

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or as to what action you should take, you should consult an independent professional adviser authorised under the Financial Services and Markets Act 2000 (“FSMA”) if you are in the UK, or, if not, another appropriately authorised independent financial adviser who specialises in advising on the acquisition of shares and other securities.

This Document comprises an Admission Document drawn up in compliance with the requirements of the AQSE Growth Market – Rules for Issuers, March 2020, pursuant to a dispensation granted by Aquis Stock Exchange Limited (“Aquis Stock Exchange”) and is being issued in connection with the proposed admission of the entire issued share capital of the Enlarged Group to trading on the Access segment of the AQSE Growth Market (“AQSE Growth Market”).

This Document does not constitute, and the Company is not making an offer to the public within the meaning of sections 85 and 102B of FSMA. Therefore, this Document is not an approved prospectus for the purposes of and as defined in section 85 of FSMA and has not been prepared in accordance with the Prospectus Rules and its contents have not been approved by the Financial Conduct Authority (“FCA”) or any other authority which could be a competent authority for the purposes of the Prospectus Regulation. Further, the contents of this Document have not been approved by an authorised person for the purposes of section 21 of FSMA. This Document will not be filed with, or approved by, the FCA or any other government or regulatory authority in the UK or elsewhere.

Each of the Directors and Proposed Directors, whose names are set out on page 5 of this Document, accept full responsibility, collectively and individually, for the information contained in this Document including the Company’s compliance with the AQSE Rules. To the best of the knowledge and belief of the Directors and Proposed Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and there is no other material information the omission of which is likely to affect the import of such information.

For the purposes of Rule 19.2 of the Takeover Code, each member of the Concert Party accepts responsibility for the information contained in this Document relating to each of them as members of the Concert Party. To the best of each member of the Concert Party’s knowledge and belief, having taken all reasonable care to ensure that such is the case, the information contained in this Document for which he or she is responsible is in accordance with the facts and contains no omission likely to affect its import.

The current entire issued ordinary share capital of the Company is admitted to listing on the standard segment of the Official List maintained by the FCA, in its capacity as competent authority under FSMA under chapter 14 of the Listing Rules (“**Standard Listing**”) and to trading on the Main Market of the London Stock Exchange.

As the Company’s acquisition of the entire issued share capital of Oberon Investments Limited constitutes a “reverse takeover” under the Listing Rules, on the announcement of the Acquisition on 27 January 2020, the Standard Listing of the Existing Ordinary Shares was suspended by the FCA. In accordance with the Listing Rules, upon completion of the Acquisition the FCA will cancel the Company’s existing Standard Listing. Application will be made to Aquis Stock Exchange for the Existing Ordinary Shares and the New Ordinary Shares of the Company to be admitted to trading on the AQSE Growth Market. It is expected that Admission will become effective and that dealings in the Enlarged Share Capital will commence on the Access segment of the AQSE Growth Market on 9 February 2021.

Baskerville Capital plc

(incorporated in England and Wales under the Companies Act 2006 with registration number 10712201)



Proposed acquisition of Oberon Investments Limited
Proposed waiver of Rule 9 of the Takeover Code
Proposed change of name to Oberon Investments Group Plc
Subscription of 36,070,250 Ordinary Shares of 0.5p each at 4p per Ordinary Share
Admission of Enlarged Share Capital to trading on the Access segment of the AQSE Growth Market
and
Notice of General Meeting



The Access segment of the AQSE Growth Market, which is operated by Aquis Stock Exchange, a recognised investment exchange under Part XVIII of FSMA, 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.

It is not classified as a regulated market under Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, and AQSE Growth Market securities are not admitted to the Official List of the FCA. Investment in an unlisted company is speculative and tends to involve a higher degree of risk than an investment in a listed company. The value of investments can go down as well as up and investors may not get back the full amount originally invested. An investment should therefore only be considered by those persons who are prepared to sustain a loss on their investment. A prospective investor should be aware of the risks of investing in AQSE Growth Market securities and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser authorised under FSMA if you are in the UK, or, if not, another appropriately authorised independent financial adviser who specialises in advising on the acquisition of shares and other securities.

Novum Securities Limited, which is authorised and regulated by the FCA, is acting exclusively as independent financial adviser to the Company according to Rule 3 of the UK Takeover Code in connection with the Proposals described in this Document and is the Company’s AQSE Corporate Adviser for the purposes of Admission. Novum Securities Limited has not made its own enquiries except as to matters which have come to its attention and on which it considered it necessary to

satisfy itself and accepts no liability whatsoever for the accuracy of any information or opinions contained in this Document, or for the omission of any material information, for which the Directors and Proposed Directors are solely responsible.

The Company is required by the Aquis Stock Exchange to appoint an AQSE Corporate Adviser to apply on its behalf for admission to the AQSE Growth Market and must retain an AQSE Corporate Adviser at all times. The requirements for an AQSE Corporate Adviser are set out in the AQSE Corporate Adviser Handbook, and the AQSE Corporate Adviser is required to make a declaration to the Aquis Stock Exchange in the form prescribed by Appendix B to the AQSE Corporate Adviser Handbook.

This admission document has not been approved or reviewed by the Aquis Stock Exchange or the Financial Conduct Authority.

Notice of a General Meeting of the Company, to be held at the offices of Fladgate LLP at 16 Great Queen Street, London WC2B 5DG at 10.00 a.m. on 8 February 2021, is set out at the end of this Document. To be valid, the accompanying Form of Proxy should be completed, signed and returned as soon as possible and, in any event, so as to reach the Company's registrars, Share Registrars Limited, The Courtyard, 17 West Street Farnham GU9 7DR or by e-mail to voting@shareregistrars.uk.com by no later than 10.00 a.m. on 4 February 2021. In accordance with the provisions of schedule 14 of the Corporate Insolvency and Governance Act 2020, the Company has concluded that the General Meeting will be a closed meeting, which shareholders will not be permitted to attend in person, unless notified otherwise via the Company's website at www.baskcap.com. Any shareholder that seeks to attend the General Meeting in person will be prevented from doing so on the grounds of public health and safety. The Company therefore requests that shareholders cast their votes by proxy 48 hours in advance of the General Meeting.

Copies of this Document are available free of charge at the Company's registered office during normal business hours on any Business Day and shall remain available for at least one month after Admission. In addition, a copy of this Document will also be available free of charge from the Company's website at www.baskcap.com.

The whole text of this Document should be read. An investment in the Company involves a high degree of risk and may not be suitable for all recipients of this Document. Prospective investors should consider carefully whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them.

OVERSEAS SHAREHOLDERS

This Document does not constitute an offer to sell, or a solicitation to buy Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, this Document is not, subject to certain exceptions, for distribution in or into the United States, Canada, Australia, the Republic of South Africa or Japan. The Ordinary Shares have not been nor will be registered under the United States Securities Act of 1933, as amended, nor under the securities legislation of any state of the United States or any province or territory of Canada, Australia, the Republic of South Africa or Japan or in any country, territory or possession where to do so may contravene local securities laws or regulations. Accordingly, the Ordinary Shares may not, subject to certain exceptions, be offered or sold directly or indirectly in or into the United States, Canada, Australia, the Republic of South Africa or Japan or to any national, citizen or resident of the United States, Canada, Australia, the Republic of South Africa or Japan. The distribution of this Document outside the United Kingdom may be restricted by law and therefore persons outside the United Kingdom into whose possession this Document comes should inform themselves about and observe any restrictions as to the securities and the distribution of this Document. No action has been taken by the Company or Novum Securities Limited that would permit a public offer of Ordinary Shares or possession or distribution of this Document where action for that purpose is required. Persons into whose possession this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Holding Ordinary Shares may have implications for overseas Shareholders under the laws of the relevant overseas jurisdictions. Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of each overseas Shareholder to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

FORWARD-LOOKING STATEMENTS

This Document contains forward looking statements relating to the Company's prospects, developments and strategies, which have been made after due and careful enquiry and are based on the Directors' current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance, events or trends to differ materially from those expressed or implied in such statements. The use of terms and phrases such as "believe", "could", "envisage", "estimate", "intend", "may", "plan", "will", "aim", "seek", "would", "should", "on track", "outlook", "likely", "expect", "continue", "guidance", or the negative of those, variations or comparable expressions, including references to assumptions, identifies forward-looking statements. These forward-looking statements are subject to, *inter alia*, the risk factors described in Part 5 of this Document. The Directors believe that the expectations reflected in these statements are reasonable, but may be affected by a number of variables, which could cause actual results, performance, events or trends to differ materially. Each forward-looking statement speaks only as of the date of the particular statement.

THIRD PARTY INFORMATION

To the extent that information has been sourced from a third party, this information has been accurately reproduced and, so far as the Directors, Proposed Directors and the Company are aware and able to ascertain from information published by that third party, no facts have been omitted which may render the reproduced information inaccurate or misleading.

Dated 21 January 2021

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Expected Timetable of Principal Events

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| Publication of this Document | 21 January 2021 |
| Latest time and date for receipt of Forms of Proxy | 10:00 a.m. on 4 February 2021 |
| General Meeting | 10:00 a.m. on 8 February 2021 |
| Cancellation of Standard Listing | 4.30 p.m. on 8 February 2021 |
| Completion of Acquisition and Admission of the Enlarged Share Capital | 9 February 2021 |
| Commencement of dealings on the AQSE Growth Market and the Consideration Shares, and Subscription Shares credited to CREST accounts (where applicable) | 9 February 2021 |
| Despatch of share certificates (where applicable) | 23 February 2021 |

Key Statistics

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|--|-------------------------------------|
| Closing Price of an Existing Baskerville Share on 27 January 2020 (being the date on which trading in Existing Baskerville Shares was suspended) | 3.45p |
| Number of Baskerville Shares in issue prior to the issue of the Consideration Shares and Subscription Shares | 47,800,000 |
| Number of Consideration Shares being issued pursuant to the Acquisition | 323,919,525 |
| Number of Subscription Shares being issued | 36,070,250 |
| Issue Price | 4p |
| Gross proceeds from the Subscription | £1,442,810 |
| Estimated expenses of the Proposals | £312,540 |
| Issued Shares on Admission | 407,789,775 |
| Market capitalisation on Admission at the Issue Price | £16,311,591 |
| AQSE Growth Market Ticker | BASK.L (to be changed to OBE.PL) |
| ISIN Number | GB00BDZRYX75 |
| LEI | 21380024SB7KJSJ69U67 |

General notes:

- (1) References to times in this Document are to UK time unless otherwise stated.
- (2) Each of the times and dates in the table above is indicative only and may be subject to change. In the event of any change, the Company shall notify an RIS and/or Shareholders as appropriate.

Board of Directors, Registered Office and Advisers

| | |
|--|--|
| Directors | Rodger David Sargent, Non-Executive Chairman (to step down on Admission) James Derek Kehoe, Independent Non-Executive Director (to step down on Admission) |
| Proposed Directors (appointment to be effective on Admission) | The Hon Robert William Hanson, Proposed Non-Executive Chairman Simon Philip McGivern, Proposed CEO The Hon Alexander Robert Hambro, Proposed Non-Executive Director John Geoffrey Beaumont, Proposed Finance Director |
| Company Secretary and Registered Office | Rodger David Sargent 4 th Floor 43-44 Albemarle Street London W1S 4JJ and from Admission: John Geoffrey Beaumont Second Floor Nightingale House 65 Curzon Street London W1J 8PE |
| Rule 3 Adviser, AQSE Corporate Adviser and Broker | Novum Securities Limited Lansdowne House 57 Berkeley Square London W1J 6ER |
| Solicitors to the Company | Fladgate LLP 16 Great Queen Street London WC2B 5DG |
| Solicitors to the Corporate Adviser and Broker | DMH Stallard LLP 6 New Street Square New Fetter Lane London EC4A 3BF |
| Auditors & Reporting Accountants | Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG |
| Registrars | Share Registrars Limited The Courtyard 17 West Street Farnham GU9 7DR |
| Website | www.baskcap.com and from Admission www.oberoninvestments.com |

Part 1 Letter from Independent Director

Baskerville Capital Plc

*(incorporated in England and Wales under the Companies Act 2006
with registration number 10712201)*

Directors:

Rodger David Sargent (Non-Executive Chairman)
James Derek Kehoe (Independent Non-Executive Director)

Registered office:

4th Floor
44 Albemarle Street
London
W1S 4JJ

Proposed Directors:

The Hon Robert Hanson, Proposed Non-Executive Chairman
Simon Philip McGivern, Proposed CEO
The Hon Alexander Robert Hambro, Proposed Non-Executive Director
John Geoffrey Beaumont, Proposed Finance Director

21 January 2021

To all Shareholders

Dear Sir / Madam

**Proposed acquisition of Oberon Investments Limited
Proposed waiver of Rule 9 of the Takeover Code
Proposed change of name to Oberon Investments Group Plc
Subscription of 36,070,250 Ordinary Shares of 0.5p each at 4p per Ordinary Share
Admission of the Enlarged Share Capital to trading on the Access segment of the AQSE
Growth Market
and
Notice of General Meeting**

1. Introduction

On 27 January 2020, Baskerville announced that it had acquired a 7.83% shareholding in Oberon for £850,640 in cash and on 25 June 2020, the Company announced it had subscribed for further shares in Oberon for £295,390 taking its combined holding at that time to 9.99% (now 8.87%). In addition to this investment, it was announced that Baskerville and Oberon had entered into non-legally binding heads of terms providing for the acquisition by Baskerville of the entire issued share capital of Oberon not already owned by it, and that the intention was for Baskerville to seek admission to trading on the NEX Exchange Growth Market (now renamed the Access segment of the AQSE Growth Market), on completion of the Acquisition.

As Baskerville is a cash shell with a Standard Listing, the Acquisition is deemed to be a reverse takeover under the Listing Rules, and trading in the Existing Ordinary Shares was suspended from 27 January 2020. However, as Baskerville will not be applying for re-admission to the Standard List, a prospectus will not be published. Instead, Baskerville has published this Admission Document pursuant to the AQSE Rules.

The total consideration for the Acquisition will be £12,956,781 to be satisfied by the issue to the Sellers of 323,919,525 Consideration Shares. The Consideration Shares will be issued at 4p per share and will be credited as fully paid.

This Document, which comprises an admission document, sets out the background to and reasons for the Acquisition and explains why the Directors consider that the Acquisition is in the best interests of the Company and its shareholders as a whole and recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, notice of which is set out at the end of this Document. This Document also seeks the approval of Independent Shareholders for a waiver, which the Panel has agreed to give (subject to such approval), of the obligation that might otherwise arise under Rule 9 of the Takeover Code for the Concert Party to make a mandatory offer for the entire issued and to be issued share capital of Baskerville which the members of the

Concert Party do not already hold. The approval of the Baskerville Shareholders for the Resolutions to be proposed at the General Meeting is required to enable the Proposals to proceed.

2. Background to and reasons for the Acquisition

The Company listed on the standard segment of the Official List and its Ordinary Shares were admitted to trading on the Main Market of the London Stock Exchange on 22 September 2017. The Company was listed as a cash shell with the stated aim of making an acquisition or acquisitions in the technology sector.

The Directors considered a number of opportunities in the technology sector. Some of these the Directors chose not to pursue, for various reasons, and terms could not be agreed for others. Oberon is a wealth management company, rather than a technology company, but the Directors believe it offers Shareholders the opportunity to participate in a company that is in “growth mode” in a sector that is undergoing significant consolidation.

Information about Oberon and the benefits of this transaction is set out in Part 2 of this Document.

3. Summary of the principal terms of the Acquisition

On 21 January 2021, the Company entered into the Acquisition Agreement with the shareholders of Oberon, other than itself, pursuant to which the Company agreed to purchase the entire issued share capital of Oberon which it does not already own for £12,956,781 to be satisfied by the allotment and issue of the Consideration Shares to the other shareholders of Oberon.

Completion of the Acquisition is conditional upon:

- the approval of the Whitewash Resolution by Independent Shareholders;
- the approval of the remaining Resolutions by Shareholders;
- the approval of the FCA to the change of control of Oberon (which was obtained on 21 January 2021);
- the completion of the Subscription;
- there being no material adverse change in the business, operations, assets, liabilities, condition (whether financial, trading or otherwise), prospects or operating results of the Company or Oberon; and
- Admission becoming effective by not later than 8.00 a.m. on 9 February 2021 (or such later time and/or date (not being later than 30 June 2021) as Novum and the Company may agree).

Further details of the Acquisition Agreement are set out in paragraph 11.6 of Part 11 of this Document.

4. Proposed Board Changes

On completion of the Acquisition and on Admission, Rodger Sargent and I will resign as directors.

At the same time the following individuals will join the Board:

- The Hon Robert Hanson, Proposed Non-Executive Chairman
- Simon Philip McGivern, Proposed CEO
- The Hon Alexander Robert Hambro, Proposed Non-Executive Director
- John Geoffrey Beaumont, Proposed Finance Director

Biographical details of the Proposed Directors and senior management are set out in Part 3 of this Document. Paragraph 1 of Part 3 of this Document sets out certain other important information regarding the New Board.

5. Change of Name

The Directors will resolve, in accordance with the Articles and conditional upon Admission, to change the name of the Company to “Oberon Investments Group Plc”, with such change of name to become effective upon the issue of a certificate of incorporation on change of name by the

Registrar of Companies. At that time, the Company's stock ticker symbol will be changed to OBE. The Company's website address will be changed to www.oberoninvestments.com.

6. Takeover Code

The Acquisition gives rise to certain considerations under the Takeover Code. Brief details of the Panel, the Takeover Code and the protections they afford are set out below.

The Takeover Code is issued and administered by the Panel. The Takeover Code governs, *inter alia*, transactions which may result in a change of control of a company to which the Takeover Code applies. The Company, as public company whose Ordinary Shares are admitted to listing on the standard segment of the Official List and to trading on the Main Market of the London Stock Exchange, is such a company and its Shareholders are therefore entitled to the protections afforded by the Takeover Code. Oberon is a private limited company and is not subject to the Takeover Code.

Under Rule 9 of the Takeover Code, where any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares already held by that person and any interest in shares held or acquired by persons acting in concert with him) carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, that person is normally required by the Panel to make a general offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights in that company to acquire their interests in the company ("**Rule 9 Offer**").

Similarly, Rule 9 of the Takeover Code also provides, among other things, that where any person who, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. but does not hold shares carrying more than 50 per cent. of the voting rights of a company which is subject to the Takeover Code, and such person, or any person acting in concert with him, acquires an additional interest in shares which increases the percentage of shares carrying voting rights in which he is interested, then such person is normally required by the Panel to make a general offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights of that company to acquire the balance of their interests in the company.

An offer under Rule 9 of the Takeover Code must be in cash (or with a cash alternative) and at the highest price paid within the preceding 12 months for any interest in shares in the company by the person required to make the offer or any person acting in concert with him.

Shareholders should be aware that under Rule 9 of the Takeover Code any persons who, together with persons acting in concert with him, holds shares carrying more than 50 per cent. of the voting rights of a company, is normally able to acquire an interest in shares which carry additional voting rights, without being required to make a general offer to the other shareholders, save that the consent of the Takeover Panel is required if the person will increase the percentage of shares in which it is interested to 30 per cent or more, or increases in between 30 per cent and 50 per cent.

