercise control over the Company immediately following Admission.

10.5 The Directors hold or have held the following directorships, and are or were members of the following partnerships, within the five years preceding the date of this document:

Name	Current directorships and partnerships	Previous directorships and partnerships
Justin Dowley	Alpha Insurance Analysts Ltd. Archimedes Partners Limited Archimedes Partners Trustees Limited Archimedes Partners EOT Trustees Limited Callerheugh Limited Claridge Partners Limited JP Boden (Holdings) Limited Mansford LLP Rosebank Industries plc Scottish Mortgage Investment Trust plc The Panel on Takeovers and Mergers Tillmouth & Tweed Salmon Fishings LLP	MCC Overseas Limited The Jockey Club Melrose Industries PLC

Name	Current directorships and partnerships	Previous directorships and partnerships
Simon Peckham	Rosebank Industries plc Rosebank Industries Holdings Limited	Dowlais Group plc Melrose Industries PLC Metal Closures (Port Talbot) Limited Metal Closures Extrusions Limited
Matt Richards	Rosebank Industries plc	A.P. Newall & Company Limited Alder Miles Druce Limited Ball Components Limited Birfield Limited British Hovercraft Corporation Limited Brush Electrical Engineering Company Limited Brush Electrical Machines Limited Brush Holdings Limited Brush Switchgear Limited Brush Transformers Limited Colmore Overseas Holdings Limited Danks Holdings Limited Dowlais Automotive Limited Dowlais Industries Limited Electro Dynamic Limited Falcon Works Property Limited Firth Cleveland Limited FKI Engineering Limited FKI Plan Trustees Limited G.K.N. Group Services Limited G.K.N. Industries Limited G.K.N. International Trading (Holdings) Limited G.K.N. Powder Met. Limited GKN Aerospace Limited GKN Aerospace (FFT) Limited GKN Aerospace Civil Services Holdings Limited GKN Aerospace Civil Services Limited GKN Aerospace Holdings Limited GKN Aerospace Limited GKN Aerospace Services Limited GKN Aerospace Transparency Systems (Kings Norton) Limited GKN Aerospace Transparency Systems (Luton) Limited

Name	Current directorships and partnerships	Previous directorships and partnerships
		GKN Aerospace US Holdings LLC GKN Automotive Holdings Limited GKN Automotive Limited GKN Birfield Extrusions Limited GKN Bound Brook Limited GKN Building Services Europe Limited GKN CEDU Limited GKN Composites Limited GKN Computer Services Limited GKN Countertrade Limited GKN Defence Holdings Limited GKN Defence Limited GKN Driveline Birmingham Limited GKN Driveline Service Limited GKN Driveline UK Limited GKN Enterprise Limited GKN Euro Investments Limited GKN EVO Edrive Systems Limited GKN Export Services Limited GKN Fasteners Limited GKN Finance (UK) Limited GKN Firth Cleveland Limited GKN Freight Services Limited GKN Hardy Spicer Limited GKN Holdings Limited GKN Hybrid Power Limited GKN Hydrogen Limited GKN Investments II GP Limited GKN Investments III GP Limited GKN Marks Limited GKN Overseas Holdings Limited GKN Pistons Limited GKN Powder Metallurgy Holdings Limited GKN Sankey Finance Limited GKN SEK Investments Limited GKN Service UK Limited GKN Sheepbridge Limited GKN Sheepbridge Stokes Limited GKN Sinter Metals Limited GKN Technology Limited

Name	Current directorships and partnerships	Previous directorships and partnerships
		GKN Trading Limited GKN US Investments Limited GKN UK Investments Limited GKN USD Investments Limited GKN Ventures Limited GKN Westland Aerospace (Avonmouth) Limited GKN Westland Aerospace Advanced Materials Limited GKN Westland Aerospace Aviation Support Limited GKN Westland Aerospace Holdings Limited GKN Westland Design Services Limited GKN Westland Limited GKN Westland Overseas Holdings Limited GKN Westland Services Limited Guest, Keen and Nettlefolds, Limited Harrington Generators International Limited Hawker Siddeley Switchgear Limited Laycock Engineering Limited Melrose Euro Investments Limited Melrose GBP Investments Limited Melrose Intermediate Limited Melrose NOK Investments Limited Melrose North America, Inc. Melrose PLC Nevada UK Holding Limited P.F.D. Limited Prelok Specialist Products Limited Raingear Limited Rigby Metal Components Limited Rzeppa Limited Sheepbridge Stokes Limited Thompson Chassis Limited Westland Group plc Westland Group Services Limited Westland System Assessment Limited Whipp & Bourne Limited
Christopher Miller	Rosebank Industries plc 4 Netherton Grove Limited	Melrose Industries PLC

10.6 None of the Directors:

10.6.1 has any unspent convictions in relation to indictable offences;

10.6.2 has been declared bankrupt or been subject to an individual voluntary arrangement;

10.6.3 has been involved in any receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors of any company where such Director was a director at the time of or within the 12 months preceding such events;

10.6.4 has been involved in any compulsory liquidation, administration or partnership voluntary arrangement of any partnership where such Director was a partner at the time of or within the 12 months preceding such events;

10.6.5 has been involved in receivership of any of such Director's assets or of a partnership of which such Director was a partner at the time of or within the 12 months preceding such events;

10.6.6 has been the subject of any public criticism by statutory or regulatory authorities (including recognised professional bodies);

10.6.7 has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company; or

10.6.8 has had a name other than his present name.

10.7 There are no outstanding loans or guarantees provided by the Group to or for the benefit of any of the Directors.

10.8 Save for the interests of the Directors in the transactions described in this document, no Director has or has had any interest in any transaction which is or was unusual in its nature or conditions or is or was significant in relation to the business of the Company and which was effected since the date of the Company's incorporation.

11. Rosebank Co-Founders' service contracts and Non-Executive Directors' letters of appointment

11.1 *Rosebank Co-Founders*

On 2 July 2024, each Rosebank Co-Founder entered into a service agreement with the Company. The service agreement may be terminated upon either party giving the other six months' written notice. Each Rosebank Co-Founder receives an annual salary of £100,000 (other than Jim Slattery who receives an annual salary of US$125,000), each is entitled to 25 days' paid holiday (in addition to public and bank holidays) and each is subject to certain confidentiality obligations applicable both during and after their employment.

11.2 *Non-Executive Directors*

The following appointment letters were entered into between the Non-Executive Directors and the Company:

11.2.1 a letter of appointment dated 2 July 2024 pursuant to which Justin Dowley was appointed as the Non-Executive Chairman. The appointment is for an initial term of three years (subject to annual re-election by Shareholders at the next annual general meeting) unless terminated earlier by either party giving to the other party one month's prior written notice. The Chairman's fee payable to Justin Dowley is £50,000 per annum and the Company may provide additional fees for chairing committees and certain additional responsibilities in accordance with and subject to the Company's remuneration policy; and

11.2.2 a letter of appointment dated 2 July 2024 pursuant to which Christopher Miller was appointed as the Senior Independent Director. The appointment is for an initial term of three years (subject to annual re-election by Shareholders at the next annual general meeting) unless terminated earlier by either party giving to the other party one month's

prior written notice. The director's fee payable to Christopher Miller is £50,000 per annum and the Company may provide additional fees for chairing committees and certain additional responsibilities, such as taking on the role of Senior Independent Director, in accordance with and subject to the Company's remuneration policy.

12. Significant shareholders

As at the Latest Practicable Date and as expected to be held immediately following Admission (assuming full take up under the Open Offer), the Company is aware of the following Shareholders who are or will be immediately following Admission interested, directly or indirectly, in 3% or more of the Company's issued share capital:

	As at the Latest Practicable Date		Immediately following Admission	
Shareholder	Number of Existing Ordinary Shares	Percentage of voting rights	Number of Ordinary Shares	Percentage of voting rights
GIC Private Limited	3,400,000	17.00	3,400,000	0.84
BlackRock Inc	2,700,896	13.50	61,386,402	15.10
Directors, Rosebank Co-Founders and their connected persons	1,729,730	8.64	6,922,073	1.70
Artemis Investment Management LLP	1,774,139	8.87	39,774,139	9.78
Permian Investment Partners, LP	1,630,000	8.15	20,630,000	5.07
Norges Bank	1,600,000	8.00	35,800,000	8.80
Aviva Investors	1,438,640	7.19	18,938,640	4.66
Select Equity	1,057,782	5.29	16,257,782	4.00
Schroder Investment Management	703,558	3.52	16,861,005	4.15

All of the Ordinary Shares rank *pari passu* and no Shareholder enjoys different voting rights from any other Shareholder.

13. Lock-in agreements

Each of the Rosebank Co-Founders and the Non-Executive Directors has previously agreed, in favour of the Previous Joint Bookrunners and the Company, save for in those circumstances specified in Rule 7 of the AIM Rules, not to dispose of any interest in the Existing Ordinary Shares for a period of 12 months following the Company's admission to AIM on 11 July 2024 (the **"July 2024 Admission"**), or until the Ordinary Shares are admitted to the Official List and to trading on the Main Market of the London Stock Exchange, if earlier (the "**Restricted Period**"). In addition, each of the Rosebank Co-Founders has previously agreed with the Company, following expiry of the Restricted Period until three years following the July 2024 Admission, subject to certain customary exceptions, not to transfer, charge or otherwise dispose of any of the Existing Ordinary Shares subscribed or held by him at the time of the July Placing and the Acquisition without the prior written consent of the Company.

14. The City Code on Takeovers and Mergers

14.1 *Mandatory takeover bids*

The City Code applies to all takeover bids and merger transactions in relation to the Company, and operates principally to ensure that shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment.

The City Code is based upon a number of General Principles which are essentially statements of standards of commercial behaviour. General Principle One states that all holders of securities of an offeree company of the same class must be afforded equivalent treatment and if a person acquires control of a company, the other holders of securities must be protected. This is reinforced by Rule 9 of the City Code which provides that, except with the consent of the Panel, when: (a) any person acquires an interest in shares which (taken together with shares in which persons acting in concert with him are interested) carry 30% or more of the voting rights of a company which is subject to the City Code; or (b) any person, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30% of the voting rights of a company which is subject to the City Code but does not hold shares carrying more than 50% of such voting rights and such person, or any person acting in concert with him,

acquires an interest in any other shares of that company which increases the percentage of shares carrying voting rights in which they are interested, then, in either case, that person is normally required to extend offers in cash, or accompanied by a cash alternative, at the highest price paid by him (or any persons acting in concert with him) for any interest in shares of that company within the preceding 12 months prior to the announcement of the offer, to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights. If any person, together with persons acting in concert with him, holds shares which in the aggregate carry more than 50% of the voting rights of a company, such person, or any person acting in concert with him, may acquire further interests in shares of that company without incurring any obligation under Rule 9 of the City Code to extend any offers although individual members of a concert party will not be able to increase their percentage interest in shares through or between a Rule 9 threshold without Panel consent.