7. Concert Party

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

The Company has agreed with the Takeover Panel that certain of the shareholders of Oberon should be considered to be "acting in concert" for the purposes of the Takeover Code (as such term is defined in the Takeover Code). Given that, on completion of the Proposals, the Concert Party will hold over 50 per cent. of the voting rights of the Company, any transfer of shares in the Company between entities within the Concert Party and any further acquisitions of the Company's shares by any member of the Concert Party, whether individually or collectively, will not be subject to the restrictions of Rule 9 of the Takeover Code, although individual members of the Concert Party will only be able to increase their percentage interests through or between a Rule 9 threshold with the consent of the Takeover Panel.

The Concert Party is made up of Rodger Sargent, a Director and certain shareholders of Oberon. On Admission the Concert Party will hold 61.46 per cent of the Enlarged Share Capital. If all of the Concert Party Shares are issued, the Concert Party would hold 64.55% of the Ordinary Shares on a fully diluted basis.

Further information on the Concert Party is set out in paragraph 2 of Part 4 of this Document.

8. Dispensation from the requirement to make a general offer under the Takeover Code

Immediately following completion of the Proposals and the issue of the Consideration Shares and Subscription Shares, on Admission the Concert Party will have acquired Ordinary Shares carrying, in aggregate, 61.46 per cent. of the then enlarged voting rights of the Company, with a maximum holding of 64.55 per cent if all of the Concert Party Shares are issued which, without a waiver of the obligations under Rule 9 of the Takeover Code, would oblige the Concert Party them to make a Rule 9 Offer.

The members of the Concert Party and the interest of each member of the Concert Party in the Enlarged Share Capital are set out in paragraph 2.1 of Part 4 of this Document.

The Company has applied to the Panel for a waiver of the obligations under Rule 9 of the Takeover Code in order to permit the Acquisition to proceed without triggering an obligation on the Concert Party to make a general offer to Shareholders. Under Note 1 of the Notes on the Dispensations from Rule 9 of the Takeover Code, the Panel will normally waive the requirement for a Rule 9 Offer to be made, if, among other things, the shareholders of the relevant company who are independent of the person(s) who would otherwise be required to make an offer, and any person(s) acting in concert with them, pass an ordinary resolution approving such a waiver on a poll at a general meeting.

To be passed, the Whitewash Resolution will require a simple majority of the votes cast on a poll by Independent Shareholders. Shareholders should note that if the Whitewash Resolution is passed by Independent Shareholders at the General Meeting and the Proposals are completed, the Concert Party, or any individual member thereof, will not be restricted from making an offer for the Company.

Shareholders should further note that, following completion of the Proposals, the members of the Concert Party will in aggregate hold approximately 61.46 per cent. of the then enlarged voting rights of the Company (which could increase to 64.55 per cent if the Concert Party Shares are issued) and that:

- **by virtue of holding more than 50 per cent. of the Company's voting rights, the members of the Concert Party will be entitled to increase their holdings or aggregate interests in the voting rights of the Company without incurring any obligation under Rule 9 of the Takeover Code to make a general offer to all Shareholders to acquire their Ordinary Shares, although individual members of the Concert Party will not be able to increase their percentage interests through or between a Rule 9 threshold without the consent of the Takeover Panel; and**
- **this will increase the percentage of the Ordinary Shares that are not in public hands. This may in turn have the effect of reducing the liquidity of trading in the Ordinary Shares. The Concert Party's stake in the voting rights of the Company will also mean that the members of the Concert Party will be able, if they so wish, to exert significant influence over resolutions proposed at future general meetings of the Company.**

The attention of Shareholders is drawn to the information on the Concert Party set out in Part 4 of this Document.

9. Conflict of interest

Rodger Sargent, a Director, is a shareholder of Oberon. As such, he is considered to have a conflict of interest and so he has not participated in the Independent Director's recommendation of the Whitewash Resolution and furthermore he will be excluded from voting in his capacity as a Shareholder on the Whitewash Resolution.

There are a number of Shareholders that also hold shares in Oberon and are therefore not deemed to be Independent Shareholders and so are not eligible to vote on the Whitewash Resolution. The

Independent Shareholders hold in aggregate 29,550,000 Existing Ordinary Shares representing approximately 61.8 per cent. of the Existing Ordinary Shares.

10. Independent advice provided to the Independent Director

The Takeover Code requires the Independent Director to obtain competent independent advice regarding the merits of the transaction, which is the subject of the Whitewash Resolution, the controlling position which it will create, and the effect which it will have on Shareholders generally. Accordingly, Novum, as the Company's independent financial adviser, has provided formal advice to the Independent Director regarding the Acquisition and the Whitewash Resolution. Novum confirms that it, and any person who is or is presumed to be acting in concert with it, is independent of the Concert Party and has no personal, financial or commercial relationship or arrangement or understanding with the Concert Party.

11. Intentions of the Concert Party

At present the Company is a cash shell with no operating business, no fixed assets, no research and development function and has no employees. On completion of the Acquisition, the Company will become the holding company of Oberon and therefore Baskerville's existing strategy will cease. The Concert Party has confirmed that following completion of the Proposals and Admission its intention is that the strategy and business of the Company will be to develop Oberon's wealth management business, as more particularly described in Part 2 of this Document. Following Completion of the Acquisition, in order to support the Company's new strategy, the Company will remain a holding company with the majority of its group employees, functions and assets being undertaken by Oberon.

Following implementation of the Proposals, the Company's enlarged issued share capital will be admitted to the AQSE Growth Market.

Following completion of the Acquisition and Admission, except as described above, the Concert Party is not intending to seek any changes in respect of:

- i) the future business of the Enlarged Group, including any research and development functions;
- ii) the continued employment of the employees and management of the Enlarged Group, including any material change in the conditions of employment or in the balance of the skills and functions of the employees and management;
- iii) the strategic plans for the Enlarged Group or the Enlarged Group's places of business, except that the Company's registered office will change to Second Floor, Nightingale House, 65 Curzon Street, London W1J 8PE; or
- iv) any redeployment of the fixed assets of the Enlarged Group.

12. Lock-in Undertakings

Under the terms of the Acquisition Agreement, each Locked-in Party has agreed, that they will not (subject to certain exceptions) sell, transfer or dispose of any interest in Consideration Shares held by them until the expiry of six months from Admission.

Those restrictions will not apply in certain limited circumstances which include, amongst others:

- the acceptance of any offer made in accordance with the Takeover Code by any third party for the whole of the ordinary share capital of the Company (other than any ordinary share capital owned by the offeror or any concert party of the offeror) or giving an irrevocable undertaking to accept such an offer; or
- a disposal to a family member or family trust; or
- or to satisfy a claim for breach of the warranties or tax covenant given under the Acquisition Agreement; or
- with the prior consent of Novum and the Company.

Further details of the Lock-in Undertakings in relation to the Concert Party are set out in paragraph 11.6 of Part 11 of this Document.

13. Corporate governance

The New Board recognises the value of good governance and intends, following Admission, to comply with the provisions of the QCA Guidelines insofar as possible for a company of the size and nature of the Company. Details of the corporate governance measures adopted by the Company are set out in paragraph 3 of Part 3 of this Document.

14. Subscription

On Admission, the Company proposes to raise capital through the Subscription by issuing Subscription Shares at the Issue Price of £0.04. Further details of the Subscription is set out in paragraph 11.8 of Part 11. The gross proceeds of £1,442,810 as a result of the Subscription will be used for the working capital of the Enlarged Group.

The Subscription Shares will represent approximately 8.85 per cent. of the Enlarged Share Capital. Accordingly, on completion of the Proposals and after the allotment and issue of the Consideration Shares and the Subscription Shares, the Consideration Shares issued to the former shareholders of Oberon will represent approximately 79 per cent. of the Enlarged Share Capital.

The Subscription Shares and the Consideration Shares will rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends and other distributions declared, paid or made after the date of issue. None of the Subscription Shares have been marketed to or will be made available in whole or in part to the public in conjunction with the application for Admission.

The Subscription is conditional upon, among other things:

- the passing of the Resolutions;
- the Acquisition Agreement and the Introduction Agreement being unconditional other than for Admission;
- there being no material adverse change in the business, operations, assets, liabilities, condition (whether financial, trading or otherwise), prospects or operating results of the Company or Oberon; and
- Admission becoming effective by not later than 8.00 a.m. on 29 January 2021 (or such later time and/or date (not being later than 28 February 2021 or in the case of one subscriber 31 March 2021) as the Company and Novum may agree).

Further details of the Subscription and the Introduction Agreement are set out in paragraphs 11.7 and 11.8 of Part 11 of this Document.

15. Admission, settlement and CREST

Prior to the intended date of completion of the Acquisition and Admission, the Company will have applied to the FCA for cancellation of admission of the Ordinary Shares to the Standard Segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities ("Cancellation") to take effect at 4.30 p.m. on the dealing day before the intended completion of the Acquisition and Admission.

Application will be made to the Aquis Stock Exchange for the Enlarged Share Capital to be admitted to trading on AQSE Growth Market. Admission of the Enlarged Share Capital to trading on AQSE Growth Market is, subject to the passing of the Resolutions and the satisfaction of all other conditions, expected to take place on or around 9 February 2021.

The Ordinary Shares are eligible for CREST settlement. Accordingly, settlement of transactions in Ordinary Shares (including the Consideration Shares and Subscription Shares) following Admission may take place within the CREST system if the relevant Shareholder so wishes.

CREST is a voluntary system and Shareholders who wish to receive and retain certificates for their Ordinary Shares will be able to do so.

It is expected that, subject to the satisfaction of the conditions to the Acquisition, the Consideration Shares will be registered in the names of the Oberon Shareholders and issued either:

- in certified form, where the Oberon Shareholders so elect, with the relevant share certificate expected to be despatched by post, at their risk, by 23 February 2021; or

- in CREST, where the Oberon Shareholders so elect and only if they are a system-member (as defined in the CREST Regulations) in relation to CREST, with delivery (to the designated CREST account) of the Consideration Shares issued expected to take place on 9 February 2021.

Notwithstanding the election by the Oberon Shareholders as to the form of delivery of the Consideration Shares, no temporary documents of title will be issued. All documents or remittances sent by or to the Oberon Shareholders or as they may direct will be sent through the post at their risk.

Pending the despatch of definitive share certificates (as applicable), instruments of transfer will be certified against the register.

16. Irrevocable undertakings

The Independent Director has given an irrevocable undertaking to the Company to vote in favour of the Resolutions to be proposed at the General Meeting (and, where relevant, to procure that such action is taken by the relevant registered holder(s) other than him) in respect of his entire beneficial holdings totalling in aggregate 3,700,000 Existing Baskerville Shares, representing approximately 7.74 per cent. of the Existing Baskerville Shares.

Rodger Sargent has given an irrevocable undertaking to the Company to vote in favour of the Resolutions to be proposed at the General Meeting (other than the Whitewash Resolution upon which he is excluded from voting on by reason of not being independent), and, where relevant, to procure that such action is taken by the relevant registered holder(s) other than him, in respect of his entire beneficial holdings totalling in aggregate 2,500,000 Existing Baskerville Shares, representing approximately 5.23 per cent. of the Existing Baskerville Shares.

17. Additional information

Your attention is drawn in addition to the Risk Factors set out in Part 5, to the financial information on Baskerville in Part 6, to the financial information on Oberon in Parts 7 and 8, to the *pro forma* statement of net assets of the Enlarged Group in Part 9 and to the additional information contained in Part 11 of this Document.

18. General Meeting

The formal Notice of General Meeting is set out at the end of this Document convening the meeting to be held at the offices of Fladgate LLP at 16 Great Queen Street, London WC2B 5DG at 10.00 a.m. on 8 February 2021. At the General Meeting the following Resolutions will be proposed:

- **Resolution 1** will be proposed as an ordinary resolution and seeks to approve the Acquisition. If this resolution is not passed the Board will continue to seek an acquisition in the technology sector for a further 12 months;
- **Resolution 2**, the Whitewash Resolution, is an ordinary resolution to approve the waiver of the obligations under Rule 9 of the Takeover Code. This resolution will be taken on a poll, and must be approved by Independent Shareholders entitled to vote who together represent a simple majority of the issued Ordinary Shares held by such Independent Shareholders being voted (whether in person or by proxy) at the General Meeting;
- **Resolution 3**, which is conditional on the passing of Resolutions 1 and 2 and is an ordinary resolution, is to authorise the Board to allot relevant securities up to an aggregate nominal amount of £2,472,802, being equal to 494,460,400 Ordinary Shares (which allows for the issue of the New Ordinary Shares plus headroom to issue a further 134,570,625 Ordinary Shares); and
- **Resolution 4**, which is conditional on the passing of Resolution 3 and is a special resolution to authorise the Board to issue and allot up to 117,628,205 Ordinary Shares on a non-pre-emptive basis (which allows for the issue of the Subscription Shares plus headroom to issue a further 81,557,955 Ordinary Shares).

19. Action to be taken

The Company is closely monitoring the COVID-19 situation, including UK Government guidance, and will continue to do so in the lead up to the General Meeting. The health of our Shareholders, employees and other stakeholders remains extremely important to us and, accordingly, the Board has taken into consideration the compulsory measures that have been published by the UK Government. Should such directives and/or legal requirements remain in place up to the General Meeting, or if they are relaxed but restrictions still need to apply to protect the safety of the people attending the General Meeting or any of the Company's stakeholders, then Shareholders, advisers and other guests will not be allowed to attend the General Meeting in person and anyone seeking to attend the meeting will be refused entry. Accordingly, Shareholders should note they are not entitled to attend the General Meeting in person unless notified otherwise via the Company's website at www.baskcap.com.

Shareholders are requested to therefore submit their votes, in respect of the business to be discussed, via proxy as early as possible. Shareholders should appoint the Chair of the meeting as their proxy. If a Shareholder appoints someone else as their proxy, that proxy will not be able to attend the meeting in person or cast the Shareholder's vote.

A Form of Proxy is enclosed for use by Shareholders in connection with the General Meeting. You are requested to complete and sign the Form of Proxy in accordance with the instructions printed on it and return it to the Company's registrars, Share Registrars Limited, The Courtyard, 17 West Street Farnham GU9 7DR **or by e-mail to voting@shareregistrars.uk.com** as soon as possible and, in any event, so as to arrive not later than 10.00 a.m. on 4 February 2021.

In accordance with the requirements of the Panel, the Whitewash Resolution will be taken on a poll of Independent Shareholders.

20. Recommendation

The Independent Director, having been so advised by Novum, considers the Acquisition and the Waiver Proposal to be fair and reasonable and in the best interests of the Shareholders and the Company as a whole. In providing its advice to the Independent Director, Novum has taken into account the Board's commercial assessments.

Accordingly, the Independent Director recommends that Independent Shareholders vote in favour of the Whitewash Resolution (Resolution 2), as he has irrevocably undertaken so to do in respect of his own beneficial shareholding of 3,700,000 Existing Ordinary Shares, representing approximately 7.74 per cent. of the existing issued share capital of the Company.

While Rodger Sargent is prevented by the Code from making any recommendation with respect to Whitewash Resolution (Resolution 2), he and I, as Directors, recommend that Shareholders vote in favour of the remaining Resolutions (Resolutions 1, 3 and 4) at the General Meeting as we have irrevocably undertaken so to do in respect of our own beneficial shareholdings of, in aggregate, 6,200,000 Existing Ordinary Shares, representing approximately 12.97 per cent. of the existing issued share capital of the Company.

Yours faithfully

James Derek Kehoe
Independent Director

Part 2 Information on Oberon and Enlarged Group

1. Introduction

As set out in the Independent Director's letter in Part 1 of this Document, upon Admission, Baskerville will change its name to Oberon Investments Group Plc and by means of the Acquisition will become the holding company of a new group which is being formed to create a boutique financial institution providing a personalised wealth management service for retail and professional clients, as well as a corporate broking arm for small and mid-cap companies. The Proposed Directors expect the Enlarged Group to progress through the organic growth of Assets Under Administration ("AUA") in the wealth management division and the acquisition of complementary businesses in the sector and by creating a trusted brand for the provision of advisory and fundraising services for companies in the small and mid-cap sectors.

The Proposed Directors believe that the Enlarged Group is well placed to continue a strategy of growth to create a profitable financial boutique.

Since the original holding company for the Oberon business was set up in April 2017, a number of acquisitions have been made and its AUA have increased by over 300%. This has been achieved despite the backdrop of challenging financial markets and the Covid-19 pandemic.

2. Business history of Oberon

Oberon Investments Ltd (formerly known as GMC Holdings Ltd) was set up in April 2017. Following a period of due diligence, in November 2017, Oberon made its first acquisition of the small stockbroking firm M. D. Barnard & Company Limited. This initial acquisition gave Oberon a suite of FCA permissions, a platform for future growth and AUA of c.£100 million. Since then, significant resources have been invested in building the team, training the staff and improving and enhancing compliance and other procedures of MD Barnard, the operating company of Oberon Group, to create a solid platform for growth.

The Existing Oberon Group's AUA have grown from c. £100 million in 2018 to c.£375 million in December 2020. This has been achieved organically by adding new clients and new fund managers, attracted by the emerging brand. Growth in AUA has also been achieved by the acquisition of the UK wealth management business of Hanson Asset Management in June 2020. AUA, and fees generated by managing these assets, form the core revenues of the business. This revenue is seen as high quality due to its predictability and resilience, as evidenced during the Covid-19 pandemic. With increased volatility in asset prices as a direct impact of the pandemic, the Existing Oberon Group has been able to generate deal-flow income and increased trading commissions, a feature of Q2 and Q3 2020 performance.

In May 2020, Oberon set up its corporate broking division, Oberon Capital, and announced its first client in July 2020. Oberon Capital takes advantage of the skill sets employed in its business in giving advice and providing access to capital. The business provides advice and raises capital for companies from seed and early stage funding through to IPO and beyond. There is currently a good pipeline of new clients and fundraisings which the Proposed Directors believe have the potential to generate significant revenue and give the Existing Oberon Group's clients a superior service. The Proposed Directors believe that good companies need advice and access to capital at all stages of their development and that the Enlarged Group will be well placed to offer these services and generate a significant income stream over the lifetime of the corporate client.

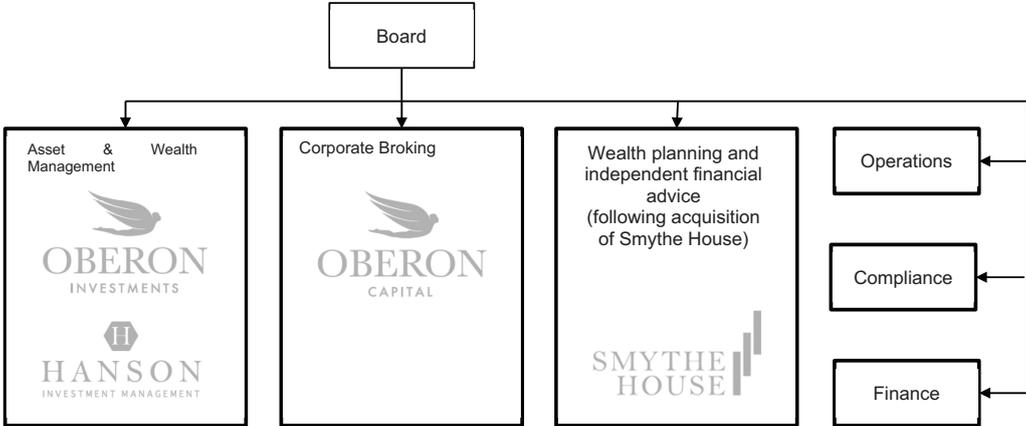
The asset and wealth management divisions of Oberon consist of Oberon Investments (the trading name of M.D. Barnard), a discretionary, advisory and execution-only stockbroker and wealth manager, and Hanson Investment Management, a discretionary wealth manager. It is the Proposed Directors' intention to build on the platforms of these businesses and allow their teams to grow by offering core investment management services, alongside innovative products and investment opportunities. Under the ownership of Oberon, and utilising Oberon's back and middle office administration capabilities in Basildon, Essex, the teams are already winning new clients and launching new initiatives. An example of this is the forthcoming launch of Oberon's Inheritance Tax service which combines Oberon's history in smaller companies with its skillset in servicing clients.

Contracts have been exchanged to acquire Smythe House, a well-regarded independent financial adviser. Oberon will provide the backing and support to this team to grow their business and will also be able to offer Smythe House's advisory services into some of Oberon's existing clients.

Completion of the Smythe House acquisition is dependent upon, *inter alia*, FCA approval, which is anticipated to be received after completion of the Acquisition.

The total number of employees in the business is currently 33, of which 7 are fund managers. The business is split between the offices in Central London and Basildon, Essex. The management, the front office and fund managers are based in Central London and the middle and back offices, which manages cash and treasury functions, risk and accounting and compliance, is based in Basildon.

The organisational chart below demonstrates key functions of Oberon businesses.



3. Key strengths

The Directors and Proposed Directors consider that the key strengths of the Enlarged Group will include:

- the experience of the senior management team in running growth businesses, managing that growth and raising capital to finance that growth;
- the permissions within the Existing Oberon Group that provide a barrier to entry to new competitors; and
- taking advantage of current market conditions and competitive landscape which, the Directors and Proposed Directors believe allow for an entrepreneurial management team to build up a successful business.
- Having an end-to-end solution for fund and wealth management and the ability to advise and service corporate clients from inception to IPO and beyond provides the necessary infrastructure to enable the Enlarged Group to grow.

4. Market overview

The Enlarged Group will operate in the UK wealth and fund management sector and in the corporate broking and financial advisory sectors. The UK fund management industry is estimated to have c.£8.9 trillion in assets under management (“AUM”) in 2020-21. The industry includes assets of independently managed funds, as well as those owned by banks, insurance companies and pension funds. Conservative estimates of AUM for the UK financial advisory and wealth management sectors stand at approximately £272 billion and £942 billion respectively. The corporate broking and fundraising sector is very fragmented, ranging from the large integrated investment banks to niche corporate advisory firms.

Opportunities

The Proposed Directors believe that there is a market requirement for an entrepreneurial based fund, wealth and advisory business giving clients a bespoke service tailored to their needs. The recent polarisation of ever-larger groups has forced clients into pooled assets and away from stock and asset selection and the ability to take managed and defined risk and reward in investment decisions. Teams of capable fund managers are attracted by the Existing Oberon Group’s flexible approach and results-based outcomes for clients. The Existing Oberon Group is and will be able to provide a wealth management service from independent financial advice on pensions, tax and

retirement to the provision of a Managed Portfolio Service. A suite of tax efficient products including in-house VCTs will be incremental to the offering as will future launches and recruitment of funds and structures to give a multi-strategy range of funds for the Enlarged Group’s clients. The bespoke investment offering to numerous affluent clients is a key feature the Proposed Directors believe is very scalable and differentiates the Existing Oberon Group from many of its peers.

Risks and mitigation plans

Risk Factors are detailed in Part 5 of this document. The Directors and Proposed Directors would like to draw particular attention to the Risk Factors 1, 2 3 and 4 which highlight the Existing Oberon Group’s exposure to external shocks and global and UK economic performance and unforeseen changes in the regulatory or tax environment that can result from Government measures.

The Covid-19 pandemic has provided an example of the mitigation plans the Existing Oberon Group is able to enact. Initially, the Existing Oberon Group’s AUA were impacted by the falling markets, but portfolios recovered alongside the general recovery. Trading related revenues increased to provide the Existing Oberon Group with record monthly revenues. The operations of the Existing Oberon Group had to turn quickly into a work-from-home model and the systems and processes in place have proven effective and robust enough to continue serving clients uninterrupted and seamlessly.

The addition of an internal risk and compliance committee that reports to the board has enhanced the Existing Oberon Group’s approach to risk management. Its compliance function has oversight of the Existing Oberon Group’s daily business and the ability to monitor and spot problems quickly and deal with them as they arise.

Regulation

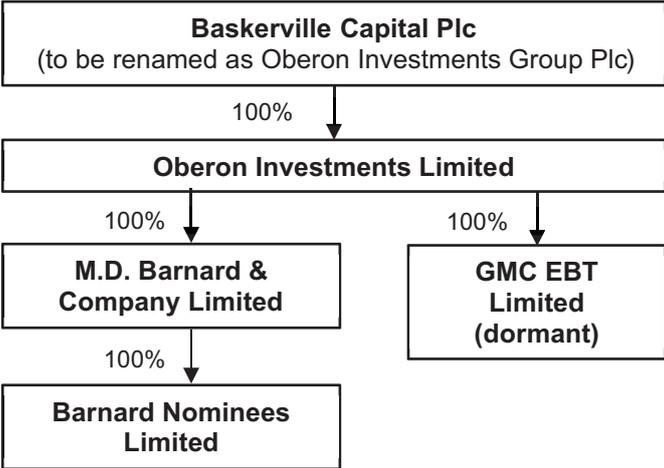
Oberon’s wholly owned subsidiary is M.D. Barnard & Company Limited which is regulated by the FCA. M.D. Barnard & Company trades under the names Oberon Investments, Oberon Capital and Hanson Investment Management and is authorised as set out in paragraph 17 of Part 11.

Competition

There are many wealth and fund management businesses from large financial conglomerates, such as FTSE100 business Schroders plc, to small niche providers. The directors consider its main competition to be from niche wealth management businesses such as Investec Wealth, Hargreaves Lansdown and businesses such as Charles Stanley, Rathbones and Tilney.

5. Group structure

A summary of the Enlarged Group structure is set out below.



6. Operating overview of Oberon

Services

The Existing Oberon Group offers bespoke wealth management and tax efficient products as well as corporate broking, fundraising and advisory services to small and medium size enterprises.

Clients

The Existing Oberon Group has a wide range of clients and additionally some private and public company clients served by Oberon Capital.

Products

Currently the Existing Oberon Group offers bespoke private client discretionary and execution only accounts within its wealth management and stockbroking divisions (which include the Oberon and Hanson Investment Management brands). The proposed acquisition of Smythe House, an independent financial advisory service, will bring financial planning services. Oberon provides tax efficient products to clients through nascent IHT and EIS services and in-house Venture Capital Trusts ("VCTs"). It is the Board's intention to grow other funds and recruit fund managers to augment such offerings to clients, including open-ended funds and other retail focused structures.

Oberon's investment offerings include Managed Portfolio Service ("MPS"), discretionary and execution-only accounts and two VCTs.

7. Investment strategy

The Existing Oberon Group employs a number of fund managers who are experienced professionals, along with a Chief Investment Officer who oversees investment committees and meetings. The teams meet regularly to discuss themes, macro-economics and stock selection and report on potential investee company meetings, deal flow, problems and opportunities. The managed portfolio service has a defined strategy (which is regularly tested) for fund replacements and additions and subtractions. The bespoke wealth management service takes an approach where fund managers pick stocks and funds to suit their underlying clients in accordance with their agreed requirements and attitude to risk.

Oberon's investment management approach is carefully planned and monitored. Oberon uses technology to monitor the business and assist the compliance operations as further described below. The Proposed Directors are mindful not only of the needs of the clients but also the requirements of the industry and its regulators. The team aims to delivering high quality outcomes for clients whilst keeping portfolios rigorously managed for appropriateness and with the correct level of risk and exposure.

8. Compliance, risk management and controls

Regulation and compliance

The Existing Oberon Group has relevant authorisations that allow dealing in and holding client monies and the transaction of investment business in a variety of trading venues. The Existing Oberon Group is regulated by the FCA and is a member firm of the London Stock Exchange. A list of authorisations is set out on paragraph 12 of part 11 of this Document.

The department is staffed by three experienced compliance professionals (including the MLRO) who monitor the activities of the fund managers and review all key requirements of a business that serves private individuals and the protections they are afforded. This includes clearly defined processes around key regulatory requirements including anti-money-laundering, client suitability, know-your-client and transaction reporting. A bi-weekly management meeting of directors reviews all compliance matters and reports and if there is anything that requires more immediate attention, there is a reporting framework to elevate issues to Board level.

Risk management

Risk management is dealt with at board level and management committee level. Quarterly board meetings address key areas of risk management. Day to day risk management is covered at bi-weekly management meetings. Where daily issues arise, these are elevated to the CEO who in turn will convene an ad hoc management meeting, if and when required.

Outsourced services

The Existing Oberon Group uses third party system providers for settlement, custodian and nominee and fund pricing services. Providers include Altimis (owned by Objectway), GPP (the trading name for Global Prime Partners Ltd) and Credo Capital.

Data protection

The Existing Oberon Group has adopted the requirements of GDPR and conforms to the FCA's Handbook's requirements relating to data protection. Data protection is raised as an agenda item at Existing Oberon Group board meetings, bi-weekly management meetings and at-risk committee meetings and all employees receive regular training to make sure they are regularly re-appraised of the importance of data protection.

Disaster recovery plan

The disaster recovery plan is documented and regularly tested and has operated smoothly during the Covid-19 pandemic.

9. Growth strategy for the Enlarged Group

The Board is firmly committed to grow the Enlarged Group by adding the right businesses and teams that will thrive under the Enlarged Group's ownership and entrepreneurial culture. Additionally, it is the intention of the Proposed Directors that the Enlarged Group will be launching new funds and wealth management solutions to enhance organic growth rates and by adding services where the Enlarged Group can take advantage of experienced practitioners, as evidenced by the setting-up of Oberon Capital. The Existing Oberon Group is currently talking to a number of fund management and wealth management teams with a view to them joining the business and expects to announce progress in this regard during the year ahead. None of these discussions, with the exception of Smythe House, have advanced to more than a preliminary level and there is no guarantee that transactions will be agreed or, if agreed, completed.

10. Current trading and prospects

The Existing Oberon Group has traded well through the Covid-19 pandemic and for the quarter ending 30 June 2020 reported record revenues. Since then, the completion of the acquisition of the Hanson Asset Management business by the Existing Oberon Group has further significantly boosted revenues. The Proposed Directors have been pleased with the initial progress of its acquisitions under the Existing Group's ownership and view the future with confidence.

11. Summary of financial information

Oberon's revenues have grown from £0.99 million in the year ended 31 October 2018 to £1.445 million in the 17 months ended 31 March 2020. The revenue for the 6 months ended 30 September was £1.2 million. These revenues were made up as shown below:

| | Six months ended 30 September 2020 £ | 17 months ended 31 March 2020 £ | Year ended 31 October 2018 £ |
|----------------------------|---|--|---|
| Commissions | 664,412 | 843,435 | 604,885 |
| Investment management fees | 451,103 | 528,178 | 385,228 |
| Corporate finance income | 88,220 | 74,000 | — |
| | 1,203,735 | 1,445,613 | 990,113 |

Oberon's losses before tax were £0.53 million in the year ended 31 October 2018, £1.77 million in the 17 months ended 31 March 2020 but reduced to £0.51 million for the 6 months ended 30 September 2020.

Oberon's AUM have increased from c. £100 million in 2018 to c. £375 million in December 2020.

12. Proposed Directors and Senior Management

The details of the Proposed Directors and the Senior Managers of the Enlarged Group on Admission are set out in Part 3 of this Document.

13. Reasons for Admission to the AQSE Growth Market, Subscription and use of proceeds

The Directors and the Proposed Directors believe, having taken relevant advice, that AQSE Growth Market is the appropriate market for the Enlarged Group. The costs associated with this flotation are considered appropriate, and the ability to use share capital with a share price as currency for acquisitions and as a means of encouraging staff retention, for instance by establishing share plans, are key tools for the business moving forwards.

The Proposed Directors believe that Admission will position the Enlarged Group for its next phase of development by further raising its profile, providing it with funding to accelerate organic growth where there are opportunities to do so and enabling it to pursue acquisitions that will expand its geographic reach and/or the range of products and services that it is able to offer. Admission will also enable the Enlarged Group to incentivise employees and provide Shareholders with liquidity.

The Company has arranged the Subscription, pursuant to which subscribers have agreed, conditional on Admission, to subscribe for 36,070,250 new Ordinary Shares. The Subscription will raise in total £1,442,810, conditional on Admission for the Company.

The Subscription Shares and the Consideration Shares will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, paid or made after the date of issue. None of the Subscription Shares have been marketed to or will be made available in whole or in part to the public in conjunction with the application for Admission.

On Admission the Company will have 407,789,775 Ordinary Shares in issue and a market capitalisation of approximately £16.3 million (at the Issue Price).

The Subscription Shares and the Consideration Shares will represent 88.3% of the Enlarged Share Capital of the Company following Admission, be fully paid and rank equally in all respects with the Existing Ordinary Shares.

On Admission, the Proposed Directors will hold 13.34%, in aggregate, of the Enlarged Share Capital.

Further details of the Introduction Agreement are set out in Paragraph 11.7 of Part 11 of this Document and further details of the Subscription are set out in Paragraph 11.8 of Part 11 of this Document.

14. Option scheme

On or around Admission, the Company will adopt a share option scheme, the principal terms of which are set out in paragraph 6 of Part 11 of this Document. It is intended that options be granted to all qualifying employees of the Existing Oberon Group. Existing holders of options over Oberon Investments Limited will rollover their options into options over the Company.

15. Dividend policy

The Proposed Directors do not intend to recommend the payment of a dividend until the Company has achieved sufficient profitability and the availability of working capital is such that it is prudent to do so. The Proposed Directors recognise that dividend payments are a key measure of financial strength and that investor returns through income are important over the longer term. The Enlarged Group will monitor financial performance, risk and capital adequacy needs and will distribute surplus cash via dividends in future by adopting a progressive dividend policy when it is prudent to do so.

No inference should or can be made from any of these statements as to the future profitability of the Company or its ability to pay dividends in the future.

All Ordinary Shares carry equal dividend rights.

16. UK taxation

The attention of Shareholders who are resident in the UK is drawn to the information contained in Part 10 of this Document. Shareholders who are in doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their own appropriately qualified independent professional adviser immediately.

The Directors have received advance assurance from HMRC that it would be able to authorise the Company to issue compliance certificates under section 204(1) of the Income Tax Act 2007 in respect of Subscription Shares issued to individuals, following receipt from the Company of a properly completed compliance statement (Form EIS1) within the prescribed time limit stipulated in section 205(4) of the Income Tax Act 2007. Please refer to Part 10 of this document for further information.

17. Transferability of the Ordinary Shares

The Ordinary Shares are freely transferable and tradeable and there are no restrictions on transfer. However, the Ordinary Shares will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the US and may not be taken up, offered, sold, resold, transferred, delivered or distributed, directly or indirectly, within into or in the US.

18. Share dealing policy

The Company has adopted a new share dealing policy to take effect from Admission, in conformity with the requirements of the AQSE Rules and the Market Abuse Regulation, regulating trading of shares and confidentiality of inside information for persons discharging managerial responsibility ("PDMRs") and persons closely associated with them which contains provisions appropriate for a company whose shares are admitted to trading on the AQSE Growth Market. The Company intends to take all necessary steps to ensure compliance by PDMRs and any relevant employees with the terms of its share dealing policy.

19. Anti-bribery policy

Each of the Company and the Existing Oberon Group are bound by the UK Bribery Act 2010 in respect of its conduct and the conduct of its associates, and the Enlarged Group will observe the provisions of that Act and other laws relating to anti-corruption in jurisdictions in which it operates. The Directors and Proposed Directors have adopted anti-bribery and corruption policies to implement the Company's and the Existing Oberon Group's respective commitments to carrying on their businesses fairly, openly and honestly and to prevent bribery and corruption by persons associated with the Company and the Existing Oberon Group respectively. These policies are in response to risks of corruption and bribery the Company and the Existing Oberon Group may face in their respective businesses. All employees and officers of the Enlarged Group and any future subsidiaries or businesses acquired will be required to comply with such a policy. Management at all levels in the Enlarged Group and its future subsidiaries and businesses will be responsible for ensuring those reporting to them are made aware of and understand the policy and, as appropriate, are given adequate regular training on it. Procedures will be put in place to allow for reporting and communication by the Proposed Directors and future employees of any matters which may or may not be relevant in ensuring that the daily operations are maintained in light of such policy.

20. Further information and risk factors

Your attention is drawn to the further information set out in this Document. You should read the whole of this Document and not rely solely on the information set out in this Part 2. In particular, you should consider the risk factors set out in Part 5 of this Document.

Part 3 Board of Directors, Senior Management and Corporate Governance

1. Proposed Directors

The following table lists the names, positions and ages of the Proposed Directors, all of whom are to be appointed with effect from Admission.

| Name | Age | Position |
|---------------------------------|-----|----------------------------------|
| The Hon Robert William Hanson | 60 | Proposed Non-Executive Chairman |
| Simon Philip McGivern | 47 | Proposed Chief Executive Officer |
| The Hon Alexander Robert Hambro | 59 | Proposed Non-Executive Director |
| John Geoffrey Beaumont | 57 | Proposed Finance Director |

The Hon Robert William Hanson, Aged 60, Proposed Non-Executive Chairman

Robert Hanson founded Hanson Asset Management Ltd. and Hanson Capital Ltd. and has been Chairman or CEO of 8 different companies. Robert is Chairman of Hanson Capital Investments Ltd., Chairman of Hanson Family Holdings Ltd., Chairman for Sinojie Hanson Ltd. and Co-Chairman & Managing Partner at Millennium Hanson Advisors LLC. He is also on the board of GoviEx Uranium, Inc., Greening Donald Co. Ltd., John K & Luise V Hanson Foundation and Sport & Artist Management Ltd. and Member of Institute of Corporate Directors.

Robert previously held the positions of Chairman for Strand Hanson Ltd. and Chairman of Hanson Asset Management Ltd. Robert's corporate broking background included roles as Chairman at Stockdale Securities Ltd. and Associate Director at N.M. Rothschild & Sons Ltd.

Robert achieved an MA in English Literature from St Peter's College Oxford.

Simon Philip McGivern, Aged 47, Proposed Chief Executive Officer

Simon started his professional career at Panmure Gordon Asset Management in 1996 where he worked in the wealth management division for six years. He focused on investment management and financial analysis. In 2002, Simon left the City. He founded a number of companies, including Handpicked Companies, an ecommerce venture, which he grew substantially and exited via a trade sale to News Corp in 2014. Simon also founded Litebulb Group in 2008, which went from two people and in the first year of trading to 100 staff and £25m in sales when he left in 2015. During his time there, Simon executed six acquisitions, raised over £10m in funding and led its IPO on AIM in 2010. Additionally, Simon was a founder director of Cleeve Capital plc (now Bigblu Broadband) and oversaw its IPO on the Standard List in December 2014 and the reverse takeover of Satellite Solutions Worldwide. He also set up and is a director of Map Ventures in 2015, a corporate advisory firm.

Simon founded Oberon in November 2018 and led the acquisition of M.D. Barnard. He is regulated by the FCA as SMF1 Chief Executive and SMF3 Executive Director.