There are not in existence any current mandatory takeover bids in relation to the Company.

14.2 *Merger and acquisition transactions under the Companies Law*

14.2.1 *Takeover offers—squeeze out and sell out rights*

Articles 116 to 124A of the Companies Law provides that if, within certain time limits, an offer is made for the share capital of the Company, the offeror is entitled to acquire compulsorily any remaining shares if it has, by virtue of acceptances of the offer, acquired or unconditionally contracted to acquire not less than 90% in value of the shares to which the offer relates and in a case where the shares to which the offer relates are voting shares, not less than 90% of the voting rights carried by those shares. The offeror would effect the compulsory acquisition by sending a notice to outstanding shareholders telling them that it will compulsorily acquire their shares and then, six weeks from the date of the notice, pay the consideration for the shares to the Company to hold on trust for the outstanding shareholders. The consideration offered to shareholders whose shares are compulsorily acquired under the Companies Law must, in general, be the same as the consideration available under the takeover offer.

Articles 116 to 124A of the Companies Law set out the provisions dealing with takeover offers of Jersey companies and detail certain 'squeeze out' provisions. Under the Companies Law, if, following a take-over offer (which is defined as 'an offer to acquire all the shares, or all the shares of any class or classes, in a company (other than shares which at the date of the offer are already held by the offeror), being an offer on terms which are the same in relation to all the shares to which the offer relates'), an offeror has acquired or contracted to acquire not less than nine-tenths in nominal value of the shares of a par value company to which the offer relates, the offeror may give notice, in accordance with the Companies Law to the holders of those shares to which the offer relates which the offeror has not acquired or contracted to acquire, that it desires to acquire those shares.

Subject to the provisions of the Companies Law, upon service of the notice by the offeror, it shall become entitled and be bound to acquire the shares. A minority shareholder also has a right, pursuant to the Companies Law, to be bought out by an offeror.

Where a notice is given under the Companies Law to the holder of any shares, the Royal Court of Jersey may, on an application made by the shareholder within 6 weeks from the date on which the notice was given, order that the offeror shall not be entitled and bound to acquire those shares or specify terms of acquisition different from those of the offer.

14.2.2 *Merger*

The Companies Law permits two or more companies (which need not all be Jersey incorporated companies) to merge to form one successor company. In the case of any company incorporated in Jersey, any such merger is subject to approval of its board of directors and to approval by special resolution of the company (and, where applicable, by special resolution of each class of shares where there is more than one class of shares in issue), in addition to certain other requirements.

14.2.3 *Schemes of Arrangement*

The Companies Law provides that, where a compromise or arrangement is proposed between a company and its creditors, or a class of them, or between the company and its shareholders or a class of them, the Jersey court may on the application of the company or a creditor or member of it or, in the case of a company being wound up, of the liquidator, order a meeting of the creditors or class or creditors, or the shareholders or class of shareholders (as the case may be), to be called in a manner as the court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, or three-fourths of the voting rights of shareholders or class of shareholders (as the case may be) present and voting either in person or by proxy at the meeting, agree to a compromise or arrangement, the compromise or arrangement, if sanctioned by the Jersey court, is binding on all creditors or the class of creditors, or all shareholders or the class of shareholders (as the case may be) and also on the company or, in the case of a company in the course of being wound up, on the liquidator and contributories of the company.

15. Jersey Companies Law distinguished from English Companies Law

There are a number of differences between the 2006 Act (which is the principal English company legislation) and the Companies Law (which is the principal Jersey company legislation). The main differences include, but are not limited to, those matters set out below.

This summary is intended as an illustration only and does not purport to give a complete overview nor does it constitute legal advice regarding such matters and should not be regarded as such. You are recommended to take your own legal advice from a qualified Jersey solicitor or advocate should you have any queries regarding Jersey law. This section should also be read in conjunction with paragraph 4 of this Part 10 (*Additional Information*). In relation to those cases referred to as follows where the Articles seek to replicate any provisions under the 2006 Act, there can be no guarantee that these provisions will replicate English law exactly and inevitably certain differences between Jersey and English law will remain.

15.1 *Types of company*

Jersey private limited companies can be formed as either par value companies (in which their shares have a prescribed nominal, or par, value) or no par value companies (in which their shares have no prescribed nominal, or par, value). The Company was incorporated as a par value company, but is now a no par value Company.

15.2 *Resolution thresholds*

Under the 2006 Act, a special resolution requires a three-fourths voting majority, whereas under the Companies Law the threshold may be set (in the Company's articles of association) at any threshold so long as it is at least a two-thirds voting majority. The Articles require special resolutions to be passed by a three-fourths voting majority. Ordinary resolutions require a simple voting majority in both Jersey and the UK.

15.3 *Authority to allot shares*

The Companies Law does not contain provisions requiring the directors to be authorised by shareholders to issue shares. As referred to in paragraph 4 of this Part 10 (*Additional Information*), however, the Articles require such authorities to be given for certain share allotments.

15.4 *Pre-emption rights*

The Companies Law does not confer statutory pre-emption rights on shareholders relating to new share issuances. As referred to in paragraph 4 of this Part 10 (*Additional Information*), however, the Articles contain pre-emption rights consistent with UK standard practice.

15.5 *Issues of partly paid shares*

The Companies Law permits companies incorporated in Jersey, including public companies, to issue partly paid shares. English law requires that shares in the capital of a public company are paid up as to at least one quarter of their nominal value and any share premium.

15.6 *Financial assistance*

The Companies Law does not impose any restrictions on financial assistance in connection with the acquisition of shares in the relevant company. The 2006 Act prohibits public companies from giving financial assistance, subject to certain exceptions.

15.7 *Commissions and discounts*

Jersey law does not impose any restrictions or limitations on the ability of a Jersey company to pay commissions or give discounts in connection with the issue of its shares.

15.8 *Non-cash consideration*

The Companies Law does not require any third party valuation in connection with the issue of shares for non-cash consideration. The 2006 Act requires an independent valuation of non-cash consideration for shares issued by public companies, subject to certain exceptions.

15.9 *Dividends and Distributions*

Pursuant to the Companies Law, a par value company may make a dividend or other distribution from any source, including its share premium account as well as from its profit and loss account, except that it may not make such dividend or other distribution from its capital redemption reserve or nominal capital account. Under the Companies Law, creditor protection in relation to distributions does not rely on any sort of distributable profits / distributable reserves concept, as is the case under the 2006 Act, but is instead based on a requirement for the directors who authorise the distribution to make a 12-month, forward-looking, cashflow-based solvency statement in a prescribed form. The exception to this requirement is, broadly, where the distribution does not reduce the net assets of the company.

15.10 *Repurchases*

A Jersey company is permitted to purchase its own fully paid shares by following a statutory process, unless prohibited by its articles of association. Jersey law and English law share the same, broad foundations in relation to the way repurchases are treated and authorised, save for certain key differences (including as follows): (i) all repurchases, save for wholly-owned companies, require approval by special resolution (and not an ordinary resolution as required under the 2006 Act); (ii) creditor protection is achieved through a requirement for the directors who authorise the repurchase to make a 12-month, forward-looking, cashflow-based solvency statement in a prescribed form (i.e. the same as for a distribution as summarised above); (iii) there is no requirement for distributable or available profits; subject to the above solvency statement requirement, shares may be repurchased our of any company account; (iv) Jersey law does not specify that the repurchased shares must be paid for on purchase; and (v) Jersey law does not include an exception from the need to follow the statutory process where shares are acquired other than for valuable consideration.

15.11 *Redemptions*

As with an English company, a Jersey company is permitted to redeem its fully paid redeemable shares by following a statutory process. However, the law on redemptions in Jersey differs from that in England in certain key ways (including as follows): (i) Jersey law permits the conversion of shares that were issued as non-redeemable shares to redeemable shares, including those shares becoming convertible at the option of the company or at the option of the holder; (ii) creditor protection is achieved through a requirement for the directors who authorise the redemption to make a 12-month, forward-looking, cashflow-based statutory solvency statement in substantially the same form as required in connection with a distribution and a repurchase (see paragraphs 15.9 and 15.10 above); and (iii) there is no requirement for distributable or available profits; subject to the above solvency statement requirement, shares may be repurchased our of any company account.

15.12 *Reductions of capital*

The process and requirements for a reduction of capital under Jersey law are materially the same as those under English law.

15.13 *Treasury shares*

Jersey law permits a company to hold its own shares as treasury shares in a manner that is materially the same as that under English law, subject to the following key differences: (i) under Jersey law, treasury shares can be created by the redemption of shares, and by the repurchase of shares from any source (including out of capital); in England, only shares repurchased by a company out of distributable profits can be held as treasury shares; and (ii) a Jersey company is only permitted to hold treasury shares where authorised to do so by ordinary resolution.

15.14 *Duties of directors*

The Companies Law provides that a director, in exercising the director's powers and discharging the director's duties, shall act honestly and in good faith with a view to the best interests of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Jersey law does not specify non-shareholder stakeholders whose interests should be taken into account when directors are exercising their fiduciary powers. Save for that difference, the Jersey courts can generally be expected to have close regard to English common law relating to directors' duties.

15.15 *Disclosure of interests by directors*

The Companies Law does not require the directors of a Jersey company to disclose to the company their beneficial ownership of any shares in the company, but they must disclose to the company the nature and extent of any direct or indirect interest in a transaction entered into or proposed to be entered into by the company or any of its subsidiaries which to a material extent conflicts or may conflict with the interests of the company.

15.16 *Director loans*

Under the Companies Law, there is no general prohibition on the granting of loans by a company to its directors (but directors remain subject to fiduciary duties when considering the grant of any such loans) and any costs incurred in defending any proceedings which relate to anything done or omitted to be done by that director in carrying out his or her duties may be funded by way of loans.

15.17 *Indemnification of directors and insurances*

The circumstances in which the Companies Law permits a Jersey company to indemnity its directors in respect of liabilities incurred by the directors in carrying out their duties are limited, albeit in a slightly different manner to English companies under the 2006 Act. These provisions of the Companies Law do not prevent a company from purchasing and maintaining for any such director or other officer insurance against any such liability.