The Hon Alexander Robert Hambro, Aged 58, Proposed Non-Executive Director

Alex Hambro has worked in the venture and private equity sector both in the UK and USA for much of his career, during which time he has acted as a principal investor, manager and sponsor of private equity and venture capital management teams and adviser on private equity investment strategies. Alex is an active personal investor in small, growth-oriented private and public companies. As well as his role at Oberon, Alex is Chairman of AIM-listed Judges Scientific plc; Falanx Group Ltd and OTAQ plc. He is also a Director of Octopus Apollo VCT plc. In addition to his responsibilities at these listed companies, Alex is also Chairman of IWP Holdings Ltd; Crescent Capital Ltd; and a non-executive director of Time Partners Ltd.

Alex is currently a principal at Welbeck Capital Partners, a specialist investment advisory boutique that deploys hybrid debt/equity instruments to finance growth opportunities for both private and small-cap AIM companies.

John Geoffrey Beaumont (ACA), Aged 57, Proposed Finance Director

John qualified as a chartered accountant in 1988 with Ernst & Whinney before joining Goldman Sachs in its London equity research department. He specialised in institutional research in the brewing, pubs and leisure sectors. He moved to Smith New Court in 1992, which was acquired by

Merrill Lynch in 1995. Whilst at Merrill Lynch, John worked with some of the firm's largest clients including Diageo, Compass Group and Bass, and was consistently ranked highly in the major client surveys. In 2001, John moved to Cheuvreux, the broking arm of Credit Agricole, as Head of Research in London, focusing on corporate research, on a more generalised sector basis, and helped grow both the corporate and secondary business during his time at Kaupthing in London. In 2011, John helped set up Peat & Co and became COO and Head of Finance, where along with his research activities, John is responsible for all the finance and regulatory reporting requirements of the business.

John joined Oberon as Finance Director in March 2020 and is regulated by the FCA as SMF3 Executive Director.

2. Senior Management

Michael Seabrook, Aged 48, Director and Head of Oberon Capital

Michael is an experienced stockbroker having started his career at Daiwa Europe and then worked at Teather & Greenwood/Landsbanki from 1995 to 2007. He was instrumental in building the client list of Teather & Greenwood, including the first ever fundraise on AIM, so that at one stage it was broker to the largest number of listed clients of any stockbrokers. In 2000 Michael joined the sales desk, becoming Director and head of small cap sales. He moved to Panmure Gordon and Co in 2007 as a Director becoming Head of Smallcap Sales and went on to be well regarded, award winning and highly rated in external surveys delivering on the needs of institutional and corporate clients and their capital and advisory requirements. In 2016 Michael left to become Head of Sales at Zeus Capital, a boutique brokerage business based in Manchester and London. In his time at Zeus, Michael led a sales team that were responsible for significant capital raisings for clients. Michael was awarded the diploma from the Securities Institute and is an Associate of the Securities and Investment Institute.

Based in the London office, Michael joined the Existing Oberon Group in May 2020 and is regulated by the FCA as SMF3 Executive Director.

Dr Colin Johnston, Aged 57, Chief Operating Officer at Oberon.

Colin has recently joined the Oberon Group and has taken on the position of Chief Operating Officer.

Colin is an experienced financial services executive specialising in risk management and operational resilience. He began his career in the City of London with PwC's risk management practice in 1997 before moving to Zurich Scudder investments as Head of Risk in 2001. With a career in the City spanning over twenty years, the notable roles have been: Head of Operational Risk for Commerzbank Corporates and Markets; Head of Operational Risk EMEA for Barclays Capital; Chief Risk Officer at ICAP and Chief Risk Officer for the Bank of New York Mellon, UK and Ireland legal entities and a member of the Bank of New York Mellon International Ltd Executive Committee. Prior to joining Oberon Colin was consulting at ARC Associates LLP and advising exchange start-ups on risk and regulation assisting Estates Infrastructure Exchange (EIX) Ltd, establishing the Aquis-EIX Infrastructure Bond Market, and creating and executing the EIX governance and enterprise risk management framework. He was also a director at Estates and Infrastructure Advisory Ltd, a corporate advisory firm focused on renewable energy infrastructure projects.

3. Corporate governance

The Proposed Directors recognise the importance of sound corporate governance and intend, so far as possible given the Company's size and the composition of the Board, to voluntarily observe insofar as is appropriate, the requirements of the QCA Corporate Governance Code.

The Company will establish upon Admission the following committees in order to assist in establishing the principles of good corporate governance:

Audit Committee

The Audit Committee will be chaired by Robert Hanson and will meet, at least, once a year and such other times as the chairman of the committee shall require. Alex Hambro will also serve on the Audit Committee. The Audit Committee's responsibilities will include ensuring that appropriate financial reporting procedures are properly maintained and reported on, meeting with the Company's

auditors to discuss matters of relevance, including risk issues, ensuring the internal controls of the Enlarged Group are properly maintained, reviewing the financial statements prior to issue to the shareholders and reviewing reports from the Company's auditors.

Remuneration Committee

The Remuneration Committee will be chaired by Alex Hambro and will meet at least once a year and such other times as the chairman of the committee shall require. Robert Hanson will also serve on the Remuneration Committee. The Remuneration Committee's responsibilities will include reviewing the performance of the Executive Directors, setting their remuneration levels, determining the payment of bonuses and considering the grant of options under the share options schemes.

Risk & Compliance Committee

The Risk & Compliance Committee will meet every two months (or more frequently if required) and will submit a report to the Board in time for each board meeting on the Group's compliance arrangements. The main members of this committee will comprise Simon McGivern, Jaspreet Dhariwal, Nicola Mitchell and John Beaumont. As and when required the committee will also use the services of a compliance consultant. The primary responsibilities of the Risk & Compliance Committee will identify major risks to the FCA statutory and operational objectives, review of compliance monitoring testing and findings, ensure appropriate training provided to staff in respect of compliance procedures and in particular Anti-Money Laundering and Anti-Bribery & Corruption regulations and oversee the review and implementation of compliance policies and procedures and providing recommendations to the Board of any changes required.

The Board will conduct a review (at least annually) of the effectiveness of the Company's systems of internal controls and reporting. The review will cover all material controls, including financial, operational and compliance controls and risk management systems. The review will also incorporate an analysis of the regulatory and fiscal position in the territories in which the Company operates.

The Company has adopted policies and procedures so as to manage and control inside information, and to avoid the unlawful disclosure of inside information. The Group, the Directors and senior management are aware of their obligations under the Market Abuse Regulation, and the Company has adopted a share dealing code consistent with the provisions of the Market Abuse Regulation

Part 4 Information on the Concert Party and Non-Independent Shareholders

The information set out in this Part 4, which relates to the Concert Party, has been accurately reproduced from information provided by Oberon. As far as Baskerville is aware and is able to ascertain from information provided by Oberon, no facts have been omitted which would render the information in this Part 4, which relates to the Concert Party, inaccurate or misleading.

1. Background

The Concert Party is summarised below in paragraph 2 of Part 4. Immediately upon Admission, pursuant to the terms of the Acquisition Agreement, the Concert Party will hold 250,629,525 Ordinary Shares representing approximately 61.46 per cent. of the Enlarged Share Capital. If the Concert Party Shares were issued in full then the Concert Party would hold approximately 64.55 per cent of the Company's voting rights. Further details regarding the terms of the Acquisition are set out at paragraph 11.6 of Part 11 of this Document. Accordingly, the Concert Party would normally be required under Rule 9 of the Takeover Code to make a mandatory offer for the remainder of the share capital of the Company. However, the Panel has agreed, subject to the Whitewash Resolution being passed (on a poll) by Independent Shareholders at the General Meeting, to waive the obligation on the Concert Party, under Rule 9 of the Takeover Code, to make an offer for the entire issued share capital of the Company.

2. Concert Party

2.1 The Company has agreed with the Takeover Panel that the following Shareholders in Oberon should be considered to be acting in concert in relation to the Company. The members of the Concert Party and their respective expected holdings following Admission are set out below.

| Member of the Concert Party | Interest in Baskerville | Interest in Oberon | Interest in Enlarged Share Capital | Percentage interest in Enlarged Share Capital on Admission | Options/Warrants | Percentage interest in Enlarged Share Capital fully diluted |
|-----------------------------|-------------------------|--------------------|------------------------------------|--|------------------|---|
| Rodger Sargent | 2,500,000 | 888 | 8,516,200 | 2.09% | 1,625,000 | 2.21% |
| David Evans | 1,300,000 | 3,880 | 27,587,000 | 6.77% | 175,000 | 6.03% |
| Jon Hale | 800,000 | 543 | 4,478,825 | 1.10% | 200,000 | 1.02% |
| Courtney Investments* | 3,910,275 | 1,341 | 12,995,550 | 3.19% | 0 | 2.82% |
| Christopher Akers | 3,800,000 | 447 | 6,828,425 | 1.67% | 625,000 | 1.62% |
| Chris Venner | 2,600,000 | 500 | 5,987,500 | 1.47% | 150,000 | 1.33% |
| Andrew Headley | 850,000 | 2,403 | 17,130,325 | 4.20% | 150,000 | 3.75% |
| Simon Like | 90,000 | 3,000 | 20,415,000 | 5.01% | 13,550,000 | 7.38% |
| Darren Blake | 100,000 | 110 | 845,250 | 0.21% | 65,000 | 0.20% |
| Harry Hyman | 160,000 | 1,239 | 8,554,225 | 2.10% | 0 | 1.86% |
| Timothy Webb | 800,000 | | 800,000 | 0.20% | 0 | 0.17% |
| Derek Kehoe | 3,700,000 | | 3,700,000 | 0.91% | 1,925,000 | 1.23% |
| John Like | 50,000 | | 50,000 | 0.01% | 0 | 0.01% |
| Sarah Webb | | 1,138 | 7,709,950 | 1.89% | 0 | 1.67% |
| David Sargent | | 271 | 1,836,025 | 0.45% | 100,000 | 0.42% |
| Simon McGivern | | 7,787 | 52,756,925 | 12.94% | 25,711,125 | 17.04% |
| James Phillips | | 849 | 5,751,975 | 1.41% | 0 | 1.25% |
| John Beaumont | | 169 | 1,144,975 | 0.28% | 625,000 | 0.38% |
| Michael Seabrook | | 185 | 1,253,375 | 0.31% | 0 | 0.27% |
| Edward Lawson | | 702 | 4,756,050 | 1.17% | 0 | 1.03% |
| Chris Crawford | | 255 | 1,727,625 | 0.42% | 0 | 0.38% |
| Paul Gazzard | | 675 | 4,573,125 | 1.12% | 0 | 0.99% |

| Member of the Concert Party | Interest in Baskerville | Interest in Oberon | Interest in Enlarged Share Capital | Percentage interest in Enlarged Share Capital on Admission | Options/Warrants | Percentage interest in Enlarged Share Capital fully diluted |
|-----------------------------|-------------------------|--------------------|------------------------------------|--|------------------|---|
| Michael Hennigan | | 2,717 | 18,407,675 | 4.51% | 0 | 4.00% |
| GMC EBT Limited | | 710 | 4,810,250 | 1.18% | 0 | 1.04% |
| Basil Sellers** | | 3,947 | 26,740,925 | 6.56% | 0 | 5.81% |
| MC Peat & Co LLP | | 114 | 772,350 | 0.19% | 0 | 0.17% |
| Alex Hambro | | | 500,000 | 0.12% | 0 | 0.11% |
| Total | 20,660,275 | 33,870 | 250,629,525 | 61.46% | 44,901,125 | 64.55% |

**including Courtney Investments and Warren Todd, where Warren Todd is beneficiary owner of Courtney Investments*

***including BAS Nominee Australia PTY whose beneficiary owner is Basil Sellers*

****Charles Peat, who is a member of MC Peat & Co LLP, is subscribing in his personal capacity for 250,000 Subscription Shares but is not included within the Concert Party*

2.2 The following gives further details on those individuals disclosed in paragraph 2.1 above, who will each hold more than 3% of the Enlarged Share Capital:

Simon McGivern: CEO of Oberon (see directors' biography on page 21)

David Evans: Owner of Belle Pubs and Restaurants chain of sports bars, associate of Rodger Sargent

Simon Like: Long standing senior fund manager at Oberon, started in 2001, manages the 2 New Century VCTs as well as discretionary clients

Michael Hennigan: Successful private capital markets investor, associate of Rodger Sargent

Andrew Headley: Fund manager and Head of Global at Veritas Asset Management, associate of Rodger Sargent.

3. Interests and dealings

Except as set out in paragraph 2 as at the close of business on the disclosure date:

- 3.1 the members of the Concert Party have no interest in or right to subscribe for, nor have any short position in relation to, any relevant Baskerville securities, nor have they dealt in any relevant Baskerville securities during the disclosure period;
- 3.2 none of the Concert Party members or directors of Oberon Group (including any members of such members or directors' respective immediate families, related trusts or connected persons) have an interest in or a right to subscribe for, or have any short position in relation to, any relevant Baskerville securities, nor has any such person dealt in any relevant Baskerville securities during the disclosure period;
- 3.3 no person acting in concert with the Concert Party has an interest in or a right to subscribe for, or has any short position in relation to, any relevant Baskerville securities, nor has any such person dealt in any relevant Baskerville securities during the disclosure period;
- 3.4 there are no arrangements which exist between the Concert Party, or any person acting in concert with the Concert Party, and any other person in connection with or dependent upon the outcome of the Proposals; and
- 3.5 neither the Concert Party nor any person acting in concert with the Concert Party has borrowed or lent any relevant Baskerville securities, except for any borrowed shares which have either been on-lent or sold.

4. Arrangements

The Concert Party have not entered into any agreement, arrangement or understanding to transfer any interest acquired in Baskerville, as a result of the issue of the New Ordinary Shares, to any person.

5. Material contracts of the Concert Party

Except as set out in paragraph 11 of Part 11 of this Document, there are no material contracts (other than contracts entered into in the ordinary course of business) entered into by the members of the Concert Party in connection with the Company or the Existing Oberon Group within the two years immediately preceding the date of this Document.

6. Concert Party ratings information

There are no ratings or outlooks publicly accorded to any of the Concert Party by ratings agencies.

7. Market quotations

Baskerville's shares are admitted to trading on the London Stock Exchange's Market. Trading in the shares was suspended on 27 January 2020 pending the publication of further information on the proposed acquisition of Oberon. The share price of a Baskerville share on suspension was 3.45p as derived from the Daily Official List. The share price of a Baskerville share for the first day of each of the last six months immediately before the date of this Document and on 20 January 2021 (being Last Practicable Date) is therefore 3.45p.

8. Definitions

For the purposes of Part 4 of this Document the following words and phrases will have the following meanings:

- 8.1 **acting in concert** with a person means any other person acting or deemed to be acting in concert with that first person for the purposes of the Takeover Code;
- 8.2 **arrangement** includes any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing;
- 8.3 **connected adviser** has the meaning attributed to it in the Takeover Code;
- 8.4 **connected person** means in relation to a Director, those persons whose interests in Ordinary Shares the Director would be required to disclose pursuant to Part 22 of the Act and related regulations and includes any spouse, civil partner, infants (including step children), relevant trusts and any company in which a Director holds at least 20 per cent. of its voting capital;
- 8.5 **control** means a holding, or aggregate holdings, of shares carrying 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether the holding or aggregate holding gives *de facto* control;
- 8.6 **dealing** or **dealt** includes the following:
 - 8.6.1 the acquisition or disposal of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of voting rights attached to relevant securities, or of general control of relevant securities;
 - 8.6.2 the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any relevant securities;
 - 8.6.3 subscribing or agreeing to subscribe for relevant securities;
 - 8.6.4 the exercise or conversion of any relevant securities carrying conversion or subscription rights (whether in respect of new or existing securities);
 - 8.6.5 the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to relevant securities;
 - 8.6.6 entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and

- 8.6.7 any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;
- 8.7 **derivative** includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security;
- 8.8 **disclosure date** means 20 January 2021, being the latest practicable date prior to the date of this Document;
- 8.9 **disclosure period** means the period commencing on 20 January 2020, being the date 12 months prior to the date of publication of this Document and ending on the disclosure date;
- 8.10 **exempt principal trader** and **exempt fund manager** have the meanings attributed to them in the Takeover Code;
- 8.11 being **interested** in relevant securities includes where a person:
- 8.11.1 owns relevant securities;
- 8.11.2 has a right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities or has general control of them;
- 8.11.3 by virtue of any agreement to purchase, option or derivative, has the right or option to acquire relevant securities or call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
- 8.11.4 is party to any derivative whose value is determined by reference to their price and which results, or may result, in his having a long position in them;
- 8.12 **paragraph 1 associate** means, in relation to a company, its parent, subsidiaries and fellow subsidiaries, their associated companies, and companies of which such parent, subsidiaries, fellow subsidiaries or associated companies are associated companies (for this purpose, ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of "associated company" status);
- 8.13 **relevant Baskerville securities** means shares in Baskerville (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof; and
- 8.14 **short position** means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, agreement to sell or any delivery obligation or right to require any other person to purchase or take delivery.

Part 5 Risk Factors

In addition to all other information set out in this Document, the following specific factors should be considered carefully in evaluating whether to make an investment in the Company. If you are in any doubt about the action you should take, you should consult a professional adviser authorised under FSMA who specialises in advising on the acquisition of shares and other securities prior to making any investment.

If any of the following risks were to materialise, the Company's business, financial condition, results or future operations could be materially adversely affected. Additional risks and uncertainties not presently known to the Directors or the Proposed Directors, or which the Directors and the Proposed Directors currently deem immaterial, may also have an adverse effect upon the Company. In that case, the market price of the Ordinary Shares could decline and all or part of an investment in the Ordinary Shares could be lost.

There can be no certainty that the Company will be able to implement successfully the strategy set out in this Document.

In particular, the Company's performance and its operations are likely to be affected by changes in market and/or economic conditions, political, judicial, and administrative factors and in legal, accounting, regulatory and tax requirements in the areas in which it invests. There may be additional risks and uncertainties that the Directors and the Proposed Directors do not currently consider to be material or of which they are currently unaware which may also have an adverse effect on the Company. The list below is not exhaustive, nor is it an explanation of all the risk factors involved in investing in the Company and nor are the risks set out in any order of priority.

Risks relating to the Enlarged Group's business and its industry

1. The Enlarged Group's business may be adversely affected by fluctuations in the capital markets as well as economic, political and market factors that are beyond its control

Oberon's revenue and business performance are directly influenced by net inflows and AUM in Oberon's investment management services, as well as transactions in securities held on the products. A general deterioration in the global economy, and the UK economy in particular, including as a result of uncertainty caused by the Covid-19 pandemic and the UK's exit from the EU (see the risk factor headed "Regulatory and other changes resulting from the UK's exit from the EU could impact Oberon's results" below for further information) may have a negative impact on the disposable income of customers and the amount of individual savings that are likely to be able to be invested, and managed. Oberon generates a significant portion of its revenues in the form of charges levied on an annual or other recurring basis calculated by reference to the value of AUA.

Fluctuations in capital markets may adversely affect the value of Oberon's AUA from which Oberon derives revenues, as well as investor confidence. A dramatic or sustained decline in capital markets may: (i) reduce the value of the AUA; (ii) prompt customers not to allocate further savings into Oberon's services or to withdraw money previously invested and (iii) make it more difficult for financial advisers to attract new clients to manage using Oberon's services, all or any of which could have a material adverse effect on Oberon's business, results of operations and/or financial condition.