15.18 *Appointment of directors*

Jersey law permits a company to determine in its articles of association how directors are to be appointed, including their remuneration, whether such appointments need to be made or ratified by shareholders and whether appointments must be voted on individually; English law requires the appointment of directors of a public company to be voted on individually. As referred to in paragraph 4 of this Part 10 (*Additional Information*), the Articles require the appointment of directors to be made or ratified by shareholders.

15.19 *Removal of directors*

The Companies Law does not provide a statutory right for shareholders to remove directors. As referred to in paragraph 4 of this Part 10 (*Additional Information*), however, the Articles contain certain provisions permitting such removals.

15.20 *Compensation for loss of office*

The Companies Law does not require that shareholders approve compensation payments made to directors for loss of office. As referred to in paragraph 4 of this Part 10 (*Additional Information*), however, the Articles contain certain provisions requiring shareholder approval of such compensation payments in certain circumstances.

15.21 *Disclosure of interests in shares by shareholders*

The Companies Law does not contain any requirement on shareholders to disclose interests in shares. The Articles require shareholders to disclose interests in shares as if the provisions of DTR 5 applied to the Company as a UK issuer for the purposes of such DTR 5.

15.22 *Shareholder protections*

Jersey law gives members a right to requisition a meeting, but the threshold required to exercise that right is shareholder(s) holding 1/10th of the votes exercisable at the requisitioned meeting rather than 5% of capital (for companies with capital) / 5% of voting rights (for companies without capital) as is the case in England. The rights of shareholders of Jersey companies to receive or obtain information from a company are more limited than in England. However, as referred to in paragraph 4 of this Part 10 (*Additional Information*), the Articles contain provisions allowing members holding 5% of voting rights to requisition a meeting. For example, Jersey law does not include information rights equivalent to those in sections 146 to 153 of the 2006 Act.

15.23 *Accounts*

Both Jersey and English law require companies to produce statutory accounts: Jersey law permits a holding company to prepare consolidated rather than stand-alone accounts unless its shareholders require otherwise by ordinary resolution (but companies which are not a holding company must prepare stand-alone accounts). Jersey law requires a company to prepare accounts within 18 months of its incorporation and thereafter within 18 months of the last profit and loss account. The accounts must be approved by the directors and signed on their behalf of one of them. The Companies Law requires a public company to prepare audited accounts in respect of each financial year of the company, and to lay such accounts before a general meeting of the company within seven months of the end of such financial year of the company. These audited accounts must also be delivered to the registrar of companies within that seven-month period.

15.24 *Audit*

A Jersey company is only required to appoint an auditor and prepare audited accounts if one of the following applies: (i) it is a public company; (ii) its articles require it to appoint an auditor; or (iii) its shareholders have passed an ordinary resolution requiring it to appoint an auditor (which can be reversed). The accounts of a Jersey company that is required to appoint an auditor must give a true and fair view of, or be presented fairly in all material respects so as to show, the company's profit or loss for the period covered by the accounts and the state of its affairs at the end of the period (as well as complying with the other provisions of the Jersey companies law). A Jersey company that is required to appoint an auditor must at each AGM appoint an auditor to hold office from the conclusion of that meeting to the conclusion of the next AGM (with the initial auditor being appointed by the directors or, failing the directors, the company by ordinary resolution to hold office until the conclusion of the first AGM). Where a company is not required to hold an AGM, the auditor is taken to have been re-appointed for each succeeding financial period until the conclusion of the next AGM or the company resolves in general meeting to remove the auditor. In addition, the directors have the power to fill any casual vacancy in the office of auditor, and a company may by ordinary resolution remove an auditor at any time. The auditor of a market traded company must be a "recognised auditor", based on a list of recognised auditors maintained by the Jersey Financial Services Commission.

15.25 *Political donations*

The Companies Law does not restrict companies from making political donations. As referred to in paragraph 4 of this Part 10 (*Additional Information*), the Articles restrict the Company from making political donations.

15.26 *Unfair prejudice*

The Companies Law provides that a shareholder may apply to the Jersey court for an order on the ground that the company's affairs are being or have been conducted in a manner which is unfairly prejudicial to the interests of its shareholders generally or of some part of its shareholders (including at least the shareholder applying to court for the order) or that an actual or proposed act or omission of the company (including an act or omission on its behalf) is or would be so prejudicial. The Jersey court has wide powers as to the type of order it can grant. Otherwise, under Jersey law, the circumstances in which a shareholder may bring a derivative claim against a company may be more limited than is the case under English law. In particular, there is no statutory derivate action remedy under the Companies Law.

15.27 *Dissolution*

The Jersey dissolution regime is different to that which applies in the UK.

If a company is solvent, the procedure for dissolving a company is a summary winding up.

There are two principal forms of Jersey insolvency regime relevant to companies, being a declaration that the company's property is *en désastre* under the Bankruptcy (Désastre) (Jersey) Law 1990 and a creditors' winding up under the Companies Law, and at the full completion of each procedure the company will be dissolved. There are two forms of creditors' winding up, one instigated by the company itself, the other ordered by the court on the application of a creditor.

If the company's property is declared *en désastre*, all of the powers and property of the company (whether present or future and whether situated in Jersey or elsewhere) are vested in the Viscount (an officer of the court). The role of the Viscount is similar to that of a liquidator or the UK Official Receiver. In a creditors' winding up, the corporate state and capacity of the company continue until the company is dissolved, and a liquidator is appointed to administer the winding up. In general the same rules apply in a creditors' winding up as in a *désastre* to, amongst other things, the respective rights of secured and unsecured creditors, to debts provable, to proving debts, to the order of payment of debts, and setting off debts.

UK concepts such as receivership (where the receiver is appointed by a secured creditor), administration and voluntary arrangements do not exist under Jersey law.

Jersey law includes the concept of a just and equitable winding up which is substantively similar to the process in England. Given the lack of the availability of a formal administration process in Jersey, the court may in certain circumstances be willing to create a quasi-administration via a just and equitable winding up.

16. Material contracts

The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the members of the Enlarged Group (a) in the two years immediately preceding the publication of this document (or in the case of the Company, since its incorporation), and which are, or may be, material; or (b) at any time and which contain any provision under which any member of the Enlarged Group has any obligation or entitlement which is material to the Enlarged Group as at the date of this document.

Material contracts relating to the Acquisition

16.1 *Acquisition Agreement*

Details of the Acquisition Agreement are set out in Part 3 (*Summary of the Terms of the Acquisition*) of this document.

16.2 *Management Warranty Deed*

16.2.1 A management warranty deed was entered into on 6 June 2025 between Rosebank and certain members of management of ECI (the "**Warrantors**"), (the "**Management Warranty Deed**"). Pursuant to the Management Warranty Deed, the Warrantors provided certain fundamental, business and tax warranties to Rosebank with respect to

the business of the ECI Group. However, other than in the event of fraud, the sole recourse for Rosebank for any breach of such warranties shall be to the W&I Insurance Policy, and Rosebank will not be able to recover against the Seller or the Warrantors for any claims in respect of the warranties.

16.2.2 The Management Warranty Deed is governed by the laws of England and Wales.

16.3 *W&I Insurance Policy*

16.3.1 A warranty and indemnity insurance policy for the benefit of the Company was entered into on 6 June 2025 with Euclid Transactional UK Limited as the primary insurer (the "**W&I Insurance Policy**"). The W&I Insurance Policy provides the Company with the ability to claim for loss in the event of breach of certain fundamental, business and tax warranties in the Acquisition Agreement and the Management Warranty Deed for certain specified periods of time following Acquisition Completion. Howden M&A Limited acted as broker in connection with the placing of the W&I Insurance Policy. The W&I Insurance Policy provides an overall coverage limit (inclusive of cover provided by excess insurers) of $105,000,000 (with an applicable retention (excess) of $9,470,000 applying to general business and tax warranty claims). The W&I Insurance Policy excludes cover for items specifically identified during, or carved out of the scope of, the due diligence process and any breach of warranty of which certain Rosebank employees have actual knowledge, as well as certain other customary exclusions.

16.4 *New Debt Facilities and hedging arrangements*

16.4.1 On 6 June 2025, Rosebank entered debt commitment documents with, among others, certain financial institutions named therein (each as an arranger and underwriter) (the "**Arrangers**") (the "**Debt Commitment Documents**"). Pursuant to the Debt Commitment Documents, the Arrangers have agreed to:

(a) underwrite certain facilities to be made available to the Company and Bidco, such facilities comprising (i) term loan commitments in an aggregate principal amount of $400,000,000 ("**Facility A**") and (ii) multi-currency revolving commitments in an aggregate principal amount of $500,000,000 ("**Facility B**" and, together with Facility A, the "**Facilities**"); and

(b) enter into long form debt financing documents on the terms described in the balance of this paragraph 16.4 (*New Debt Facilities and hedging arrangements*) of Part 10 (*Additional Information*).

16.4.2 Rosebank (as original parent), RIHL (as the company) and Bidco (together with Rosebank and RIHL, the "**Original Obligors**") will enter into a senior term and revolving credit facilities agreement with, among others, certain financial institutions named as original lenders (the "**Lenders**") (the "**Facilities Agreement**"). Pursuant to the Facilities Agreement, the Lenders make the Facilities available to RIHL and Bidco as original borrowers.

16.4.3 The proceeds of Facility A shall be applied towards the financing or refinancing (directly or indirectly), amongst other things, the consideration for, and any other amounts payable in connection with, the Acquisition, the repayment of existing indebtedness of the ECI Group and/or transaction costs and other fees, costs and/or expenses. The proceeds of Facility B shall be applied towards financing the ECI Group's working capital requirements and general corporate purposes.

16.4.4 Each of the Original Obligors will jointly and severally guarantee the obligations owed to the lenders, among other finance parties, under the Facilities Agreement. In addition, the terms of the Facilities Agreement will require that, following Acquisition Completion and subject to certain limitations, certain members of the Group accede to the Facilities Agreement as guarantors in accordance with minimum guarantor coverage requirements set out therein.

16.4.5 Pursuant to the terms of the Facilities Agreement, each obligor (which shall include each Original Obligor and each member of the Group required to accede to the Facilities Agreement as a guarantor), will be required to make certain customary representations and warranties at various times throughout the term of the Facilities Agreement. In addition, the terms of the Facilities Agreement will contain certain restrictions on the operations of the Group. These include customary positive and negative covenants including, without limitation, restrictions on mergers, acquisitions, disposals, incurrence of financial indebtedness and/or loans to persons outside of the Group and a negative pledge restricting security over the Group's assets. Rosebank will also be required to comply with certain information undertakings, including delivery of financial information relating to the Group for distribution to the lenders.

16.4.6 The Facilities Agreement will contain the following financial covenants:

(a) Interest Cover, being the ratio of consolidated EBITDA of the Group to the consolidated net finance charges of the Group, which must not be less than 3.0:1.0 (for the relevant period ending 30 June 2026) or 3.5:1.0 (for any relevant period ending on or after 31 December 2026); and

(b) Debt Cover, being the ratio of consolidated total net debt of the Group to consolidated EBITDA of the Group, which must not exceed 4.0:1.0 (for the relevant period ending 30 June 2026); 3.75:1.0 (for the relevant period ending 31 December 2026) or 3.5:1.0 (for any relevant period ending on or after 30 June 2027).

16.4.7 Each financial covenant shall be tested bi-annually, by reference to each set of half-year or annual financial statements and/or each compliance certificate delivered pursuant to the terms of the Facilities Agreement. The financial covenants shall be tested for the first time in respect of the 12-month period ending 30 June 2026.

16.4.8 When determining consolidated EBITDA for the purposes of testing the financial covenants referred to above, Rosebank shall be permitted to, amongst other things: (i) include the operating profits of any entity or business acquired during the relevant period; (ii) exclude the operating profits of any entity or business sold during the relevant period; (iii) include certain pro forma adjustments in respect of acquisitions and disposals (and certain group initiatives implemented during the relevant period) in each case projected by Rosebank after taking into account the run rate effect of cost savings and other synergies (including revenue synergies) which the Group believes can be achieved within a specified timeframe following the relevant acquisition, disposal and/or group initiative referred to above, provided that the aggregate amount of pro forma adjustments included in respect of any relevant period must not exceed 20% of consolidated EBITDA.

16.4.9 The Facilities Agreement will contain certain events of default including, without limitation, in respect of (i) non-payment (subject to a grace period), (ii) breach of financial covenant, (iii) misrepresentation (subject to a materiality threshold and a grace period), (iv) cross default (subject to a de minimis exemption basket), (iv) insolvency and (v) insolvency proceedings. Certain of the other events of default are subject to exceptions, de minimis baskets, materiality thresholds and/or grace periods. The occurrence of any event of default under the Facilities Agreement would permit, among other things, the acceleration of any loan and cancellation of commitments made available under the Facilities.

16.4.10 Subject to certain exceptions, loans made available under each of Facility A and Facility B shall bear interest at a rate per annum equal to the aggregate of (i) the applicable base rate (which for loans drawn in US dollars is SOFR (or, if applicable, the term SOFR reference rate administered by CME Group Benchmark Administration Limited), for loans drawn in Euro is EURIBOR and for loans drawn in pounds sterling is SONIA) and (ii) a margin, which is subject to a leverage-based ratchet. The opening margin in respect of Facility A shall be 1.70% per annum and the opening margin in respect of Facility B shall be 2.10% per annum.

16.4.11 The scheduled maturity date for the Facilities is three years from the date on which Facility A is drawn to complete the Acquisition. The Company may extend the maturity date in respect of Facility B up to twice (in each case by no more than one year) by giving notice to the facility agent not less than 30 days' prior to (i) the original maturity date or (ii) if after the first extension of the original maturity date, the first anniversary of the original maturity date.

16.4.12 The Facilities Agreement will be governed by English law.

16.4.13 On 6 June 2025, the Company entered into DCFX transactions. Under the terms of the DCFX, the Company has fixed the rate of exchange at which it can convert into US dollars the pounds sterling amount that the Company will receive in respect of the Institutional Capital Raise. Accordingly, the Company will mitigate the currency fluctuation risk that would otherwise apply due to changes of the rate of exchange between pounds sterling and the US dollar (i) from the date of entry into the Placing Agreement and the US Private Placement Document (ii) to the date upon which the sterling proceeds for the Institutional Capital Raise are received in full.

The Company will only be required by each counterparty to a DCFX to exchange the applicable sterling amount into US dollars if the Company has received in full the amounts to be paid to it in respect of the Institutional Capital Raise by the long stop date as defined under the terms of the DCFX. If this has not occurred then the DCFX will lapse at no cost to the Company.

16.5 *Placing Agreement*

16.5.1 On 6 June 2025, the Company and the Managers entered into the Placing Agreement pursuant to which the Managers agree, severally and not jointly or jointly and severally, subject to certain conditions, to use reasonable endeavours to procure subscribers for the Placing Shares at the Issue Price and failing which to subscribe themselves for the relevant Placing Shares at the Issue Price (in such proportions as set out in the Placing Agreement).

16.5.2 Pursuant to the Placing Agreement the Company agrees to issue the US Private Placement Shares at the Issue Price to subscribers procured by it pursuant to the US Private Placement, and, failing subscription for such US Private Placement Shares by the procured subscribers, the Managers agree, severally and not jointly or jointly and severally, subject to certain conditions, to subscribe themselves for the relevant US Private Placement Shares at the Issue Price (in such proportions as set out in the Placing Agreement). The Open Offer and the Connected Persons Subscription are not underwritten.

16.5.3 The Placing and the US Private Placement are conditional, *inter alia*, on the approval of the Transaction Resolutions at the General Meeting, Admission occurring not later than 8.00 a.m. on 3 July 2025 (or such later date determined by the Company in consultation with the Banks being no later than 8.00 a.m. on 14 September 2025), and the Placing Agreement not having been terminated prior to Admission.

16.5.4 The Placing Agreement contains certain warranties, undertakings and indemnities given by the Company in favour of the Managers which are customary in agreements of this nature.

16.5.5 Under the Placing Agreement, the Managers will receive a base commission of 1.50% of the aggregate gross proceeds of the Placing and the US Private Placement and the Company may pay to the Managers at its absolute discretion an additional commission of up to 0.25% of the aggregate gross proceeds of the Placing and the US Private Placement. The Managers will not receive any commission in relation to the Open Offer or the Connected Persons Subscription.

16.5.6 The Company has agreed to pay all expenses of or incidental to the Capital Raise and Admission.

16.5.7 The Banks may terminate the Placing Agreement at any time prior to Admission in certain customary circumstances set out in the Placing Agreement.

16.5.8 Under the Placing Agreement, the Company has agreed that it will not, and will procure that its subsidiaries will not, without the prior written consent of each of the Banks (not to be unreasonably withheld or delayed), between the date of the Placing Agreement and the date which is 180 days after Admission, (i) offer, pledge, sell, contract to sell, grant any option, right, warrant or contract to purchase, purchase any option or contract to sell, lend or otherwise transfer or dispose of, directly or indirectly, any Ordinary Shares or other shares in the capital of the Company or any securities convertible into or exchangeable for Ordinary Shares or other shares in the capital of the Company or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Ordinary Shares or other shares in the capital of the Company, provided that the foregoing restrictions shall not apply to (i) the issue of the New Ordinary Shares in connection with the Capital Raise and the Placing Agreement; and (ii) the allotment and issue, or transfer from treasury, of any Ordinary Shares, or the re-designation of any Incentive Shares as Ordinary Shares, in each case to effect conversion (in whole or in part) of any Incentive Shares into Ordinary Shares, in accordance with the Articles.

16.5.9 Each of the Rosebank Co-Founders and the Non-Executive Directors is subject to certain lock-in arrangements in respect of their respective holding of Ordinary Shares. Further details of the lock-in arrangements are set out in paragraph 13 of this Part 10 (*Additional Information*).

16.6 *Investor letters*

On 5 June 2025, the Company entered into investor letters with certain institutional investors in the United States in connection with the US Private Placement pursuant to which each such institutional investor irrevocably commits to subscribe under the US Private Placement, on the basis of the terms and conditions set out in the US Private Placement Document, for US Private Placement Shares at the Issue Price, conditional on, *inter alia*, Admission occurring no later than 3 July 2025, or such later date determined by the Company being no later than 14 September 2025. The investor letters and related terms and conditions contain customary provisions, including customary representations and warranties from each institutional investor for the benefit of the Company. The US Private Placement is fully underwritten by the Managers.

Material contracts relating to the Company

16.7 *Lock-in agreements*

A summary of the lock-in agreements entered into by each of the Rosebank Co-Founders and the Non-Executive Directors is set out in paragraph 13 of this Part 10 (*Additional Information*).

16.8 *July Placing Agreement*

16.8.1 On 9 July 2024, the Company and the Previous Joint Bookrunners entered into the July Placing Agreement pursuant to which the Previous Joint Bookrunners agreed, severally and not jointly or jointly and severally, subject to certain conditions, to use reasonable endeavours to procure subscribers for 20,000,000 shares at 250 pence per share and failing which to subscribe themselves for the 20,000,000 shares at 250 pence per share (in such proportions as set out in the July Placing Agreement).

16.8.2 The July Placing Agreement contains certain warranties, undertakings and indemnities given by the Company in favour of the Previous Joint Bookrunners which are customary in agreements of this nature.

16.8.3 Under the July Placing Agreement, the Previous Joint Bookrunners receive a total commission of 2.25% of the gross proceeds of the July Placing, 41.84% of which was payable upon completion of the July Placing and 58.16% of which is payable conditional on Acquisition Completion or, if the Acquisition does not complete, on completion of the Company's first acquisition.

16.8.4 The Company agreed to pay all expenses of or incidental to the July Placing.

16.9 *Nomad and Broker Agreement*

The Company and Investec entered into the Nomad and Broker Agreement on 9 July 2024 (as amended on 6 June 2025), pursuant to which the Company appointed Investec as its Nominated Adviser and Joint Broker in relation to and following the July 2024 Admission in accordance with the AIM Rules and the AIM Rules for Nominated Advisers. The agreement sets out the scope of Investec's engagement.

Under the Nomad and Broker Agreement, Investec is entitled to receive (i) a fee of £182,500 in connection with July 2024 Admission, 41.84% of which was payable upon the July 2024 Admission and 58.16% of which is payable conditional on Acquisition Completion or, if the Acquisition does not complete, on completion of the Company's first acquisition and (ii) an annual fee of £1. The Company has also agreed to reimburse Investec for all out of pocket expenses properly incurred in connection with the Nomad and Broker Agreement or Investec's appointment.

The agreement is terminable, without cause, by either party giving 30 days' written notice to the other party or, for cause, immediately by either party giving written notice to the other party. The agreement terminates automatically if the Ordinary Shares are no longer admitted to trading on AIM.

The Nomad and Broker Agreement contains certain warranties, undertakings and indemnities given by the Company in favour of Investec which are customary in agreements of this nature.