Oberon generates a significant portion of its revenues in the form of recurring ad-valorem charges derived from the AUA held on behalf of its customers. Recurring ad-valorem charges principally comprise, management and custody fees. These fees are derived from the market value of retail customers' assets, based on asset mix and portfolio size and are therefore subject to both market and economic risks.

2. The investment management market is competitive and Oberon may lose market share or revenue margin

Oberon's competitors include global, national and local financial services firms, insurance companies, investment platforms, and asset and fund management firms as well as specialist Self-Invested Personal Pension (SIPP) and Small Self Administered Scheme (SSAS) providers

The market in which Oberon operates is characterised by: (i) continued improvements in operational infrastructure resulting from changes in financial adviser and customer requirements and preferences; (ii) frequent product, tax wrapper and functionality introductions which may require the deployment of new technologies and (iii) the emergence of new industry standards and practices.

There is no guarantee that Oberon will be able to continue to design, develop, implement or utilise information systems that provide the capabilities necessary for Oberon to compete effectively or to anticipate and respond to the demand for new platform functionality, features and technologies, or for new investment products and/or wrappers to be made available by Oberon, in each case in a timely and cost-effective manner or at all.

In addition, the UK investment management and pension market remains cost-sensitive and there can be no assurance that Oberon's competitors will not reduce their fees, or rebalance their charging structures, in order to seek to win business from Oberon or increase market share. Any of these factors may result in financial adviser and customer losses, fund outflows or further downward pressure on the fees that Oberon is able to charge.

The UK investment management market is becoming increasingly vertically integrated as financial services firms, asset managers and other platform operators seek to consolidate the customer-facing elements of the retail savings and investment process through acquisitions of financial advisory firms. If this trend continues, then Oberon may lose advisory relationships and suffer fund outflows or fail to secure fund inflows.

The loss or deterioration of Oberon's relationships with its financial advisers, particularly those responsible for placing significant investment business with it, could have a material adverse effect on Oberon's business, results of operations and/or financial condition.

Competition in the UK investment management market may also intensify further in response to advisory and, to a lesser extent, customer demand. In addition, technological changes and advances (such as the advancement of automated low-cost advice solutions), the impact of further consolidation in the UK investment management market and the wider financial services sector, regulatory change aimed at increasing competition in the market, the entry of new players into the market (for example if high street banks decided to invest in further developing existing platform propositions or creating new competing propositions) and the emergence of new tax wrappers and financial products, including as may be encouraged by the UK government, regulatory actions and the introduction of new regulatory requirements, either singly or in aggregate, may increase competitive pressures.

Any failure by Oberon to maintain its competitive position in the market and to compete effectively in the UK investment management market, could lead to a reduction in Oberon's margins, a loss of business or a failure to win new business, each of which could have a material adverse effect on Oberon's results of operations and financial condition.

3. Oberon's business is subject to risks relating to changes in UK government policy and applicable regulations

The UK investment management market is sensitive to changes in the policy of the UK government and EU and UK regulators, such as the FCA. For example, certain policies have been implemented to: (i) provide savers with greater flexibility in accessing their pensions by removing the requirement to purchase an annuity; and (ii) widen ISA applicability, which changes, on the whole, have been positive for the investment management industry.

In March 2019, the FCA assessed whether competition between investment platforms works in the interests of consumers. Whilst the FCA has indicated that many aspects of the investment market work well, it identified areas where improvements could be made to/to improve the way in which platforms compete in the interest of investors:

- barriers to customers switching between investment platforms;
- the transparency of information available to customers wanting to shop around for a lower-cost platform to be able to make an informed decision;
- clarity of labelling of model portfolios with concern over similar labelling applying to portfolios with very different risks and volatility;

- clients holding too much cash and not having sufficient information to appreciate the lost investment opportunity;
- “orphan” clients who no longer have a financial adviser paying more than advised clients but with the functionality available to them being restricted; and
- the role of platforms (and the information made available by them) in driving competition between fund managers on pricing.

Any new governmental policies or regulatory requirements introduced in relation to the UK investment management market, or the introduction of any additional regulation or changes to existing regulation in relation to aspects of Oberon’s business which are already regulated (or, indeed, the introduction of any new regulation in relation to aspects of Oberon’s business which are not currently regulated), may, whether inadvertently or by design, have the effect of making Oberon’s services either more or less attractive and, potentially, either increase or decrease fund inflows and outflows. Any changes which are negative for Oberon’s services, or perceived to be negative, could therefore have a material adverse effect on Oberon’s prospects and growth strategy, as well as its business, results of operations and/ or financial condition.

4. Oberon is subject to regulation and benefits from regulatory approvals. Oberon may fail, or be held to have failed, to comply with regulations and such regulations and approvals may change, making compliance more onerous and costly

Oberon’s operations are subject to authorisation by and supervision from the FCA, and supervision from bodies such as HMRC, the Pensions Regulator and the Information Commissioner’s Office. Changes in the laws and regulations to which Oberon’s operations are subject could have a material adverse effect on Oberon’s business. Oberon’s activities are already subject to supervision by the FCA but any changes in the regulatory requirements may increase Oberon’s compliance costs and lead to an adverse impact on the financial performance of Oberon.

There has been an increased focus in the EU and the UK on the fair treatment of customers and the transparency with which the financial services industry sells and administers its products or services.

The FCA, or other regulators, could conclude that Oberon, operating through its regulated entity, MD Barnard, or its employees, has breached applicable regulations or regulatory principles or has not undertaken corrective action as required, and commence regulatory proceedings which could result in a public reprimand to, or fines, customer redress and compensation or other regulatory sanctions being imposed upon, it or any of the directors of members of the Enlarged Group or certain of Oberon’s Investments Ltd employees. Regulatory proceedings could result in adverse publicity or negative perceptions regarding Oberon, restrictions on business activities (including by way of the FCA reducing the activities for which it is authorised) or key personnel and fines and other penalties, any of which could result in a loss of revenues and profits, as well as diverting the attention of the Board and Senior Managers from the day-to-day management of Oberon.

In addition, following Admission, Oberon will be subject to new obligations as a result of being a subsidiary of a listed company and the Board and other Senior Managers will need to devote time to ensure that Oberon complies with the new reporting obligations and corporate governance practices to which it will be subject. Such compliance will also incur legal, accounting and other expenses to which Oberon was not exposed as a private company. There is a risk that the requirements of being a subsidiary of a listed public limited company will impose unexpected challenges for Oberon. Moreover, any material breach of the regulatory obligations referred to above following Admission could give rise to sanctions or censure, financial penalties and, potentially, have a material adverse impact on Oberon’s reputation, which, in turn, could have a material adverse effect on Oberon’s business, results of operations and/or financial condition.

5. Oberon may not achieve the levels of growth it expects

There is no guarantee that Oberon will be able to implement its strategy for growth successfully. Oberon may also incur significant costs attempting to implement its growth

strategies and initiatives and the Board and Senior Managers could be diverted away from existing business functions in attempts to implement these strategies and initiatives. This could lead to Oberon suffering reputational damage and a loss of financial advisers and clients and could have a material adverse effect on Oberon's business, results of operations and/or financial condition.

6. Uncertainty in investment performance

Returns on securities have historically been volatile and the performance of Oberon is linked to future performance of financial markets. The performance of Oberon's investment products is central to its ability to attract and retain the AUA from which much of its fee income is derived.

When buying investment products or selecting a fund manager, one of the most important considerations for clients and intermediaries is the historical investment performance of the product or manager. If Oberon's investment performance is unsatisfactory in the short term, existing clients may decide to reduce or liquidate their investments or transfer mandates to other fund managers. As one of Oberon's key goals is to generate strong investment performance, any sustained period of investment underperformance could have a material adverse effect on its business, reputation and brand, sales, results of operations, financial condition and growth prospects. Investment underperformance relative to competitors or relevant benchmarks would also make it more difficult for Oberon to attract new clients and could damage the Oberon's reputation and brand, which has in part been built around its investment performance generally. Any such investment underperformance could, therefore, have a material adverse effect on Oberon's business, reputation and brand, sales, results of operations, financial condition and growth prospects.

Certain emerging market countries may require governmental approval prior to investment by foreign persons. They may also limit investments in particular companies or sectors as well as controlling the purchase of local currency and imposing additional taxes on foreign persons. For example, many countries, including some of the larger emerging markets such as China, India, Russia, South Korea, and Taiwan impose currency convertibility and/or ownership controls on foreign investors. These include limitations on foreign investors such as minority ownership and/or other non-controlling stakes in strategic sectors such as natural resources. These factors could adversely affect investment performance.

7. Asset classes losing appeal

Some of Oberon's investment products focus on growth market securities. Net inflows into Oberon's investment management business are, in part, determined by the relative attractiveness to investors of the different asset classes that it manages. In the event of a prolonged period of weak investment performance from an asset class as a whole or if a particular asset class (in particular, growth market assets) goes out of favour with investors for any other reason, there may be reduced sales and/or increased redemptions from specific funds represented by that asset class which could have a material adverse effect on the Enlarged Group's business, growth prospects, sales, results of operations and/or financial condition.

8. Oberon's operations are subject to strict data protection and privacy laws, breach of which could lead to regulatory fines or data subject claims

The EU General Data Protection Regulation ("GDPR"), which has been retained in UK law post Brexit, contains stringent obligations on data controllers and rights for data subjects as well as new and increased fines and penalties for breaches of its data privacy obligations. This increasingly restrictive and complex legal framework has resulted in a greater compliance burden for businesses with customers in Europe.

The Existing Oberon Group has incurred, and will continue to incur, costs and will have to make continuing efforts to ensure compliance with GDPR, and compliance costs for the Enlarged Group could further increase going forward.

If the Enlarged Group is found not to comply with data protection laws and regulations (including GDPR) this may result in investigative or enforcement action (including criminal

proceedings and significant pecuniary penalties) by the Information Commissioner's Office in the UK and/or claims (including possible class actions) being brought against the Enlarged Group by affected customers. This in turn could damage the Enlarged Group's reputation, lead to negative publicity and result in the loss of the goodwill of its clients, all of which would have a material adverse effect on the Enlarged Group's businesses, results of operations, financial condition and prospects.

9. Oberon's operations are susceptible to cybercrime and loss or misuse of data

The Enlarged Group could be the target of cybercrime and other fraudulent activity, by cybercriminals and other actors (including state-sponsored groups). Failure or circumvention of Oberon's data and cyber security measures could result in loss, including as a result of any of the following: denial-of-service or other interruptions to Oberon's business operations; unauthorised access to Oberon's systems or data; unauthorised access to, and loss, damage or compromise of, data (including confidential or proprietary information about Oberon, third parties with whom Oberon does business, financial advisers and customers that use Oberon's services, Oberon's proprietary systems or transaction or investment holding data); or viruses, worms, spyware or other malware being placed in Oberon's systems. Techniques used to obtain unauthorised access to, or sabotage, systems and data change frequently, are becoming ever more sophisticated and may not be known until launched against Oberon or its third party service providers; therefore Oberon may be unable to anticipate these incidents, or otherwise not have in place adequate preventative measures (including those which would enable it to recover from such an incident).

Any actual or perceived incident could significantly disrupt Oberon's operations; damage Oberon's reputation; expose it to a risk of loss (including loss of market share), fine, sanction or litigation and possibly the liability and loss suffered by financial advisers and/or customers; require Oberon to incur significant expenditure; divert the attention of the Directors and Senior Managers from the day-to-day management of Oberon in order to seek to resolve problems caused by such incidents; and have a material adverse effect on Oberon's business, results of operations and/or financial condition.

10. Growing sophistication in financial crime and fraud techniques and/or any failure by Oberon to identify and prevent financial crime and fraud

Oberon could be a target for actual and attempted financial crime and fraud arising from the actions of third parties, customers and staff. Some staff have access to customer accounts and may attempt to misappropriate funds from Oberon. Customers or third parties may attempt to use Oberon to facilitate financial crimes such as money laundering and tax evasion and may fabricate or misrepresent material facts to Oberon or fail to provide full disclosure in respect of an application or instruction.

If Oberon does not provide effective training to its employees, does not continue to develop counter-financial crime and fraud measures or otherwise fails to implement or maintain effective counter-financial crime and fraud procedures, practices and strategies, the ability of Oberon to combat financial crime and fraud could be adversely affected.

There is no guarantee that Oberon's proactive measures will be successful in the prevention or detection of financial crime and fraud and any failure to combat these matters effectively could adversely affect the profitability of Oberon. Further, where Oberon's costs increase as a result of financial crime or fraudulent activity, Oberon may be required to increase its charges which could result in its pricing becoming uncompetitive, which could have a material adverse effect on Oberon's business, results of operations and/or financial condition.

11. Some of the technology underpinning the Oberon's services is provided by third parties and is licensed to Oberon

Oberon is dependent on the use of third-party IT software and hosting service providers for the provision of material IT services.

The principal information technology systems underpinning Oberon's services use software designed and written by third party IT companies who license that technology to Oberon and who provide Oberon with ongoing support and maintenance services. Oberon requires these

systems in order to be able to continue administering the Oberon's services. As such, Oberon is reliant upon these third parties for the maintenance and repair of such systems and also their development, upgrading and scalability in a way which keeps pace with the market generally and the growth of Oberon.

Any interruption in the services provided by these third parties, or their failure due to lack of system capacity or deterioration in their performance could impair the availability and quality of Oberon's services to its customers and financial advisers. Furthermore, if the contracts with any of these third party providers were terminated, Oberon may not find alternative service providers on a timely basis or on as favourable terms or may suffer disruption as a result of the transition to the new service provider. The occurrence of any of these events could have a material adverse effect on Oberon's business, reputation and brand, sales, results of operations and/or financial condition. This reliance means Oberon is at risk of substantial business and financial loss if the third parties do not provide an adequate service, fail or decide to end the licence agreements for the technology underpinning Oberon's services.

12. Oberon's operational infrastructure and business continuity may be affected by failures, damage, breakdown or interruption from events, some of which are beyond Oberon's control

The successful operation of Oberon's business depends upon maintaining the integrity of Oberon's computer, communication and information technology systems. These systems and operations are potentially vulnerable to damage, breakdown or interruption from events, some of which are beyond Oberon's control, such as fire, flood and other natural disasters; power loss or telecommunications or data network failures; improper or negligent operation of Oberon's systems by employees or service providers, or unauthorised physical or electronic access; and interruptions to network or wider system integrity generally (including as a result of cyber-attacks by computer hackers or viruses and other types of security incident).

Modifications or upgrades to any information technology systems, including those provided by third parties, could result in an interruption to Oberon's business. The continued growth of Oberon and one off events causing a spike in demand for Oberon's services could result in a failure of Oberon's systems to cope with the capacity pressures placed on them.

While Oberon has capacity planning, ongoing monitoring, security measures and business continuity and disaster recovery plans designed to mitigate the effects of any such events, should they occur, there can be no guarantee that such measures or plans will protect Oberon from all potential damage, breakdown or interruption arising from any of the events described above.

The occurrence of any such damage, breakdown or interruption could cause material disruption to the operations of Oberon and harm its business, operating results, financial condition and reputation as well as deterring financial advisers and customer from using its services.

13. Oberon is reliant on its ability to attract and retain staff of sufficient skill levels to run and operate the business

Oberon's continued success depends on its ability to attract and retain skilled financial services sector employees. If Oberon is unable to do so, this could result in a decline in the service levels provided to both the end customers and financial advisers and wealth managers who use the Oberon's services. This could cause a reduction in AUA or revenues and negative market perception. This perception could in turn lead to a failure to attract new customers to the Oberon's services and to retain existing customers.

The loss of a material number of staff and/or the failure to recruit sufficiently skilled staff could have a material adverse effect on Oberon's business, results of operations and/or financial condition.

14. Oberon may be materially adversely affected by mistakes and/or misconduct by its personnel, including non-compliance with regulatory procedures or by any errors or omissions in any work undertaken previously by such personnel

Oberon's reputation is one of its most important assets. Its relationships with its customers, financial advisers, financial institutions, investors and other significant market participants are very important to its business, and it operates in an industry where integrity and trust and confidence of clients are paramount. In addition, Oberon operates in a heavily regulated sector.

Oberon's personnel may make errors or omissions during the course of providing Oberon's services, make misrepresentations, breach applicable laws or regulations in the course of their duties or engage in other improper acts.

Oberon has systems in place designed to mitigate and limit the impact of these risks; however, such systems may fail to detect or prevent such acts. Such acts by Oberon's personnel could lead to losses for both financial advisers and customers, litigation, reputational damage, regulatory action or financial costs where such costs are not covered by insurance or to other regulatory censures or restrictions both of Oberon and the individual employee concerned, including the suspension or withdrawal of any authorisations that the relevant employee may require in order to perform his or her duties. Similar risks may arise in connection with work undertaken historically by such personnel. Errors or omissions often do not come to light for some time after they occur. Any current or historical errors, omissions, breaches or misconduct by Oberon or its personnel in connection with the provision of its services, could have a material adverse effect on Oberon's business, results of operations and/or financial condition.

15. FCA regulated companies within the Enlarged Group may require additional regulatory capital in the longer term, depending on factors such as regulatory changes. Such additional regulatory capital may not be available or may only be available on unfavourable terms

MD Barnard is currently required to comply with the Internal Capital Adequacy Assessment Process ("ICAAP") regulations under CRD IV and CRR, as well as the FCA's regulatory capital rules and policy statements.

The ICAAP regulations require certain financial institutions, including Oberon Investments, to undertake an ICAAP assessment in order to demonstrate that they have appropriate systems and processes to ensure they maintain adequate capital resources, considering the risks faced by the business.

A firm's ICAAP assessment is then reviewed by the FCA who may require the firm to take remedial actions if it is not satisfied with the soundness of the assessment. The FCA may also impose a capital add-on, requiring the firm to increase the amount of capital it holds, if it is of the view that the internal assessment does not adequately reflect the prudential risks faced by the firm.

The European Commission has proposed further changes to European capital adequacy requirements to further strengthen the resilience of certain aspects of the financial sector by introducing more risk-sensitive capital requirements in a revised Capital Requirements Directive and Capital Requirements Regulation ("CRD V" and "CRR II"). The impact on the Enlarged Group of such changes will depend on the extent to which they are replicated in UK law.

MD Barnard is currently in compliance with its regulatory capital requirements. If MD Barnard's capital requirements in the longer term were to vary materially from those which the Proposed Directors currently anticipate, or if it becomes a requirement to hold regulatory capital in relation to other areas of MD Barnard's activities, MD Barnard might require financing. There can be no guarantee that the Enlarged Group will be able to raise additional funds, whether in the form of debt or equity, when needed or that such funds will be available on terms favourable to the Enlarged Group.

A number of factors, including conditions in the credit, debt and equity markets and general economic conditions, may make it difficult for the Enlarged Group to obtain additional

financing or raise regulatory capital on favourable terms or at all. If, in the longer term, Oberon fails to raise additional funds when needed or to obtain such funds on favourable terms, it could have a material adverse effect on the Enlarged Group's business, results of operations and/or financial condition and its ability to make distributions in compliance with its dividend policy.

16. Exposure to complaints and claims from third parties and clients

Oberon may be subject to complaints or claims from clients and third parties in the normal course of business. If a large number of complaints, involving substantial client and third party losses, were upheld against Oberon, because it is found not to have discharged its duties properly, it could have a material adverse effect on Oberon's business, financial condition and results of operations.