Material contracts relating to ECI

16.10 *Flex-Tec SPA*

Electrical Components International, Inc., Flex-Tec, Inc. ("**Flex-Tec**") and Charles Ragnar Fitch ("**Flex-Tec Seller**") entered into a Stock Purchase Agreement on 21 June 2024, pursuant to which ECI agreed to purchase and Flex-Tec Seller agreed to sell all the issued and outstanding shares of Flex-Tec (the "**Flex-Tec SPA**"). There was an amount of base consideration payable on closing and there remains an amount of $5 million (together with accrued interest) outstanding under a promissory note, which becomes payable on 21 June 2026.

The Flex-Tec SPA contains customary representations and warranties relating to Flex-Tec's title to assets, as well as customary business and commercial warranties and certain tax warranties, including representations and warranties related to Flex-Tec's Mexican subsidiary. The Flex-Tec SPA contains customary representations and warranties relating to the Flex-Tec Seller's ownership of his shares, as well as customary business and commercial representations and warranties. The Flex-Tec SPA contained customary business and commercial representations and warranties relating to Flex-Tec Buyer. The Flex-Tec SPA also contains limitations on the Flex-Tec Seller's liability under the Flex-Tec SPA, including time and financial limitations. Except for certain fundamental representations and warranties, which survive until seven years after closing or 60 days following the expiration of the applicable statute of limitations, each of the representations and warranties survive until 12 months after the closing. The liability of the Flex-Tec Seller in respect of general representation and warranties claims was limited at a financial threshold.

The Flex-Tec SPA is governed by the laws of the State of Delaware. The Flex-Tec transaction has closed.

16.11 *Omni SPA*

Omni Buyer LLC (“**Omni Buyer**”), a subsidiary of ECI Target, Omni Connection International, Inc. (“**Omni**”), Zima Corporation (“**Zima**”), Xiamen Rei Ho Electronics, Ltd. (“**Xiamen RH**” and together with Omni and Zima, the “**Omni Targets**”) and, amongst others, Henry Cheng as a seller and sellers’ representative (“**Omni Sellers**”) entered into a Stock Purchase Agreement on 26 April 2021, pursuant to which the Omni Buyer agreed to purchase and the Omni Sellers agreed to sell the Omni Targets (the “**Omni SPA**”). The Omni SPA provides for an earn-out payable to the Omni Sellers (the “**Omni Earn-Out**”) and certain other persons. The Omni SPA also provides for an escrow amount, to be held until 21 May 2026, to serve as security for, and as a source of payment of, any of the Omni Sellers’ indemnification obligations with respect to taxes and related expenses arising out of the Omni Target’s Chinese operations for the applicable pre-closing tax period, with any remaining funds released to the Omni Sellers.

The Omni SPA is governed by the laws of the State of Delaware. The Omni transaction has closed.

16.12 *2024 Credit Agreement*

Energy Midco Ltd., Energy Holdings, Energy Acquisition LP, Energy Acquisition Company, Inc. and Electrical Components International, Inc. (each an indirect subsidiary of ECI Target) have entered into a credit agreement dated 10 May 2024 with, among others, Alter Domus (US) LLC as term agent and PNC Bank, National Association as revolving agent (the “**2024 Credit Agreement**”). Pursuant to the 2024 Credit Agreement, lenders party thereto have made available to each of Energy Acquisition LP, Energy Acquisition Company, Inc. and Electrical Components International, Inc. as borrowers facilities comprising (i) term loan commitments in an aggregate principal amount of $905,000,000, (ii) delayed draw commitments in an aggregate principal amount of $95,000,000 and (iii) revolving credit commitments in an aggregate principal amount of $100,000,000.

The proceeds of the term loans made available under the 2024 Credit Agreement were applied to refinance certain existing indebtedness of the ECI Group and to pay certain fees, costs and expenses in connection such refinancing. The borrowers may utilise the delayed draw facility to finance acquisitions permitted under the 2024 Credit Agreement. The revolving credit commitments are available for financing general corporate purposes of the Group (including capital expenditure).

Certain members of the ECI Group have entered into pledge agreements to secure obligations owed to the lenders, among other secured parties, under the 2024 Credit Agreement. The assets subject to such security include shares in other members of the ECI Group and intercompany debts.

The 2024 Credit Agreement contains certain representations and warranties given by, among others, Energy Holdings. Energy Holdings, among other members of the Group, is also subject to certain affirmative covenants in respect of, among other things, delivery of financial reporting to the lenders, maintenance of the assets and business of the Group, and use of proceeds of the loans. In addition, certain negative covenants contained in the 2024 Credit Agreement impose restrictions on the ability of the Group to, among other things, make investments, grant security over its assets, incur indebtedness and effect certain restricted payments.

The scheduled maturity date under the 2024 Credit Agreement is 10 May 2029. The borrowers are permitted to prepay loans (together with accrued interest and, if applicable, break fees) prior to their scheduled maturity. Any prepayment made prior to 10 May 2026 in connection with a change of control shall be subject to certain early repayment fees.

The 2024 Credit Agreement is governed by New York law.

16.13 *Hedging Arrangements*

ECI has entered into certain ISDA master agreements and other FX and swap agreements with third-party financial institutions for the purposes of hedging its exposure to foreign exchange fluctuations and commodity prices. ECI has a number of outstanding trades with each of (i) J. Aron & Company LLC; (ii) Bank of America, N.A.; (iii) Bannockburn Global Forex, LLC; (iv) Pekao Bank Poland; (v) BNP Paribas Poland; and (vi) JPMorgan Chase Bank, N.A. under such agreements.

16.14 *Factoring Arrangements*

Certain subsidiaries of ECI have entered into factoring arrangements with a number of financial institutions. Pursuant to these arrangements, each participating member of the ECI Group finances its accounts receivable with a financial institution by selling its receivables at a discount. The amount of factored receivables as of April 2025 was approximately $105.7 million.

Certain of the factoring agreements may be terminated without cause by any party, on the giving of notice within a prescribed notice period (depending on the agreement) of up to 60 days.

Certain of the arrangements contain change of control provisions and/or notification requirements which may be triggered upon Acquisition Completion.

16.15 *Supply Chain Financing Arrangements*

ECI and PrimeRevenue, Inc. ("**PrimeRevenue**") entered into a master services agreement, dated 1 February 2019 (the "**SCF Master Agreement**"), a supply chain financing renewal proposal dated 31 January 2023 and a supply chain finance renewal proposal dated 31 January 2025 governing a supply chain finance programme managed by PrimeRevenue (the "**SCF Programme**").

Under the programme, each supplier of ECI which agrees to join the SCF Programme can sell to certain financial institutions participating in the SCF Programme invoice receivables owed to it by ECI. Pursuant to the SCF Programme, ECI benefits from extended payment terms in respect of invoices submitted to the SCF Programme.

If either ECI or PrimeRevenue breaches a material provision of the SCF Master Agreement and fails to cure such breach within 15 days of notice from the non-breaching party of such breach, the non-breaching party may terminate the SCF Master Agreement.

17. Dividend policy

Until completion of a major acquisition (being either the Acquisition or, failing that, another acquisition identified by the Directors), the Directors do not intend to pay a dividend. Following such an acquisition, the Directors will determine an appropriate dividend policy. The Directors intend to return surplus capital by dividend, but also, where appropriate, through returns of capital and share buybacks.

18. Investing Policy

The Company is an 'investing company' for the purposes of the AIM Rules. Following Acquisition Completion, the Company will cease to be an 'investing company' and as such its Investing Policy will cease to apply.

Pending completion of an initial acquisition, in accordance with its Investing Policy, the Directors have been using the initial seed capital, after expenses of the July Placing, to fund transactional due diligence costs and minor corporate expenses to enable the Company to seek acquisition opportunities and pursue its strategy and, pending such use, they invested the net proceeds of the July Placing in government securities and gilts, money market funds and/or cash on deposit with less than 40% of the total net proceeds held in investment securities such as corporate bonds. If Acquisition Completion does not occur, the Directors intend to invest the net proceeds of the Capital Raise on a short-term basis while the Board evaluates other acquisition opportunities and, if no acquisitions can be found on acceptable terms, the Board will consider how best to return surplus capital to Shareholders.

In accordance with the AIM Rules, if the Company fails to make an acquisition or has not substantially implemented its Investing Policy within 18 months of the July 2024 Admission, the Company will be required to seek Shareholder approval for its Investing Policy at its next annual general meeting and on

an annual basis thereafter until such time as there has been an acquisition or the Investing Policy has been substantially implemented. The Directors would, at any subsequent annual general meeting, ask Shareholders to consider whether to continue exploring acquisition opportunities or to wind up the Company and return funds (after payment of the expenses and liabilities of the Company) to Shareholders.

19. Related party transactions

19.1 Other than as set out in this document and the July 2024 Admission Document, and save as disclosed in the notes to the audited results of the Group incorporated by reference into this document, no member of the Group has entered into any related party transaction since the date of the Company's incorporation.

19.2 Other than as set out in the notes to the audited financial information contained in Part 7 (*Historical Financial Information of the ECI Group*) of this document, no member of the ECI Group has entered into any related party transaction since 1 January 2022.

20. Working capital

The Directors are of the opinion, having made due and careful enquiry that, after taking into account the net proceeds of the Institutional Capital Raise and the New Debt Facilities, the working capital available to the Enlarged Group will be sufficient for its present requirements, that is, for at least 12 months from the date of Readmission.

21. Significant change

There has been no significant change in the financial performance or financial position of the Group since 31 December 2024, the date to which the last audited financial statements relating to the Group have been published.

Save as disclosed in this document, there has been no significant change in the financial performance or financial position of the ECI Group since 31 December 2024, the date to which the last audited financial statements relating to the ECI Group have been published.

22. Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Group is aware) during the 12 months preceding the date of this document which may have, or have had in the recent past, significant effects on the Company and/or the Group's financial position or profitability.

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the 12 months preceding the date of this document which may have, or have had in the recent past, significant effects on ECI and/or the ECI Group's financial position or profitability.

23. Consents

Investec has given and has not withdrawn its written consent to the inclusion in this document of its name and references thereto in the form and context in which they are included.

Barclays has given and has not withdrawn its written consent to the inclusion in this document of its name and references thereto in the form and context in which they are included.

Citigroup has given and has not withdrawn its written consent to the inclusion in this document of its name and references thereto in the form and context in which they are included.

24. Information incorporated by reference

The annual report and accounts of the Group for the seven months ended 31 December 2024 have been incorporated by reference into this document and are available on the Company's website at (https://www.rosebankindustries.com).

25. General

25.1 It is estimated that the total expenses payable by the Company in connection with the Capital Raise, Admission and Readmission will amount to approximately £23.5 million (excluding value added tax).

25.2 As at the date of this document:

25.2.1 there are no patents or other intellectual property rights, licences or particular contracts which are of fundamental importance to the Company's business;

25.2.2 there are no patents or other intellectual property rights, licences or particular contracts which are of fundamental importance to ECI's business; and

25.2.3 other than those described in this document, neither the Group nor the ECI Group have any material investments in progress.

25.3 Except as disclosed in this document, no person (excluding professional advisers otherwise disclosed in this document and trade suppliers) has received, directly or indirectly, from the Company within the 12 months preceding the application for Admission, or entered into contractual arrangements to receive, directly or indirectly, from the Company on or after Admission:

25.3.1 fees totalling £10,000 or more;

25.3.2 other than the July 2024 Admission, securities in the Company with a value of £10,000 or more, calculated by reference to the Issue Price; or

25.3.3 any other benefit with a value of £10,000 or more at the date of Admission.

Dated: 11 June 2025

PART 11
DEFINITIONS

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

"2006 Act"	the UK Companies Act 2006 (as amended)
"2024 Credit Agreement"	the credit agreement dated 10 May 2024 between certain subsidiaries of ECI Target and among others, Alter Domus (US) LLC as term agent and PNC Bank, National Association as revolving agent
"Acquired Business"	has the meaning given to it in paragraph B of Part 4 (*Risk Factors*) of this document
"Acquisition"	the proposed acquisition by the Company of ECI Target
"Acquisition Agreement"	has the share purchase agreement between the Company and the Seller in relation to the Acquisition, dated 6 June 2025
"Acquisition Completion"	completion of the Acquisition in accordance with the Acquisition Agreement
"Adjusted EBITDA"	has the meaning given to it on page 3 of this document
"Adjusted Operating Profit"	has the meaning given to it on page 3 of this document
"Adjusting Items"	has the meaning given to it on page 3 of this document
"Admission"	the admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules
"AGM"	annual general meeting
"AIM"	AIM, the market of that name operated by the London Stock Exchange
"AIM Rules"	the AIM Rules for Companies published by the London Stock Exchange from time to time
"Appliances"	the appliances division of ECI
"applicant"	any person lodging an Application Form
"Application Form"	the application form accompanying this document in respect of the Open Offer for those Shareholders who are Non-CREST Shareholders
"Arrangers"	has the meaning given to it in paragraph 16.4.1 of Part 10 (*Additional Information*) of this document
"Articles"	the articles of association of the Company adopted by special resolution of the Company passed on 8 July 2024 and which became effective on 11 July 2024
"Audit Committee"	the audit committee of the Company
"Bad Leaver"	has the meaning given to it in paragraph 4.10.3(a) of Part 10 (*Additional Information*) of this document
"Banks"	Investec, Barclays and Citigroup, and each, a "Bank"
"Barclays"	Barclays Bank PLC
"Basic Entitlement"	entitlement to subscribe for Open Offer Shares, allocated to a Shareholder pursuant to the Open Offer and available only to Qualifying Shareholders on the basis of 1 Open Offer Share for every 9 Existing Ordinary Shares held at the Record Date

"Bidco"	Gilchrist Bidco Corp.
"BNPP"	BNP PARIBAS
"Board"	the board of directors of the Company
"Bribery Act"	UK Bribery Act of 2010
"Capital Raise"	the Placing, the US Private Placement, the Open Offer and the Connected Persons Subscription
"Cerberus"	funds managed and/or advised by Cerberus Capital Management, L.P.
"Citigroup"	Citigroup Global Markets Limited
"City Code"	the City Code on Takeovers and Mergers
"Commencement Date"	has the meaning given to it in paragraph 4.3.2 of Part 10 (*Additional Information*) of this document
"Companies Law"	the Companies (Jersey) Law 1991 (as amended) and subordinate legislation thereunder
"Company" or **"Rosebank"**	Rosebank Industries plc
"Connected Persons"	the Rosebank Co-Founders and the Non-Executive Directors
"Connected Persons Shares"	the 4,359,010 Ordinary Shares to be subscribed for in connection with the Connected Persons Subscription
"Connected Persons Subscription"	the subscription by the Connected Persons for the Connected Persons Shares, conditional on Admission, at the Issue Price at the time of the Placing, the US Private Placement and the Open Offer but outside of the Placing, the US Private Placement and the Open Offer
"Corporate Governance Code"	the UK Corporate Governance Code published by the Financial Reporting Council, in force from time to time
"CREST"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in those CREST Regulations)
"CREST Regulations"	as applicable, the UK Uncertificated Securities Regulations 2001 or the Companies (Uncertificated Securities) (Jersey) Order 1999, in each case as amended from time to time
"Current US Administration"	means the US administration inaugurated on 20 January 2025
"Daily Official List"	the Daily Official List of the London Stock Exchange or the equivalent list or record for the recognised stock exchange on which the Ordinary Shares are listed
"DCFX"	deal contingent foreign exchange forward(s) entered into with certain financial institution(s)
"Debt Commitment Documents"	has the meaning given to it in paragraph 16.4.1 of Part 10 (*Additional Information*) of this document
"Directors"	the directors of the Company, whose names are set out in section 1 of Part 5 (*Directors, Management and Corporate Governance*) of this document
"DTR"	the UK Disclosure Guidance and Transparency Rules produced by the FCA and forming part of the handbook of the FCA, as, from time to time, amended

"DTR 5"	the provisions of Chapter 5 of the DTR
"EBITDA"	net income adjusted for interest, tax, depreciation and amortisation
"ECI"	Electrical Components International
"ECI Group"	ECI Target and its subsidiaries from time to time
"ECI Target"	ECI Equity Holding Company, Inc.
"Electrification"	the electrification division of ECI
"Energy Holdings"	Energy Holdings (Cayman) Ltd
"Enlarged Group"	the Group including the ECI Group following Acquisition Completion
"Enlarged Share Capital"	the issued share capital of the Company on Admission comprising the Existing Ordinary Shares and the New Ordinary Shares
"Equiniti"	Equiniti (Jersey) Limited
"Equity Securities"	has the meaning given to that term in Article 6.1.5 of the Articles
"Euroclear"	Euroclear UK & International Limited, the Operator (as defined in the CREST Regulations) of CREST
"EUWA"	the European Union (Withdrawal) Act 2018, as amended
"Excess Application Facility"	the facility through which Qualifying Shareholders may apply for Excess Entitlements
"Excluded Entities"	ECI Target, Energy TopCo Ltd and Energy MidCo Ltd
"Ex-Entitlement Date"	the date on which the Ordinary Shares are marked 'ex' for entitlement by the London Stock Exchange under the Open Offer, being 11 June 2025
"Excess Entitlement"	Open Offer Shares in excess of the Basic Entitlement up to a maximum of 19 times such Shareholder's balance of Existing Ordinary Shares held at the Record Date in addition to their Basic Entitlement of Open Offer Shares, subject to scaling back for over subscriptions
"Executive Directors"	Simon Peckham and Matt Richards
"Existing Ordinary Shares"	the Ordinary Shares in issue at the date of this document
"Facilities"	Facility A and Facility B
"Facilities Agreement"	has the meaning given to it in paragraph 5 of Part 1 (*Letter from the Chief Executive of Rosebank Industries plc*) of this document
"Facility A"	has the meaning given to it in paragraph 5 of Part 1 (*Letter from the Chief Executive of Rosebank Industries plc*) of this document
"Facility B"	has the meaning given to it in paragraph 5 of Part 1 (*Letter from the Chief Executive of Rosebank Industries plc*) of this document
"FCPA"	US Foreign Corrupt Practices Act of 1977
"Finance Act"	the Finance Act 2025
"FCA"	the UK Financial Conduct Authority
"Flex-Tec"	Flex-Tec, Inc.
"Flex-Tec Seller"	Charles Ragnar Fitch

“Flex-Tec SPA”	stock purchase agreement dated 21 June 2024 between ECI and Flex-Tec Seller
“Form of Proxy”	the form of proxy accompanying this document relating to the General Meeting
“FSMA”	the UK Financial Services and Markets Act 2000, as amended
“FY2022”	the year ended 31 December 2022
“FY2023”	the year ended 31 December 2023
“FY2024”	the year ended 31 December 2024
“General Meeting”	the general meeting of the Company to be held to approve the Resolutions
“Good Leaver”	has the meaning given to it in paragraph 4.10.3(a) of Part 10 (*Additional Information*) of this document
“Good Leaver Reason”	has the meaning given to it in paragraph 4.10.3(a) of Part 10 (*Additional Information*) of this document
“Group”	the Company and its subsidiary undertakings from time to time
“Holder of Leaver Shares”	has the meaning given to it in paragraph 4.10.3(a) of Part 10 (*Additional Information*) of this document
“HV”	high voltage
“HVAC”	the heating, ventilation and air conditioning division of ECI
“IFRS”	International Financial Reporting Standards, as issued by the International Accounting Standards Board
“Incentive Shares”	the incentive shares of no par value in the capital of the Company, having the rights set out in the Articles
“Independent Non-Executive Directors”	has the meaning given to it in paragraph 3 of Part 5 (*Directors, Management and Corporate Governance*) of this document
“Institutional Capital Raise”	the Placing and the US Private Placement
“Internal Revenue Code”	US Internal Revenue Code of 1986, as amended
“Investec”	Investec Bank plc
“Investing Policy”	is set out in paragraph 18 of Part 10 (*Additional Information*) of this document
“IRS”	Internal Revenue Service
“ISIN”	International Securities Identification Number
“Issue Price”	£3.00 per New Ordinary Share
“Jersey”	the Bailiwick of Jersey
“July 2024 Admission”	the admission of the Company to AIM, on 11 July 2024
“July 2024 Admission Document”	the admission document published by the Company in connection with the July 2024 Admission
“July Placing”	the placing pursuant to the July Placing Agreement
“July Placing Agreement”	the placing agreement between the Company and the Previous Joint Bookrunners dated 9 July 2024
“Latest Practicable Date”	means 10 June 2025, being the latest business day prior to the publication of this document