When FCA regulated financial advisers make recommendations to retail clients on the choice of investment products, the FCA requires those advisers to consider the suitability of the proposed investments for the client in question. MD Barnard is also obliged, in compliance with its obligations under the FCA's Principles for Business and related guidance, to have regard to the assets it holds, for its advised and execution only clients. Over the period between 2009 and 2018, the FCA has clarified its expectations of product providers, in particular the need for SIPP providers to carry out due diligence on non-standard investments before accepting them, with the FCA expectations on what constitutes due diligence being spelt out more clearly.

There is currently a lack of certainty as to precisely what liability attaches to SIPP operators in respect of SIPP investments which they have accepted at different times in the past, which have subsequently performed poorly. This uncertainty may have increased following the dismissal of Berkeley Burke's claim for judicial review of the Financial Ombudsman Service's decision on a complaint involving the loss suffered by a customer arising from an investment which turned out to be fraudulent introduced by an unregulated adviser.

17. Regulatory and other changes resulting from the UK's exit from the EU could impact Oberon's financial performance

Notwithstanding the signing of a trade deal with the EU on 24 December 2020, there remains ongoing certainty as to the UK's trading relationship with the EU, particularly in financial services, which sector was excluded from the trade deal. That uncertainty may delay or result in the deferral of investment decisions, which could have an adverse effect on the Enlarged Group's trading and results of operations.

18. Oberon is dependent upon the continued services of the Proposed Directors and other Senior Managers and other key employees for the growth and success of the business

Oberon's operations are dependent upon the experience, skills and knowledge of the Proposed Directors, Senior Managers and other key employees who are the architects and implementers of Oberon's strategy and are important to its ability to attract and retain its clients, business and staff. The loss of a significant number of directors, Senior Managers and/or other key employees of the Enlarged Group, or the inability to recruit suitably experienced, qualified and trained staff, as needed, may cause significant disruption to Oberon's business, which could have a material adverse effect on Oberon's business, results of operations and/or financial condition.

19. The Company may make acquisitions that prove unsuccessful or strain or divert its resources

Successful growth through future acquisitions is dependent upon the Company's ability to identify suitable acquisition targets, conduct appropriate due diligence, negotiate transactions on favourable terms and ultimately complete such transactions and integrate clients into the business successfully.

If the Company makes acquisitions, there can be no guarantee that it will be able to generate the expected margins or cash flows, or to realise the anticipated benefits of such acquisitions, including growth or expected synergies. There can be no assurance that the

Company's assessments of, and assumptions regarding, acquisition targets will prove to be correct, and actual developments may differ significantly from its expectations. The Company may not be able to integrate acquisitions successfully into its business and integration may require more investment and effort than anticipated and divert resources from other priorities. In addition, the Company could incur or assume unknown or unanticipated liabilities or contingencies with respect to clients, employees, suppliers or to other parties. The occurrence of one or more of these risks in respect of any future acquisitions could have an adverse effect on the Company's business.

20. The Company is exposed to the risk of changes in taxation legislation and its interpretation and to increases in the rate of corporation and other taxes applicable to financial institutions

Changes in taxation legislation can affect investment behaviour, making investment generally, and specific kinds of investment products and tax wrappers in particular, either more or less appealing. The Company cannot predict the impact of future changes made to taxation legislation on its business nor can it predict the impact of future changes made to tax law on the attractiveness of the tax wrappers and financial products that it makes available. Amendments to existing legislation (such as the withdrawal of tax reliefs, increases in tax rates or the introduction of new taxes) or the introduction of new rules may impact upon the way in which customers' investment portfolios are managed by customers or their advisers. Changes from time to time in the interpretation of existing tax laws, regulation, guidance and practice, amendments to existing tax rates, or the introduction of new tax legislation, regulation, guidance and practice could have a material adverse effect on The Company's business and financial condition.

In addition, all of the tax wrappers offered by Oberon are based upon, and subject to, current tax law and UK government policy. There can be no assurance that tax law and associated government policy will stay the same in the future and material changes in such laws and policies could have an impact on the levels of AUM held in such wrappers. This, in turn, could have a material adverse effect on Oberon's business and financial condition.

Furthermore, the Company's activities are conducted within the UK and it is therefore subject to a range of UK corporation taxes at various rates. Future actions by the UK government to increase corporation tax rates, or to impose new or additional taxes, would reduce the Company's profitability. Revisions to tax legislation, or to its interpretation, might also affect the Company's financial condition in the future.

21. The Enlarged Group may suffer losses and its insurance arrangements may not be adequate

Although Oberon maintains appropriate insurance cover that includes property damage and business interruption, there can be no guarantee that a claim or claims will be covered by insurance or, if covered, will not exceed the limits of available insurance coverage, or that any insurer will remain solvent and will meet its obligations to provide Oberon with coverage or that insurance coverage will continue to be available with sufficient limits at a reasonable cost.

Renewals of insurance policies may expose Oberon to additional costs through higher premiums or the assumption of higher deductibles or claims thresholds. The future costs of maintaining insurance cover or meeting liabilities not covered by insurance could have a material adverse effect.

Risks relating to the ordinary shares and to trading on the AQSE Growth Market

22. Ordinary Shares may not be a suitable investment

The Ordinary Shares may not be a suitable investment for all the recipients of this Document. Before making a final decision, investors are advised to consult an appropriate independent investment adviser authorised under FSMA who specialises in advising on the acquisition of shares and other securities. The value of the Ordinary Shares and the income received from them can go down as well as up and investors may get back less than their original investment.

23. There may be limited public trading market for the Ordinary Shares and price of the Ordinary Shares may be volatile

The AQSE Growth Market is an exchange designed principally for growth companies, and as such, tends to experience lower levels of trading liquidity than larger companies quoted on the Official List or some other stock exchanges. Following Admission, there can be no assurance that an active or liquid trading market for the Ordinary Shares will develop or, if developed, that it will be maintained. The price of Ordinary Shares may therefore be subject to large fluctuations on small volumes of shares traded. As a result, an investment in shares traded on AQSE carries a higher risk than those listed on the Official List. Prospective investors should be aware that the value of an investment in the Company may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company. There can be no guarantee that the value of an investment in the Company will increase. Investors may therefore realise less than, or lose all of, their original investment. The share prices of publicly quoted companies can be highly volatile and shareholdings illiquid. The price at which the Ordinary Shares are quoted and the price which investors may realise for their Ordinary Shares may be influenced by a large number of factors, some of which are general or market specific, others which are sector specific and others which are specific to the Company and its operations. These factors include, without limitation, (a) the performance of the overall stock market, (b) large purchases or sales of Ordinary Shares by other investors, (c) financial and operational results of the Enlarged Group (d) changes in analysts' recommendations and any failure by the Enlarged Group to meet the expectations of the research analysts, (e) changes in legislation or regulations and changes in general economic, political or regulatory conditions, and (e) other factors which are outside of the control of the Enlarged Group. Shareholders may sell their Ordinary Shares in the future to realise their investment. Sales of substantial amounts of Ordinary Shares following Admission and/or termination of the Lock-in Undertakings (the terms of which are summarised in paragraph 11.6 of Part 11 of this Document), or the perception that such sales could occur, could materially adversely affect the market price of the Ordinary Shares. There can be no guarantee that the price of the Ordinary Shares will reflect their actual or potential market value, or the underlying value of the Company's net assets and the price of the Ordinary Shares may decline below the price paid by investors. Shareholders may be unable to realise their Ordinary Shares at the quoted market price or at all.

24. Ordinary Shares eligible for future sale may have an effect on the market price

The Company cannot predict what effect, if any, future sales of Ordinary Shares, or the availability of Ordinary Shares for future sale, will have on the market price of Ordinary Shares. Sales of substantial amounts of Ordinary Shares in the public market following Admission, or the perception that such sales could occur, could adversely affect the market price of Ordinary Shares and may make it more difficult for investors to sell their Ordinary Shares at a time and price which they deem appropriate.

25. Market risks

Notwithstanding the fact that an application has been made for the Ordinary Shares to be traded on AQSE Growth Market, this should not be taken as implying that there will be a "liquid" market in the Ordinary Shares. In addition, continued admission to the AQSE Growth Market is entirely at the discretion of Aquis Stock Exchange.

Any changes to the regulatory environment, in particular the AQSE Rules could, for example, affect the ability of the Company to maintain a trading facility on the AQSE Growth Market.

Other risks

26. 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", "anticipates", "targets", "aims", "continues", "projects", "assumes", "expects", "intends", "may", "will", "would" or "should", or in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number

of places throughout this Document and include statements regarding the Enlarged Group's intentions, beliefs or current expectations concerning, among other things, the Enlarged Group's results of operations, financial condition, liquidity, prospects, growth strategies and the industries in which the Enlarged Group operates. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. A number of factors could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements, including without limitation: conditions in the markets, the market position of the Enlarged Group, its earnings, financial position, cash flows, return on capital, anticipated investments and capital expenditures, the changing business or other market conditions and general economic conditions. These and other factors could adversely affect the outcome and financial effects of the plans and events described in this Document. Forward-looking statements contained in this Document based on past trends or activities should not be taken as a representation that such trends or activities will continue in the future.

27. Operational risks

Operational risks, which are inherent in all business activities, include those which mainly result from a potential breakdown in individual business units or the Enlarged Group's control of its human, physical and operating resources. The potential financial or reputational loss arising from failures in internal controls, flaws or malfunctions in computer systems or products supplied by the Enlarged Group, all fall within this category.

28. Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable

Investments in Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this factor, together with the number of New Ordinary Shares to be issued may contribute to both infrequent trading in the Ordinary Shares on the Aquis Stock Exchange and to volatile Ordinary Share price movements. Investors should not expect that they will necessarily be able to realise their investment in Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Admission should not be taken as implying that there will be an active trading market for the Ordinary Shares. Even if an active trading market develops, the market price for the Ordinary Shares may fall below the Issue Price.

29. Compliance costs

As it is a publicly quoted company, the Company will be subject to enhanced requirements in relation to disclosure controls and procedures and internal control over financial reporting. The Enlarged Group may incur significant costs associated with its public company reporting requirements, including costs associated with applicable AQSE Growth Market corporate governance requirements. The Enlarged Group expects to incur significant legal and financial compliance costs as a result of these rules and regulations. If the Enlarged Group does not comply with all applicable legal and regulatory requirements, this could result in regulatory investigations which could have a material adverse effect on the Enlarged Group's business, financial condition, results of operations and prospects. The Company's listing might be cancelled if the Company fails to comply with its continuing obligations under the AQSE Rules.

It should be noted that the risk factors listed above are not intended to be exhaustive and do not necessarily comprise all of the risks to which the Enlarged Group is or may be exposed or all those associated with an investment in the Company. In particular, the Enlarged Group's performance is likely to be affected by changes in market and/or economic conditions, political, judicial, and administrative factors and in legal, accounting, regulatory and tax requirements in the areas in which it operates. There may be additional risks and uncertainties that the Directors and Proposed Directors do not currently consider to be material or of which they are currently unaware which may also have an adverse effect upon the Enlarged Group. If any of the risks referred to in this Part 5 were to crystallise, the Enlarged Group's business, financial condition, results or future operations could be materially adversely affected. In such case, the price of its Ordinary Shares could decline, and investors may lose all or part of their investment. Although the Board will seek

to minimise the impact of the risk factors listed above, investment in the Company should only be made by investors able to sustain a total loss of their investment.

Part 6 Accountant's Report on Baskerville

ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF BASKERVILLE CAPITAL PLC

The Existing Directors and Proposed Directors
Baskerville Capital Plc
44 Albemarle Street
London
W1S 4JJ

Novum Securities Limited
Lansdowne House
57 Berkeley Square
London
W1J 6ER

21 January 2021

Dear Sirs

Baskerville Capital PLC

We report on the historical financial information of Baskerville PLC set out in set out in Part 6 of this Admission Document for the periods ended 30 June 2020, 30 June 2019 and 30 June 2018 (the "Financial information" or "HFI"). This financial information has been prepared for inclusion in the admission document dated 21 January 2021 ("the Admission Document") relating to the proposed admission to AQSE Growth Market of Baskerville Capital Plc and on the basis of the accounting policies set out in note 1. This report is given for the purpose of complying with paragraph 7.3 of Appendix 1 to the AQSE Growth Market – Rules for Issuers published by Aquis Exchange Limited and for no other purpose.

Responsibility

The directors of the company are responsible for preparing the HFI on the basis of preparation set out in Note 2 to the Financial Information and in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").

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

Save for any responsibility arising under paragraph 7.3 of Appendix 1 to the AQSE Growth Market – Rules for Issuers to any person as and to the extent there provided, and save for any responsibility that we have expressly agreed in writing to assume, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any person for any loss suffered by any such person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with paragraph 7.3 of Appendix 1 to the AQSE Growth Market – Rules for Issuers, consenting to its inclusion in the Admission Document.

Basis of opinion

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

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

Opinion

In our opinion the Financial Information gives, for the purpose of the Admission Document dated 21 January 2021, a true and fair view of the state of affairs of the company as at 30 June 2020, 30 June 2019, 30 June 2018 and of the profits, losses, cash flows and changes in shareholders' equity for the periods then ended in accordance with the basis of preparation set out in Note 2 and in accordance with International Financial Reporting Standards as adopted by the European Union.

Declaration

For the purposes of Appendix 1: Information for an admission document, Paragraph 7.3 of the AQSE Growth Market – Rules for Issuers, we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with paragraph 7.3 of Appendix 1 of the AQSE Growth Market – Rules for Issuers.

Yours faithfully

Haysmacintyre LLP

Chartered accountants
10 Queen Street Place
London
EC4R 1AG

Statement of comprehensive income

| | | Year ended 30 June 2020 £ | Year ended 30 June 2019 £ | Period ended 30 June 2018 £ |
|-----------------------------------|-------|------------------------------------|------------------------------------|---|
| | Notes | | | |
| Continuing operations | | | | |
| Administrative expenses | | (241,760) | (108,495) | (171,582) |
| Operating loss | 4 | (241,760) | (108,495) | (171,582) |
| Interest income | | 4,205 | 8,243 | 2,648 |
| Loss before tax | | (237,555) | (100,252) | (168,934) |
| Tax on loss | 7 | — | — | — |
| Total comprehensive income | | (237,555) | (100,252) | (168,934) |

The results reflected above relate solely to continuing activities.

There were no other recognised gains and losses for the years ending 30 June 2018, 2019 and 2020.

Statement of Financial Position

| | | At 30 June 2020 £ | At 30 June 2019 £ | At 30 June 2018 £ |
|-----------------------------|-------|-------------------------|-------------------------|-------------------------|
| | Notes | | | |
| Current assets | | | | |
| Investments | 8 | 1,146,030 | — | — |
| Trade and other receivables | 9 | 12,882 | 14,532 | 14,618 |
| Cash and cash equivalents | 10 | 160,474 | 1,489,666 | 1,616,216 |
| | | 1,319,386 | 1,504,198 | 1,630,834 |
| Current liabilities | | | | |
| Trade and other payables | 11 | (65,981) | (13,239) | (39,622) |
| | | 1,253,405 | 1,490,959 | 1,591,212 |
| Net assets | | | | |
| Equity | | | | |
| Share capital | 12 | 239,000 | 239,000 | 239,000 |
| Share premium | 12 | 1,467,894 | 1,467,894 | 1,467,889 |
| Share option reserve | 12 | 53,252 | 53,252 | 53,252 |
| Retained earnings | 12 | (506,741) | (269,186) | (168,934) |
| Total equity | | 1,253,405 | 1,490,959 | 1,591,212 |

Statement of Changes in Equity

| | Share capital £ | Share Premium £ | Share option Reserve £ | Retained earnings £ | Total £ |
|---------------------------------|-----------------------|-----------------------|---------------------------------|---------------------------|------------------|
| As at 6 April 2017 | — | — | — | — | — |
| Shares issued in the year | 239,000 | — | — | — | 239,000 |
| Share premium (net of expenses) | — | 1,467,894 | — | — | 1,467,894 |
| Grant of share options | — | — | 53,252 | — | 53,252 |
| Loss in the year | — | — | — | (168,934) | (168,934) |
| As at 30 June 2018 | 239,000 | 1,467,894 | 53,252 | (168,934) | 1,591,212 |
| Loss in the year | — | — | — | (100,252) | (100,252) |
| As at 30 June 2019 | 239,000 | 1,467,894 | 53,252 | (269,186) | 1,490,959 |
| Loss in the year | — | — | — | (237,555) | (237,555) |
| As at 30 June 2020 | 239,000 | 1,467,894 | 53,252 | (506,741) | 1,253,405 |

Cash Flow Statement

| | Year ended 30 June 2020 £ | Year ended 30 June 2019 £ | Period ended 30 June 2018 £ |
|---|------------------------------------|------------------------------------|---|
| Cash flows from operating activities | | | |
| Loss after taxation | (237,555) | (100,252) | (168,934) |
| <i>Adjustments for:</i> | | | |
| Interest receivable | (4,205) | (8,234) | (2,648) |
| Decrease/(increase) in trade and other receivables | 1,650 | 85 | (14,618) |
| Increase/(decrease) in trade and other payables | 52,743 | (26,383) | 39,622 |
| Share option charge | — | — | 53,252 |
| Net cash flow used in operating activities | (187,367) | (134,793) | (93,326) |
| Investing activities | | | |
| Investment additions | (1,146,030) | — | — |
| Net cash used in investing activities | (1,146,030) | — | — |
| Financing activities | | | |
| Issue of shares | — | — | 1,706,894 |
| Interest receivable | 4,205 | 8,234 | 2,648 |
| Net cash generated from financing activities | 4,205 | 8,234 | 1,709,542 |
| Net (decrease)/increase in cash and cash equivalents | (1,329,192) | (126,550) | 1,616,216 |
| Cash and cash equivalents brought forward | 1,489,666 | 1,616,216 | — |
| Cash and cash equivalents carried forward | 160,474 | 1,489,666 | 1,616,216 |

NOTES TO THE FINANCIAL INFORMATION

1. GENERAL INFORMATION

Baskerville Capital plc is a public limited company registered and incorporated in England and Wales. The Company's registered office and principal place of business is 4th floor, 43-44 Albemarle Street, London W1S 4JJ.

2. ACCOUNTING POLICIES

The historical financial information has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The financial information has been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

The financial information is presented in pounds sterling (£) which is the functional currency of the company.

An overview of standards, amendments and interpretations to IFRSs issued but not yet effective, and which have not been adopted early by the Company are presented below under 'Statement of Compliance'.

Statement of compliance

The financial information complies with IFRS as adopted by the European Union. At the most recent reporting date of this financial information (being 30 June 2020), the following Standards and Interpretations affecting the Company, which have not been applied in the financial information, were in issue, but not yet effective. The company does not plan to adopt these standards early.

- IFRS 3 Business combinations

Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

The directors are of the opinion that the Company is not currently engaged in any more than a single sector as it has not yet traded and has incurred only set up fees and the costs of running a business for the year. The Company is based in the United Kingdom and accordingly, no segmental analysis is considered necessary.

Expenses

All expenses are accounted for on an accruals basis and are presented through the Statement of Comprehensive Income.

Share based payments

All share based payments are accounted for in accordance with IFRS 2 – Share-based payments. The Company issues equity-settled share based payments in the form of options and warrants to certain directors and employees. Equity settled share based payments are measured at fair value at the date of grant. The fair value determined at the grant date of equity-settled share based payments is expensed on a straight line basis over the vesting year, based on the Company's estimate of shares that will eventually vest.

Fair value is estimated using the Black-Scholes valuation model. The expected life used in the model has been adjusted, on the basis of management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations. At each balance sheet date, the Company revises its estimate of the number of equity instruments expected to vest as a

result of the effect of non-market based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to retained earnings.