"Leaver"	has the meaning given to it in paragraph 4.10.3(a) of Part 10 (*Additional Information*) of this document
"LEI"	Legal Entity Identifier
"Lenders"	the financial institutions named as original lenders in the Facilities Agreement
"London Stock Exchange"	the London Stock Exchange plc
"Longstop Date"	6 March 2026
"LTIP"	Rosebank long term incentive plan
"LV"	low voltage
"M&A"	mergers and acquisitions
"Management Warranty Deed"	the management warranty deed entered into on 6 June 2025 between Rosebank and the Warrantors
"Managers"	Investec, Barclays, Citigroup and BNPP
"Melrose"	Melrose Industries PLC (or, where the context requires, its predecessor entities)
"Money Laundering Regulations"	the Money Laundering, Terrorist Financing and Transfer of Funds Regulations 2017 (as amended and supplemented)
"Nomad and Broker Agreement"	the agreement dated 9 July 2024 between Investec and the Company, relating to Investec's role as Nominated Adviser and Joint Broker (as amended on 6 June 2025)
"Nominated Adviser"	Investec
"Nomination Committee"	the nomination committee of the Company
"Non-Executive Directors"	Justin Dowley and Christopher Miller
"New Debt Facilities"	Facility A and Facility B
"New Ordinary Shares"	the Placing Shares, the US Private Placement Shares, the Connected Persons Shares and the Open Offer Shares
"Non-CREST Shareholders"	Shareholders who hold their Ordinary Shares in certified form
"Non-GAAP Measures"	has the meaning given to it on page 3 of this document
"Official List"	the Official List of the FCA
"Omni"	Omni Connection International, Inc.
"Omni Buyer"	Omni Buyer LLC
"Omni Earn-Out"	the earn-out payable to the Omni Sellers pursuant to the Omni SPA
"Omni Sellers"	the sellers pursuant to the Omni SPA
"Omni SPA"	stock purchase agreement dated 26 April 2021 between Omni Buyer, Omni Targets and the Omni Sellers
"Omni Targets"	Omni, Zima and Xiamen RH
"Open Offer"	has the meaning given to it in paragraph 5 of Part 1 (*Letter from the Chief Executive of Rosebank Industries plc*) of this document
"Open Offer Entitlement"	entitlement to subscribe for New Ordinary Shares pursuant to the Basic Entitlement and Excess Entitlement

"Open Offer Shares"	up to 2,248,643 New Ordinary Shares to be issued pursuant to the Open Offer
"Ordinary Shares"	the ordinary shares of no par value in the capital of the Company
"Original Obligors"	Rosebank, RIHL and Bidco
"Panel on Takeovers and Mergers" or **"Panel"**	the UK Panel on Takeovers and Mergers
"Placing"	has the meaning given to it in paragraph 5 of Part 1 (*Letter from the Chief Executive of Rosebank Industries plc*) of this document
"Placing Agreement"	the conditional placing agreement dated 6 June 2025 between Barclays, Citigroup, Investec, BNPP and the Company relating to the Placing
"Placing Shares"	the 368,282,750 New Ordinary Shares which are the subject of the Placing
"PRA"	the UK Prudential Regulation Authority
"Pre-acquisition EBITDA"	has the meaning given to it on page 3 of this document
"Pre-acquisition Operating Profit"	has the meaning given to it on page 3 of this document
"Pre-acquisition Revenue"	has the meaning given to it on page 3 of this document
"Previous Joint Bookrunners"	the joint bookrunners in relation to the July 2024 Admission
"PrimeRevenue"	PrimeRevenue, Inc.
"Pro forma Adjusted EBITDA"	has the meaning given to it on page 3 of this document
"Pro forma Adjusted Operating Profit"	has the meaning given to it on page 3 of this document
"Pro forma Revenue"	has the meaning given to it on page 4 of this document
"Prospectus Regulation"	Regulation (EU) 2017/1129 (as amended)
"Prospectus Regulation Rules"	the Prospectus Regulation Rules of the FCA made pursuant to section 73A of the FSMA, as amended
"Qualifying Shareholder"	a Shareholder with a registered address in the UK or Jersey on the Record Date and who has not been invited to participate in the Placing, the US Private Placement or the Connected Persons Subscription
"Readmission"	the admission of the Enlarged Group to trading on AIM becoming effective in accordance with the AIM Rules
"Receiving Agent"	Equiniti
"Record Date"	9 June 2025
"Regulation S"	Regulation S under the US Securities Act
"Remuneration Committee"	the remuneration committee of the Company
"Resolutions"	the resolutions proposed to be passed at the General Meeting
"Restricted Jurisdiction"	any jurisdiction other than the UK or Jersey
"Restricted Period"	has the meaning given to it in paragraph 13 of Part 10 (*Additional Information*) of this document
"RIHL"	Rosebank Industries Holdings Limited
"RIS"	Regulatory Information Service
"Rosebank Co-Founders"	the Executive Directors and the Senior Executives

"SCF Master Agreement"	the master services agreement between ECI and PrimeRevenue, dated 1 February 2019
"SCF Programme"	the supply chain finance programme administered by PrimeRevenue in connection with the SCF Master Agreement
"SDRT"	Stamp Duty and Stamp Duty Reserve Tax
"Seller"	Energy Cerberus Holdings LP
"Senior Executives"	Joff Crawford, Jim Slattery and Geoff Morgan
"Series A Incentive Shares"	the Incentive Shares designated as "Series A" and having the rights set out in the Articles
"Series B Incentive Shares"	the Incentive Shares designated as "Series B" and having the rights set out in the Articles
"Series C Incentive Shares"	the Incentive Shares designated as "Series C" and having the rights set out in the Articles
"SG&A"	selling, general and administrative expenses
"Share Dealing Policy"	has the meaning given to it in paragraph 4 of Part 5 (*Directors, Management and Corporate Governance*) of this document
"Shareholder"	a holder of Ordinary Shares
"Substantial Business Activities Test"	has the meaning given to it in paragraph 3 of Part 9 (*Taxation*) of this document
"Target Market Assessment"	has the meaning given to it on page 1 of this document
"Transaction Resolutions"	Resolutions 1, 2 and 3 as described in the Notice of General Meeting set out at the end of this document
"Trigger Date"	has the meaning given to it in paragraph 4.3.7 of Part 10 (*Additional Information*) of this document
"UK"	the United Kingdom of Great Britain and Northern Ireland
"UK Market Abuse Regulation"	Regulation (EU) 596/2014, as it forms part of the domestic law of the UK by virtue of the EUWA
"UK Product Governance Requirements"	has the meaning given to it on page 1 of this document
"UK Prospectus Regulation"	the Prospectus Regulation as it forms part of the domestic law of the UK by virtue of the EUWA
"UK resident individual shareholder"	has the meaning given to it in paragraph 1 of Part 9 (*Taxation*) of this document
"US" or **"United States"**	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
"US GAAP"	US generally accepted accounting principles
"US Investment Company Act"	the US Investment Company Act of 1940, as amended
"USMCA"	the United States-Mexico-Canada Agreement
"US Private Placement"	has the meaning given to it in paragraph 5 of Part 1 (*Letter from the Chief Executive of Rosebank Industries plc*) of this document
"US Private Placement Document"	the offering document distributed by the Company to institutional investors in connection with the US Private Placement

"US Private Placement Shares"	the 11,717,250 New Ordinary Shares to be subscribed for in connection with the US Private Placement
"US Securities Act"	the US Securities Act of 1933, as amended
"W&I Insurance Policy"	the warranty and indemnity insurance policy for the benefit of the Company entered into on 6 June 2025 with Euclid Transactional UK Limited as the primary insurer
"Warrantors"	has the meaning given to that term in the Management Warranty Deed
"Xiamen RH"	Xiamen Rei Ho Electronics, Ltd.
"Zima"	Zima Corporation
"60% Ownership Test"	has the meaning given to it in paragraph 3 of Part 9 (*Taxation*) of this document
"80% Ownership Test"	has the meaning given to it in paragraph 3 of Part 9 (*Taxation*) of this document

NOTICE OF GENERAL MEETING

ROSEBANK INDUSTRIES PLC

(Incorporated and registered in Jersey with registered number 154528)

Notice is given that a General Meeting of Rosebank Industries plc (the "Company") will be held at the offices of Investec Bank plc, 30 Gresham Street, London EC2V7QP on 1 July 2025 at 11.00 a.m. for the following purposes:

TRANSACTION RESOLUTIONS

To consider, and if thought fit, pass Resolutions 1 and 2 as ordinary resolutions:

1. THAT the proposed acquisition by the Company of the entire issued share capital of ECI Equity Holding Company Inc. pursuant to a share purchase agreement dated 6 June 2025 and entered into between the Company and Energy Cerberus Holdings LP (the "**Acquisition Agreement**") on the terms summarised in the admission document of the Company dated 11 June 2025 ("**Admission Document**"), be and is approved in accordance with Rule 14 of the AIM Rules for Companies and the directors of the Company (or a duly constituted committee thereof) be and are authorised to cause the Acquisition Agreement and all documents and matters provided in any of them and related to any of them to be completed and at their discretion to amend, waive, vary and/or extend any of the terms of the Acquisition Agreement and/or any other document referred to in any of them or connected with any of them in whatever way they consider to be necessary or desirable, and to do all such things as they may consider necessary, expedient or appropriate (provided that any modifications to the Acquisition Agreement or other documents are not material modifications in the context of the proposed transaction as a whole).

2. THAT, subject to and conditional upon the passing of Resolution 1, the directors of the Company (the "**Directors**") be and are generally and unconditionally authorised in accordance with Article 6.3 of the articles of association of the Company (the "**Articles**") to exercise all or any of the powers of the Company to allot, issue, convert any security into, grant options over or otherwise dispose of ordinary shares of no par value in the capital of the Company ("**Ordinary Shares**") in respect of up to 386,607,653 Ordinary Shares to be allotted in connection with the Capital Raise, as described in the Admission Document, provided that (unless previously revoked, varied or renewed) such authority shall apply until 31 March 2026, but during this period the Company may make offers and enter into agreements which would, or might, require Ordinary Shares to be allotted or otherwise disposed of, or grant options over Ordinary Shares to be made or securities to be converted into Ordinary Shares, after the authority ends and the Directors may allot or otherwise dispose of Ordinary Shares, or grant options over Ordinary Shares or convert securities into Ordinary Shares under any such offer or agreement as if the authority had not ended.

To consider, and if thought fit, pass Resolution 3 as a special resolution:

3. THAT, subject to and conditional upon the passing of Resolution 2, the Directors of the Company be and are empowered pursuant to Article 6.3 of the Articles to allot Equity Securities for cash or sell treasury shares for cash as if Article 7.1 (Pre-emptive Rights) of the Articles did not apply to such allotment or sale, such power to be limited to the allotment of up to 386,607,653 Equity Securities in connection with the Capital Raise, each as described in the Admission Document. Such authority shall apply until 31 March 2026 but, during this period the Company may make offers and enter into agreements which would, or might, require Equity Securities to be allotted after the authority ends and the Directors may allot Equity Securities under any such offer or agreement as if the authority had not ended.

OTHER RESOLUTIONS

To consider, and if thought fit, pass Resolution 4 as an ordinary resolution:

4. THAT, subject to and conditional on Admission and in addition to the authority granted pursuant to Resolution 2 and in substitution for the authority granted by resolution 9 passed at the annual general meeting of the Company on 8 May 2025, the Directors be and are generally and unconditionally authorised in accordance with Article 6.3 of the Articles to exercise all or any of the powers of the Company to allot, issue, convert any security into, grant options over or otherwise dispose of Ordinary Shares in respect of the below following Admission:

4.1 up to an aggregate number of Ordinary Shares as represents 33.3% (one-third) of the issued ordinary share capital of the Company immediately following Admission; and

4.2 up to an aggregate number of Ordinary Shares as represents 66.6% (two-thirds) of the issued ordinary share capital of the Company immediately following Admission (such amount to be reduced by the aggregate number of allotments or grants made under paragraph 4.1 above) in connection with a fully pre-emptive offer:

4.2.1 to ordinary shareholders in proportion (as nearly as may be practicable) to their existing shareholdings; and

4.2.2 to holders of other Equity Securities as required by the rights of those Equity Securities or, subject to such rights, as the Directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange, provided that (unless previously revoked, varied or renewed) such authorities shall apply until the end of the annual general meeting of the Company in 2026 but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require Ordinary Shares to be allotted or otherwise disposed of, or grants of options over Ordinary Shares to be made or securities to be converted into Ordinary Shares, after the authority ends and the Directors may allot or otherwise dispose of Ordinary Shares, or grant options over Ordinary Shares or convert securities into Ordinary Shares under any such offer or agreement as if the authority had not ended.

To consider, and if thought fit, pass Resolutions 5 and 6 as special resolutions:

5. THAT, conditional upon the passing of Resolution 4 and conditional on Admission and in addition to the authority granted pursuant to Resolution 3 and in substitution for the authority granted by resolutions 10 and 11 passed at the annual general meeting of the Company on 8 May 2025, the Directors of the Company be and are empowered pursuant to Article 6.3 of the Articles to allot Equity Securities for cash or sell treasury shares for cash as if Article 7.1 (Pre-emptive Rights) of the Articles did not apply to such allotment or sale, such power to be limited to:

5.1 the allotment of Equity Securities or sale of treasury shares in connection with an offer of Equity Securities (but in the case of an allotment pursuant to the authority granted under paragraph 4.2 of Resolution 4, such power shall be limited to the allotment of Equity Securities in connection with a fully pre-emptive offer only):

5.1.1 to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and

5.1.2 to holders of other Equity Securities as required by the rights of those Equity Securities or, subject to such rights, as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange;

5.2 the allotment of Equity Securities or sale of treasury shares (otherwise than in the circumstances set out in Resolution 3 and in paragraph 5.1 of this Resolution 5) pursuant to the authority granted by paragraph 4.1 of Resolution 4 up to an aggregate number of Equity Securities as represents 10% of the issued ordinary share capital of the Company immediately following Admission;

5.3 the allotment of Equity Securities or sale of treasury shares (otherwise than in the circumstances set out in Resolution 3 and in paragraph 5.1 of this Resolution 5 and in addition to the power conferred by paragraph 5.2 of this Resolution 5) pursuant to the authority granted by paragraph 4.1 of Resolution 4 up to an aggregate number of Equity Securities as represents 10% of the issued ordinary share capital of the Company immediately following Admission, provided that the authority conferred by this paragraph 5.3 of this Resolution 5 is used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original

transaction) a transaction which the board of Directors determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of the notice in respect of this Resolution 5; and

5.4 the allotment of Equity Securities or sale of treasury shares (otherwise than in the circumstances set out in Resolution 3 and in paragraph 5.1 of this Resolution 5 and in addition to the powers conferred by paragraphs 5.2 and 5.3 of this Resolution 5) up to an aggregate number equal to 20% of any allotment of Equity Securities or sale of treasury shares from time to time under each of paragraph 5.2 or 5.3 above, as the case may be, such authority to be used only for the purposes of making a follow-on offer which the Directors determine to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

provided that (unless previously revoked, varied or renewed), such authorities shall apply until the end of the annual general meeting of the Company in 2026 after the passing of this Resolution but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require Equity Securities to be allotted after the authority ends and the Directors may allot Equity Securities under any such offer or agreement as if the authority had not ended.

6. THAT, conditional upon Admission and in substitution for the authority granted by resolution 12 passed at the annual general meeting of the Company on 8 May 2025, the Directors be and are authorised pursuant to Article 57 of the Companies (Jersey) Law 1991, as amended, to make market purchases of Ordinary Shares, subject to the following conditions:

6.1 the maximum number of Ordinary Shares authorised to be purchased may not be more than 14.99% of the issued share capital of the Company immediately following Admission; the minimum price (exclusive of expenses) which may be paid for an Ordinary Share is £0.001; and the maximum price (exclusive of expenses) which may be paid of an Ordinary Share shall not exceed:

6.1.1 an amount equal to 105% of the average middle market quotation for Ordinary Shares taken from the London Stock Exchange plc Daily Official List for five business days immediately preceding the date on which such shares are to be contracted to be purchased; and

6.1.2 to the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange plc Daily Official List at the time,

provided that (unless previously revoked, varied or renewed) such authorities shall apply until the end of the annual general meeting of the Company in 2026 after the passing of this Resolution save that the Company may enter into a contract to purchase Ordinary Shares before this authority expires under which such purchase will or may be contemplated or executed wholly or partly after this authority expires and may make a purchase of shares pursuant to any such contract as if this authority had not expired.

For the purposes of these Resolutions, the expression "**Equity Securities**" has the meaning given to it in the Articles.

By Order of the Board
Prism Cosec Limited
Company Secretary
11 June 2025

Registered Office
26 New Street, St. Helier, JE2 3RA, Jersey

NOTES

(a) The Company, pursuant to the Companies (Uncertified Securities) (Jersey) Order 1999, specifies that only those shareholders entered on the relevant register of members (the "**Register**") for certificated or uncertificated shares of the Company (as the case may be) at 6.30 p.m. on 27 June 2025 (or if the General Meeting is adjourned, 6.30pm on the day which is two working days prior to the adjourned meeting) (the "**Specified Time**") will be entitled to attend or vote at the General Meeting in respect of the number of shares registered in their name at the time. Changes to entries on the Register after the Specified Time will be disregarded in determining the rights of any person to attend or vote at the meeting. Should the

meeting be adjourned to a time not more than 48 hours (excluding non-working days) after the Specified Time, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned meeting.

(b) Any member may appoint a proxy to attend, speak and vote on his/her behalf. A member 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 of the member. A proxy need not be a member, but must attend the meeting in person. To appoint more than one proxy, (an) additional proxy form(s) may be obtained by contacting Equiniti Limited on +44 (0) 371 384 2050 (if calling from outside of the UK, please ensure the country code is used) or you may photocopy the proxy form accompanying this document. Calls to the Equiniti helpline number are charged at the standard rate per minute plus network extras. Lines are open from 8.30 a.m. to 5.30 p.m. Monday to Friday, excluding public holidays in England and Wales. Please indicate in the box next to the proxy holder's name, the number of shares in relation to which he or she is authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you, specifying a number in excess of those held by the shareholder, will result in the proxy appointment being invalid). In the case of joint holders, only the appointment submitted by the most senior holder will be accepted. Please also indicate by marking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope. If you do not have a form of proxy and believe that you should have one, please contact Equiniti as set out above. Forms of Proxy should be lodged with the Company's Registrar Equiniti (Jersey) Limited, c/o Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA or submitted not later than 48 hours (excluding non-working days) before the time for which the meeting is convened. Completion of the appropriate Form of Proxy does not prevent a member from attending and voting in person if he/she is entitled to do so and so wishes.

(c) To be valid any proxy form or other instrument appointing a proxy must be received by the Company's registrars (Equiniti (Jersey) Limited, c/o Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA), no later than 48 hours (excluding non-working days) before the time appointed for holding the meeting.

(d) As an alternative to completing the hard-copy proxy form, you can submit your voting instructions electronically by visiting www.shareview.co.uk, where full instructions on the procedure are given. The Shareholder Reference Number printed on the proxy form will be required in order to use this electronic proxy appointment system. You are advised to read the terms and conditions of use. Electronic proxy appointments must be submitted by no later than 48 hours (excluding non-working days) before the time appointed for holding the meeting.

(e) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting (and any adjournment thereof) by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf.

(f) In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it relates to the appointment of a proxy, the revocation of a proxy appointment or to an amendment to the instruction given to a previously appointed proxy) must be transmitted so as to be received by the Company's agent, Equiniti (CREST Participant ID: RA19), no later than 48 hours (excluding non-working days) before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

(g) CREST members and, where applicable, their CREST sponsor or voting service provider, should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service

provider, to procure that his or her CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider are referred in particular to those sections of the CREST Manual (available at www.euroclear.com/CREST) concerning practical limitations of the CREST system and timings.

(h) The Company may treat a proxy appointment sent by CREST as invalid in the circumstances set out in Article 34 of the Companies (Uncertificated Securities) (Jersey) Order 1999.

(i) If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by no later than 48 hours (excluding non-working days) before the time appointed for holding the meeting in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them, and they will govern the electronic appointment of your proxy.

(j) As at 10 June 2025 (being the last working day prior to the publication of this notice), the Company's issued share capital consisted of 20,000,000 ordinary shares of no par value, carrying one vote each, and 88,000 Series A Incentive Shares and 50,000 Series B Incentive Shares carrying nil votes each. Therefore, the total voting rights in the Company as at that date are 20,000,000.

(k) Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

(l) Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no answer needs to be given if to do so would interfere unduly with the business of the meeting or involve the disclosure of confidential information or if the answer has already been given on a website in the form of an answer to a question or, finally, if it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

(m) Shareholders who have general queries about the meeting should contact our registrar Equiniti using one of the following methods:

Online at www.shareview.co.uk

Via telephone on +44 (0) 371 384 2050 (calls are charged at the standard geographical rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. Lines are open from 8.30 a.m. to 5.30 p.m. on business days (i.e. Monday to Friday but excluding England and Wales public holidays)). For deaf and speech impaired customers, Equiniti welcome calls via Relay UK. Please see www.relayuk.bt.com for more information.

Toppan Merrill, London
25-5302-1