Taxation

Current taxation is the taxation currently payable on taxable profit for the year.

Trade and other receivables

Trade and other receivables are recognised and carried at original invoice value less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

Financial instruments

The Company's financial assets comprise cash and cash equivalents.

The Company's financial liabilities comprise trade payables. Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Company becomes a party to the contractual provisions of the instruments.

Investments

Fixed asset investments are initially recorded at costs, and subsequently are recognised at fair value through profit or loss in accordance with IFRS 9. Where it is not possible to reliably establish the fair value of an investment the investment is recognised at cost less any accumulated impairment losses.

Equity

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares.
- "Share premium" represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.
- "Share option reserve" represents the value of warrants and options issued.
- "Retained losses" represents cumulative net gains and losses recognised in the Statement of Comprehensive Income.

Critical Accounting Estimates and Judgements

The preparation of financial information in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the relevant reporting date and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are based upon management's knowledge and experience of the amounts, events or actions. Actual results may differ from such estimates.

The following are the significant estimations that the directors have made in the process of applying the Company's accounting policies and that have had the most significant effect on the amounts recognised in the financial information.

Valuation of fixed asset investments

As described in note 2 to the financial information, fixed asset investments are initially recorded at cost, and subsequently at fair value through profit or loss. Significant judgement is required in assessing the fair value of investments. However, the Directors' have assessed that, as the investment was made during the year and that there have been no material changes in the Company's activities or performance subsequent to the acquisition date, that the acquisition price continues to be reflective of the fair value of the investment as at the reporting date. Accordingly, the investment continues to be held at cost.

3. Segmental information

The Company is organised around one business class and the results are reported to the Chief Operating Decision Maker according to this class. There is one continuing class of business, being the seeking of investments in line with the Company's investment strategy.

Given that there is only one continuing class of business, operating within the UK no further segmental information has been provided.

4. Operating profit

| | Year ended 30 June 2020 £ | Year ended 30 June 2019 £ | Period ended 30 June 2018 £ |
|-----------------------------|---------------------------------------|---------------------------------------|---|
| Legal and professional fees | 87,653 | 36,900 | 104,934 |

5. Auditors remuneration

| | Year ended 30 June 2020 £ | Year ended 30 June 2019 £ | Period ended 30 June 2018 £ |
|---|---------------------------------------|---------------------------------------|---|
| Fees payable to the Company's auditors for the audit of the Company's annual financial statements | 15,000 | 12,500 | 13,200 |
| All other services – pursuant to legislation | 2,950 | 2,700 | 12,600 |

6. Directors Remuneration

| | Year ended 30 June 2020 £ | Year ended 30 June 2019 £ | Period ended 30 June 2018 £ |
|------|---------------------------------------|---------------------------------------|---|
| Fees | 50,000 | 50,000 | 44,306 |

The table below summaries the remuneration received by Directors in each period:

| | Year ended 30 June 2020 £ | Year ended 30 June 2019 £ | Period ended 30 June 2018 £ |
|-----------|---------------------------------------|---------------------------------------|---|
| R Sargent | 25,000 | 25,000 | 22,153 |
| J Kehoe | 25,000 | 25,000 | 22,153 |

7. Taxation

Due to tax losses sustained, there was no corporation tax payable by the company for year ended 30 June 2020, year to 30 June 2019 or period to 30 June 2018.

The tax charge for the year is different from the standard rate of corporation tax in the United Kingdom. The difference is reconciled as follows:

| | Year ended 30 June 2020 £ | Year ended 30 June 2019 £ | Period ended 30 June 2018 £ |
|---|---------------------------------------|---------------------------------------|---|
| Loss on ordinary activities before tax | (237,555) | (100,252) | (168,943) |
| Loss on ordinary activities at the effective rate of corporation tax applicable to the Company of 19% | (45,135) | (19,048) | (32,097) |
| Expenses not deductible | — | — | 10,118 |
| Losses not utilised | 45,135 | 19,048 | 21,979 |
| Total tax charge | — | — | — |

No deferred tax asset has been recognised as the Directors cannot be certain that future profits will be sufficient for this asset to be realised.

Factors affecting tax charge

There are no other factors affecting the future tax charge.

8. Investments

| | |
|---------------------------|------------------|
| Cost as at 30 June 2018 | — |
| Cost as at 30 June 2019 | — |
| Cost as at 1 July 2019 | — |
| Additions during the year | 1,146,030 |
| Cost at 30 June 2020 | 1,146,030 |

During the year ended 30 June 2020, the Company acquired an interest in Oberon Investments Limited (“Oberon”). This investment is an unlisted investment and therefore, in accordance with IFRS 9 is classified as a level 3 financial instrument. As described in the accounting policies, investments are measured at fair value through profit or loss. The Directors’ are of the view that as the investment was acquired during the year combined with

the fact that there have been no material changes to Oberon's activities or performance since the acquisition date that the cost of the investment is equivalent to its fair value at the year-end date.

9. Trade and Other Receivables

| | 30 June 2020 £ | 30 June 2019 £ | 30 June 2018 £ |
|-------------|-------------------------------|-------------------------------|-------------------------------|
| Prepayments | <u>12,882</u> | <u>14,532</u> | <u>14,618</u> |

10. Cash and cash equivalents

| | 30 June 2020 £ | 30 June 2019 £ | 30 June 2018 £ |
|--------------|-------------------------------|-------------------------------|-------------------------------|
| Cash at bank | <u>160,474</u> | <u>1,489,666</u> | <u>1,616,216</u> |

The Directors consider that the carrying amount of cash and cash equivalents represents their fair value.

11. Payables: amounts falling due within one year

| | 30 June 2020 £ | 30 June 2019 £ | 30 June 2018 £ |
|----------------|-------------------------------|-------------------------------|-------------------------------|
| Trade payables | <u>36,071</u> | <u>739</u> | <u>26,422</u> |
| Accruals | <u>29,910</u> | <u>12,500</u> | <u>13,200</u> |
| | <u><u>65,981</u></u> | <u><u>13,239</u></u> | <u><u>39,622</u></u> |

The fair value of trade and other payables is considered by the Directors not to be materially different to carrying amounts.

12. Share capital

| | Number of shares No. | Nominal value £ | Share premium £ |
|------------------------------|----------------------------|-----------------------|-----------------------|
| Issued and fully paid | | | |
| As at 30 June 2018 | 47,800,000 | 239,000 | 1,467,894 |
| As at 30 June 2019 | 47,800,000 | 239,000 | 1,467,894 |
| As at 30 June 2020 | 47,800,000 | 239,000 | 1,467,894 |

Fully paid ordinary shares, which have a par value of 0.5p, carry one vote per share and rank equally in respect of dividends.

| Reserve | Description |
|----------------------|--|
| Share capital | Includes the nominal value of shares issued |
| Share premium | Excess consideration over nominal value net of issues costs |
| Share option reserve | Includes cumulative charges in respect employee share options. |
| Retained earnings | All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere. |

Share Options and Directors Warrants

Equity Settled Share Option Scheme

The Company operates a share-based payment arrangement to remunerate directors and key employees in the form of options and warrants. Equity settled share-based payments are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

The following table sets out the details of these options granted:

| Warrant holder | Warrants issued b/f | Warrants | Warrants | Warrants | Warrants at 30 June 2020 | Exercise price | Issue date | Expiry date |
|----------------|---------------------|------------------------------------|------------------------------------|------------------------------------|--------------------------|----------------|------------|-------------|
| | | issued in the year to 30 June 2018 | issued in the year to 30 June 2019 | issued in the year to 30 June 2020 | | | | |
| J Kehoe | — | 1,000,000 | — | — | 1,000,000 | 2.5p | 12/07/2017 | 22/09/2021 |
| R Sargent | — | 1,000,000 | — | — | 1,000,000 | 2.5p | 12/07/2017 | 22/09/2021 |
| Shareholders | — | 11,500,000 | — | — | 11,500,000 | 7.5p | 11/09/2017 | 22/09/2021 |
| | — | 13,500,000 | — | — | 13,500,000 | | | |

On 27 August 2019, the directors executed a deed poll to extend the exercise period of the warrants to the fourth anniversary of listing, being 22 September 2021. The Directors have extended the exercise period because they believe the warrant-holders may support the Company in any future fundraising.

The fair value of the options issued to directors was determined using the Black-Scholes option pricing model and the inputs to the model were as follows

| | 12 July 2017 |
|---------------------------------|-------------------------|
| Grant date share price | 5p |
| Exercise share price | 2.5p |
| No. of share options | 2,000,000 |
| Risk free rate | 1% |
| Expected volatility | 40% |
| Expected option life | 2.5 years |
| Calculated fair value per share | 2.7p |

The total share-based payment expense recognised in the statement of comprehensive income for the year ended 30 June 2020 in respect of these options granted was £nil. (30 June 2019: £nil, period to 30 June 2018: £53,252)

13. Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising returns to shareholders. It is the current strategy of the Company to finance its activities from existing equity and reserves and by the issue of new equity as required.

The Board's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Board manages the Company's affairs to achieve shareholders returns through capital growth and income.

The Company is not subject to externally imposed capital requirements.

14. Net asset valuation

The net asset valuation per share is calculated by dividing the net assets attributable to the equity holders of the Company at the end of the reporting year by the number of shares in issue.

| | 30 June 2020 | 30 June 2019 | 30 June 2018 |
|------------------------------------|-------------------------|-------------------------|-------------------------|
| | £ | £ | £ |
| Net assets | 1,253,405 | 1,490,959 | 1,591,212 |
| Number of ordinary shares in issue | 47,800,000 | 47,800,000 | 47,800,000 |
| Net asset valuation per share | 2.6p | 3.1p | 3.3p |

15. Financial instruments

The Company's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk, cash flow interest rate risk and equity price risk.

Risk management is carried out by the Board of Directors.

(a) Capital management

The Company's objectives when managing capital are:

- to safeguard the Company's ability to continue as a going concern, so that it continues to provide returns and benefits for shareholders;
- to support the Company's growth; and
- to provide capital for the purpose of strengthening the Company's risk management capability.

The Company actively and regularly reviews and manages its capital structure to ensure an optimal capital structure and equity holder returns, taking into consideration the future capital requirements of the Company and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. Management regards total equity as capital and reserves, for capital management purposes.

(b) Credit risk

The main credit risk relates to liquid funds held at banks. The credit risk in respect of these bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

(c) Liquidity risk

The Company seeks to manage financial risk, to ensure sufficient liquidity is available to meet foreseeable needs.

An analysis of trade and other payables is given in note 10. These payables are payable within a year.

Categories of financial instrument

The IFRS 9 categories of financial asset included in the statement of financial position and the headings in which they are included are as follows:

| | 30 June 2020 | <i>30 June 2019</i> | <i>30 June 2018</i> |
|---|-------------------------|-------------------------|-------------------------|
| | £ | £ | £ |
| | <u> </u> | <u> </u> | <u> </u> |
| Financial assets measured at fair value through profit or loss | | | |
| Investments | 1,146,030 | — | — |
| Financial assets measured at amortised cost | | | |
| Trade and other receivables | 12,882 | 14,352 | 14,618 |
| Cash and bank balances | 160,474 | 1,489,666 | 1,616,216 |
| | <u> </u> | <u> </u> | <u> </u> |
| Financial liabilities at amortised cost | | | |
| Trade and other payables | 65,981 | 13,239 | 39,622 |
| | <u> </u> | <u> </u> | <u> </u> |

16. Related party transactions

There were no related party transactions with the directors during the year other than those disclosed in notes 6 and 12. The directors consider themselves to be the only key management personnel.

17. Ultimate controlling party

The Directors consider that there is no one controlling party.

Part 7 Accountant's Report on Oberon

ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF OBERON INVESTMENTS LIMITED AND ITS SUBSIDIARY UNDERTAKING

The Existing Directors and Proposed Directors
Baskerville Capital Plc
44 Albemarle Street
London
W1S 4JJ

Novum Securities Limited
Lansdowne House
57 Berkeley Square
London
W1J 6ER

21 January 2021

Dear Sirs

Oberon Investments Limited and its subsidiary undertaking, M.D. Barnard & Company Limited ("group")

We report on the historical financial information of the Oberon Investments Limited group set out in Part 7 of this Admission Document for the periods ended 31 March 2020, 31 October 2018, 31 October 2017 (the "Financial information" or "HFI"). This financial information has been prepared for inclusion in the admission document dated 21 January 2021 ("the Admission Document") relating to the proposed admission to AQSE Growth Market of Baskerville Capital Plc and on the basis of the accounting policies set out in note 1. This report is given for the purpose of complying with paragraph 7.3 of Appendix 1 to the AQSE Growth Market – Rules for Issuers published by Aquis Exchange Limited and for no other purpose

Responsibility

The Directors and proposed directors of Baskerville Capital Plc are responsible for preparing the Financial Information on the basis of preparation set out in note 1 to the financial information and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Save for any responsibility arising under paragraph 7.3 of Appendix 1 to the AQSE Growth Market – Rules for Issuers to any person as and to the extent there provided, and save for any responsibility that we have expressly agreed in writing to assume, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any person for any loss suffered by any such person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with paragraph 7.3 of Appendix 1 to the AQSE Growth Market – Rules for Issuers, consenting to its inclusion in the Admission Document.

Basis of opinion

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

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

Opinion

In our opinion the Financial Information gives, for the purpose of the Admission Document dated 21 January 2021 a true and fair view of the state of affairs of the group as at 31 March 2020, 31 October 2018, 31 October 2017 and of the profits, losses, cash flows and changes in shareholders' equity for the periods then ended in accordance with the basis of preparation set out in note 2 and in accordance with FRS 102.

Declaration

For the purposes of Appendix 1: Information for an admission document, Paragraph 7.3 of the AQSE Growth Market – Rules for Issuers, we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with paragraph 7.3 of Appendix 1 of the AQSE Growth Market – Rules for Issuers.

Yours faithfully

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

Consolidated statement of comprehensive income

| | | Period ended 31 March 2020 £ | Year ended 31 October 2018 £ | Period ended 31 October 2017 £ |
|------------------------------------|----------|--|---------------------------------------|--|
| | Notes | | | |
| Revenue | 2 | 1,445,613 | 990,113 | — |
| Administrative expenses | | (3,208,105) | (1,504,967) | — |
| Operating loss | 3 | (1,762,492) | (514,834) | — |
| Finance income | 6 | 20,997 | 16,438 | — |
| Finance costs | 7 | (32,218) | (27,830) | — |
| Loss before tax | | (1,773,713) | (526,226) | — |
| Tax on loss | 8 | — | — | — |
| Loss for the financial year | | (1,773,713) | (526,226) | — |

The results reflected above relate solely to continuing activities.

There was no other comprehensive income for the years ended 31 October 2017 and 2018 and the period ended 31 March 2020.

Consolidated statement of Financial Position

| | | At 31 March 2020 £ | At 31 October 2018 £ | At 31 October 2017 £ |
|--------------------------------|-------|-----------------------------|-------------------------------|-------------------------------|
| | Notes | | | |
| Non-current assets | | | | |
| Intangible fixed assets | 9 | 847,505 | 772,155 | — |
| Tangible fixed assets | 10 | 54,249 | 67,446 | — |
| | | <u>901,754</u> | <u>839,601</u> | <u>—</u> |
| Current assets | | | | |
| Debtors | 11 | 1,699,254 | 1,296,584 | — |
| Cash at bank and in hand | 12 | 839,114 | 586,921 | 163 |
| | | <u>2,538,367</u> | <u>1,883,505</u> | |
| Total assets | | 3,440,122 | 2,723,106 | |
| Current liabilities | | | | |
| Creditors due within one year | 13 | (1,961,774) | (1,534,039) | — |
| | | <u>(1,961,774)</u> | <u>(1,534,039)</u> | <u>—</u> |
| Non-current liabilities | | | | |
| Creditors due after one year | 14 | (2,694) | (300,050) | — |
| | | <u>(2,694)</u> | <u>(300,050)</u> | <u>—</u> |
| Total liabilities | | (1,964,468) | (1,834,089) | — |
| Net assets | | 1,475,654 | 889,017 | 163 |
| Shareholders' equity | | | | |
| Share capital | 15 | 455 | 327 | 163 |
| Share premium | | 3,749,349 | 1,414,916 | — |
| Share option reserve | 17 | 25,789 | — | — |
| Retained earnings | | (2,299,939) | (526,226) | — |
| | | <u>1,475,654</u> | <u>889,017</u> | <u>163</u> |
| Total equity | | 1,475,654 | 889,017 | 163 |

Consolidated statement of Changes in Equity

| | Share capital £ | Share Premium £ | Share option Reserve £ | Retained earnings £ | Total £ |
|------------------------------|-----------------------|-----------------------|---------------------------------|---------------------------|------------------|
| As at 1 November 2016 | — | | | | |
| Shares issued in the year | 163 | — | — | — | 163 |
| As at 31 October 2017 | 163 | — | — | — | 163 |
| Shares issued in the year | 164 | 1,414,916 | — | — | 1,415,080 |
| Loss for the year | — | — | — | (526,226) | (526,226) |
| As at 31 October 2018 | 327 | 1,414,916 | — | (526,226) | 889,017 |
| Shares issued in the year | 128 | 2,334,433 | 25,789 | — | 2,360,351 |
| Loss for the year | — | — | — | (1,773,713) | (1,773,714) |
| As at 31 March 2020 | 455 | 3,749,349 | 25,789 | (2,299,939) | 1,475,654 |

Consolidated Cash Flow Statement

| | Period ended 31 March 2020 £ | Year ended 31 October 2018 £ | Period ended 31 October 2017 £ |
|--|--|---------------------------------------|--|
| Cash flows from operating activities | | | |
| Profit after taxation | (1,773,713) | (543,150) | — |
| <i>Adjustments for:</i> | | | |
| Taxation charged | — | 16,924 | — |
| Finance costs | 32,218 | 27,830 | — |
| Finance income | (20,997) | (16,438) | — |
| Loss/(gain) on disposal of tangible fixed assets | 1,771 | (52,176) | — |
| Depreciation & amortisation of fixed assets | 281,369 | 130,696 | — |
| Share based payment expense | 25,789 | — | — |
| Tax paid | — | — | — |
| Operating cash flows before working capital changes | | | |
| | (1,453,563) | (436,314) | — |
| (Increase)/decrease in trade and other receivables | (209,460) | 3,879,782 | — |
| Decrease in trade and other payables | (71,065) | (750,838) | — |
| Net cash flow (used in)/from operating activities | (1,734,088) | 2,692,630 | — |
| Investing activities | | | |
| Purchase of property, plant and equipment | (38,359) | (48,256) | — |
| Cash in subsidiary acquired | — | 7,242,217 | — |
| Purchase of intangible assets | (112,000) | — | — |
| Increase in investments | (195,778) | (11,431,706) | — |
| Issue of other loans | (167,000) | — | — |
| Proceeds on disposal of tangible fixed assets | 28 | 677,052 | — |
| Finance costs | (32,218) | (27,830) | — |
| Finance income | 20,997 | 16,438 | — |
| Net cash flows used in investing activities | (524,330) | (3,572,085) | — |
| Financing activities | | | |
| Issue of shares | 2,334,562 | 1,415,079 | 163 |
| Repayment of borrowings | — | (150,000) | — |
| Proceeds from issue of loans | 169,649 | 201,134 | — |
| Sources of capital from finance leases | 6,400 | — | — |
| Net cash generated in financing activities | 2,510,611 | 1,466,213 | 163 |
| Net increase in cash and cash equivalents | 252,193 | 586,758 | 163 |
| Cash and cash equivalents at beginning of year | 586,921 | 163 | — |
| Cash and cash equivalents at end of year | 839,114 | 586,921 | 163 |

NOTES TO THE FINANCIAL INFORMATION

GENERAL INFORMATION

Oberon Investments Limited is a limited liability company incorporated and domiciled in England and Wales. The address of its registered office, and its principal trading address, is Nightingale House, 65 Curzon Street, London W1J 8PE. Its principal activity is arranging deals in investments and financial planning.

1. ACCOUNTING POLICIES

1.1 Basis of preparation

The financial information has been prepared in accordance with applicable United Kingdom accounting standards, namely Financial Reporting Standard 102 – ‘The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland’ (‘FRS 102’). The financial information has been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial information is prepared in sterling, which is the functional currency of the company and the group. Monetary amounts in the financial information are rounded to the nearest £.

The consolidated financial information incorporates the financial information of Oberon Investments Limited and its subsidiary, M.D. Barnard & Company Limited. The acquisition method of accounting has been adopted. The results and cash flows relating to a business are included in the consolidated profit and loss account and the consolidated cash flow statement from the date of acquisition.

1.2 Going concern

The Directors have prepared the historical financial information on a going concern basis. The Directors believe that preparing the historical financial information on the going concern basis is appropriate having reviewed the Group’s working capital requirements for the next 20 months. This working capital review has taken into account future trading prospects, including an assessment of sensitivities around relevant key financial performance indicators and expected funds raised by the Group’s expected listing on the AQSE Growth Market.

1.3 Revenue

Revenue represents amounts earned from stockbroking commissions receivable on executed transactions, account administration charges and fees receivable for the management of investment funds net of VAT. Revenue from stockbroking is recognised upon settlement of transactions; all other revenue is recognised when the company is contractually entitled to do so.

1.4 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

1.5 Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquire plus costs directly attributable to the business combination.

Any excess of the cost of the business combination over the acquirer’s interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill. If the net fair value of the identifiable assets and liabilities exceeds the cost of the business combination the excess is recognised separately on the face of the consolidated statement of financial position immediately below goodwill.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

The useful economic life of the intangible asset is based over a period of ten years. During the year the value of this intangible was fully impaired.

1.7 Goodwill

Goodwill represents the excess of the cost of an acquisition over the interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired. Goodwill is capitalised as an intangible asset. The goodwill is amortised over a period of 10 years, as required by FRS102, straight line with the expense being recognised in the profit and loss account on an annual basis.

1.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|--------------------------------|-----------------|
| Land and buildings Freehold | 4% per annum |
| Fixtures, fittings & equipment | 25% per annum |
| Computer equipment | 16.6% per annum |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to profit or loss.

Additions are depreciated as if they were acquired at the beginning of the year at a full year's rate.

1.9 Impairment of fixed assets

At each reporting period end date, the Directors review the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Fixed asset investments

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements. The directors have assessed the value of the investment in the subsidiary and based on the value of the business as per the recent investments into the parent company (whose only asset is the subsidiary), no impairment charge is required to be made.

1.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

1.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.13 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight-line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.14 Finance leases

Assets obtained under finance leases are capitalised as tangible fixed assets. Assets are depreciated over the shorter of the lease term and their useful lives.

Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the group. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance elements of the rental payment is charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.15 Pension

The Group operates a defined contribution pension scheme. All contributions are charged to the Statement of Comprehensive Income in the period to which they relate. The units of the plan are held separately from the Group in independently administered funds.

1.16 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

In accordance with FRS102, deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.17 Foreign currency

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the report date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken to the profit and loss account.

1.18 Financial Instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.19 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.20 Significant Judgements and Estimates

In applying the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future year.

Intangible assets

Goodwill

Goodwill recognised on acquisition has been stated as an intangible asset on the balance sheet and is amortised to the income statement over a period of not more than 10 years from the date of acquisition as required by FRS 102.

Goodwill is subject to review for impairment in accordance with FRS 102. The carrying values of goodwill are written down by the amount of any impairment and the loss is recognised in the profit and loss account in the period in which this occurs.

2. Revenue

Analysis of the Group's turnover is as follows:

| | Period ended 31 March 2020 £ | Year ended 31 October 2018 £ | Period ended 31 October 2017 £ |
|----------------------------|---|---|---|
| Commissions | 843,435 | 604,885 | — |
| Investment management fees | 528,178 | 385,228 | — |
| Corporate finance income | 74,000 | — | — |
| | <u>1,445,613</u> | <u>990,113</u> | <u>—</u> |

All revenue was generated in the UK.

3. Operating profit

Operating profit is stated after charging/(crediting):

| | Period ended 31 March 2020 £ | Year ended 31 October 2018 £ | Period ended 31 October 2017 £ |
|--|---|---|---|
| Depreciation | 48,943 | 52,105 | — |
| Amortisation/impairment of intangible assets | 120,428 | 77,924 | — |
| Impairment of intangible assets | 112,000 | — | — |
| Loss/(profit) on disposal of fixed assets | 1,771 | (52,176) | — |
| Operating lease rentals | 122,534 | 75,303 | — |
| Fees payable to the Group's auditor for the audit of the Group's annual financial statements | 44,000 | 24,045 | — |
| Tax compliance services | — | 2,292 | — |
| All other services | — | 2,750 | — |

4. Directors Remuneration

The average number of Directors during the period was 2 (2018 and 2017: 1).

The Directors and senior managers are considered to be the key management personnel. The total remuneration paid to key management personnel is disclosed in note 19.

5. Employees

The average monthly number of persons (including directors) employed by the company during the period was:

| Period ended 31 March 2020 Number | Year ended 31 October 2018 Number | Period ended 31 October 2017 Number |
|--|--|--|
| <u>18</u> | <u>15</u> | <u>1</u> |

Their aggregate remuneration comprised:

| | Period ended 31 March 2020 £ | Year ended 31 October 2018 £ | Period ended 31 October 2017 £ |
|-----------------------|---|---|---|
| Wages and salaries | 1,151,110 | 504,045 | — |
| Social security costs | 120,230 | 53,471 | — |
| Pension costs | 27,542 | 6,788 | — |
| | <u>1,298,882</u> | <u>564,304</u> | <u>—</u> |

6. Finance income

| | Period ended 31 March 2020 £ | Year ended 31 October 2018 £ | Period ended 31 October 2017 £ |
|---------------------|---|---|---|
| Interest receivable | <u>20,997</u> | <u>16,438</u> | <u>—</u> |

7. Finance costs

| | Period ended 31 March 2020 £ | Year ended 31 October 2018 £ | Period ended 31 October 2017 £ |
|---------------------------|---|---|---|
| Interest payable on loans | <u>32,218</u> | <u>27,830</u> | <u>—</u> |

8. Taxation

| | Period ended 31 March 2020 £ | Year ended 31 October 2018 £ | Period ended 31 October 2017 £ |
|--|--|---------------------------------------|--|
| Current tax | | | |
| UK corporation tax on profits for the current period | — | — | — |
| Deferred tax | | | |
| Origination and reversal of timing differences | — | — | — |
| Total UK current tax | — | — | — |
| Total tax charge | — | — | — |

The charge for the year can be reconciled to the profit per the income statement as follows:

| | Period ended 31 Mar 2020 £ | Year ended 31 Oct 2018 £ | Period ended 31 October 2017 £ |
|--|--|-----------------------------------|--|
| Profit before tax per audited statements | (1,773,713) | (526,226) | — |
| Expected tax charge based on corporation tax rate of 19.00% (2018: 19.0%, 2017: 19%) | (337,005) | (99,983) | — |
| Effect of expenses not deductible in determining taxable profit | 32,726 | 18,229 | — |
| Capital allowances | 18,892 | 5,482 | — |
| Other timing adjustments | (2,375) | (14,049) | — |
| Deferred tax not recognised | 287,762 | 90,321 | — |
| Total tax charge | — | — | — |

The UK corporation tax rate for small company profit was held at 20% for all periods up until 1 April 2017 before dropping to 19%. Tax losses are carried forward to offset against future profits. No deferred tax asset is recognised in relation to tax losses due to the uncertainty around the timing of their release.

9. Intangible assets

| | Goodwill £ | Contracts £ | Total £ |
|-----------------------------------|------------------|----------------|------------------|
| Cost | | | |
| At 1 November 2016 | — | — | — |
| Additions | — | — | — |
| At 31 October 2017 | — | — | — |
| Additions | 850,079 | — | 850,079 |
| At 31 October 2018 | 850,079 | — | 850,079 |
| Additions | 195,778 | 112,000 | 307,778 |
| At 31 March 2020 | 1,045,857 | 112,000 | 1,157,857 |
| Amortisation | | | |
| At 1 November 2016 | — | — | — |
| Amortisation charge in the period | — | — | — |
| At 31 October 2017 | — | — | — |
| Amortisation charge in the period | 77,924 | — | 77,924 |
| At 31 October 2018 | 77,924 | — | 77,924 |
| Amortisation charge in the period | 120,428 | — | 232,428 |
| Impairment charge in the period | — | 112,000 | — |
| At 31 March 2020 | 198,352 | 112,000 | 310,352 |
| Net book value | | | |
| At 31 October 2017 | — | — | — |
| At 31 October 2018 | 772,155 | — | 772,155 |
| At 31 March 2020 | 847,505 | — | 847,505 |

10. Tangible fixed assets

| | Premises £ | Fixtures, fittings & equipment £ | Computer equipment £ | Total £ |
|------------------------------------|---------------|---|----------------------------|-------------|
| Cost | | | | |
| At 1 November 2016 | — | — | — | — |
| Additions | — | — | — | — |
| Disposals | — | — | — | — |
| At 31 October 2017 | — | — | — | — |
| Additions | 1,092,700 | 117,532 | 2,019 | 1,212,251 |
| Disposals | (1,092,700) | — | — | (1,092,700) |
| At 31 October 2018 | — | 117,532 | 2,019 | 119,551 |
| Reclassification | — | (36,414) | 36,414 | — |
| Additions | — | 2,193 | 36,166 | 38,359 |
| Disposals | — | (23,057) | — | (23,057) |
| At 31 March 2020 | — | 60,254 | 74,599 | 134,853 |
| Depreciation and impairment | | | | |
| At 1 November 2016 | — | — | — | — |
| Depreciation charge in the period | — | — | — | — |
| At 31 October 2017 | — | — | — | — |
| Depreciation charge in the period | — | 52,105 | — | 52,105 |
| At 31 October 2018 | — | 52,105 | — | 52,105 |
| Reclassification | — | (17,195) | 17,195 | — |
| Depreciation charge in the period | — | 23,688 | 25,255 | 48,943 |
| Eliminated on disposal | — | (20,444) | — | (20,444) |
| At 31 March 2020 | — | 38,154 | 42,450 | 80,604 |
| Net book value | | | | |
| At 31 October 2017 | — | — | — | — |
| At 31 October 2018 | — | 65,427 | 2,019 | 67,446 |
| At 31 March 2020 | — | 22,100 | 32,149 | 54,249 |

Depreciation is included within administrative expenses.

11. Debtors

| | 31 March 2020 £ | 31 October 2018 £ | 31 October 2017 £ |
|--------------------------------|-----------------------|-------------------------|-------------------------|
| Trade debtors | 1,305,029 | 1,177,173 | — |
| Rent and other deposits | 116,747 | 43,838 | — |
| Other debtors | 200,265 | 9,994 | — |
| Prepayments and accrued income | 77,213 | 65,579 | — |
| | <u>1,699,254</u> | <u>1,296,584</u> | <u>—</u> |

The fair value of trade and other receivables is considered by the Directors not to be materially different to the carrying amounts.

12. Cash and cash equivalents

| | 31 March 2020 £ | 31 October 2018 £ | 31 October 2017 £ |
|--------------------------|-----------------------|-------------------------|-------------------------|
| Cash at bank and in hand | 839,114 | 586,921 | 163 |
| | <u>839,114</u> | <u>586,921</u> | <u>163</u> |

The Directors consider that the carrying amount of cash and cash equivalents represents their fair value.

13. Creditors: amounts falling due within one year

| | 31 March 2020 £ | 31 October 2018 £ | 31 October 2017 £ |
|---------------------------------|-----------------------|-------------------------|-------------------------|
| Trade creditors | 1,350,486 | 1,169,522 | — |
| Other taxes and social security | 18,414 | 37,416 | — |
| Other creditors | 18,527 | 37,387 | — |
| Borrowings | 220,783 | 1,084 | — |
| Deferred consideration | 200,000 | 241,522 | — |
| Finance lease creditor | 3,705 | — | — |
| Accruals and deferred income | 149,859 | 47,108 | — |
| | <u>1,961,774</u> | <u>1,534,039</u> | <u>—</u> |

The fair value of trade and other payables is considered by the Directors not to be materially different to carrying amounts.

14. Creditors: amounts falling due in greater than one year

| | 31 March 2020 £ | 31 October 2018 £ | 31 October 2017 £ |
|------------------------|-----------------------|-------------------------|-------------------------|
| Borrowings | — | 50,050 | — |
| Deferred consideration | — | 250,000 | — |
| Finance lease creditor | 2,694 | — | — |
| | <u>2,694</u> | <u>300,050</u> | <u>—</u> |

15. Share capital

| | 31 March 2020 | 31 October 2018 | 31 October 2017 |
|---|-------------------------|-------------------------|--------------------|
| Share capital | | | |
| Nominal value £0.01 per share: 45,480 shares (2018: 32,647 shares) | 455 | 327 | 163 |
| Share premium | <u>3,749,349</u> | <u>1,414,916</u> | <u>—</u> |
| | <u>3,749,804</u> | <u>1,415,243</u> | <u>—</u> |

16. Reserves

The following describes the nature and purpose of each reserve within equity:

| | |
|-------------------|---|
| Retained earnings | All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere. |
| Share premium | Excess consideration over nominal value net of issues costs |

17. Share option reserve

In the 17-month period ending 31 March 2020, Oberon Investments Limited introduced a new equity settled share-based compensation plan (an EMI Option plan) whereby employees are awarded rights over shares. The changes in the number of shares held under option during the period was as follows:

EMI Option Scheme

| | Period ended 31 March 2020 No. shares held under option |
|--------------------------------------|---|
| Outstanding at start of the period | — |
| Granted | 5,795 |
| Exercised | — |
| Forfeited | — |
| Outstanding at the end of the period | <u>5,795</u> |
| Exercisable at the end of the period | <u>3,265</u> |

There were no share options granted or exercised in the year to 31 October 2018 or 31 October 2017.

The cost of the plan is measured at fair value, excluding the effect of non-market-based vesting conditions, on the date of grant. Fair values are calculated using the Black-Scholes valuation model. The net charge recognised in the period was £25,789 (2018: Nil).

The following table sets out the weighted average information showing the inputs/assumptions of how the fair value of the options was calculated:

EMI Option Scheme valuation model inputs

| | Period ended 31 March 2020 |
|--|---|
| Weighted average share price | £62.62 |
| Weighted average exercise price | £50.66 |
| Expected dividend yield | 0% |
| Risk free interest rate | 0.5% |
| Volatility | 30.0% |
| Expected life (weighted) (years) | 3.7 |
| Weighted average fair value of options granted in the period | £26.10 |

18. Capital commitments

There were no amounts contracted for but not provided as at 31 October 2017, 31 October 2018 and 31 March 2020.

19. Related party transactions

Remuneration of key management personnel

The Directors are considered to be the key management. The total remuneration paid to Directors for the period ending 31 March 2020 was £694,664 (Year ended 31 October 2018: £341,413; Year ended 2017: £Nil).

20. Operating lease commitments

The group had the following commitments under non-cancellable operating leases:

| | 31 March 2020 £ | 31 October 2018 £ | 31 October 2017 £ |
|---------------------|--------------------------------|----------------------------------|----------------------------------|
| Due in 1 year | 58,859 | 74,312 | — |
| Due in 2 to 5 years | 28,125 | 117,948 | — |
| | <u>86,984</u> | <u>192,260</u> | <u>—</u> |

21. Business combinations

Effective 30 November 2017 Oberon Investments Limited acquired 100% of the share capital of M. D. Barnard & Company Limited for a total consideration of £11,430,456. The business combination has been accounted for using acquisition-based accounting (the purchase method).

The following amounts of assets, liabilities and contingent liabilities were recognised at the acquisition date:

| | M. D. Barnard & Company Limited £ |
|--|--|
| Intangible fixed assets | — |
| Tangible fixed assets | 709,338 |
| Debtors | 5,176,366 |
| Creditors | (2,546,294) |
| Deferred Tax Asset | 16,924 |
| Cash | 7,242,217 |
| Goodwill | — |
| Book value at acquisition | 10,598,551 |
| Fair value adjustment | (16,924) |
| Fair value of net assets acquired | 10,581,627 |
| Goodwill on acquisition | 848,829 |
| Consideration paid | 11,430,456 |

The fair value adjustment of £16,924 related to the elimination of the deferred tax asset included in M. D. Barnard & Company Limited's balance sheet at the time of acquisition.

Before any adjustments, at the time of acquisition, M. D. Barnard & Company Limited had distributable profit reserves of £10,498,551 and share capital of £100,000, giving total net assets of £10,598,551. Prior to acquisition, in the 8-month period to 30 November 2017 it generated losses of £86,443 (unaudited).

There were no significant business combinations in the 17-month period to 31 March 2020.

22. Post balance sheet events

Since the year end the company has received £1.58m from the subscription of new Shares.

In June 2020 the company acquired the funds previously managed by Hanson Asset Management for £650,000. The funds acquired amounted to approximately £100m. This acquisition is in line with the company's strategy to grow its funds under management to a target of about £1bn.

The company has agreed a new lease for offices for the group at 65 Curzon Street (and at the same time will be leaving its existing offices when the current lease expires on 24th December 2020). The new lease commits the group to pay circa £620k in rent over the 2 year term of the lease (plus a deposit of £59k).

23. Ultimate controlling party

The Directors consider that there is no single party that controls the Group.

Part 8 Unaudited interim results of Oberon to 30 September 2020

The Existing Directors and Proposed Directors
Baskerville Capital Plc
44 Albemarle Street
London
W1S 4JJ

21 January 2021

Dear Sirs

Unaudited interim financial information of Oberon Investments Limited and its subsidiary undertaking for the six-month period ended 30 September 2020

We report on the interim financial information of Oberon Investments Limited and its subsidiary undertaking for the six-month period ended 30 September 2020. This financial information has been prepared for inclusion in the admission document dated 21 January 2021 (“the Admission Document”) relating to the proposed admission to AQSE Growth Market of Baskerville Capital Plc and on the basis of the accounting policies set out in note 1.

We have reviewed the unaudited consolidated financial position and consolidated statement of comprehensive income for Oberon Investments Limited and its subsidiary undertaking and the accounting policies applied.

The unaudited interim financial information is the sole responsibility of the Directors and proposed directors of Baskerville Capital Plc.

It should be appreciated that the unaudited statements have been prepared for the purposes of illustration and do not represent statutory financial statements as at that date. We express no opinion on whether the figures give a true and fair opinion and have not performed a statutory audit on the numbers.

We confirm that the unaudited statements have been properly compiled, so far as the accounting policies and calculations are concerned and are presented on the basis of the accounting policies adopted by the Group.

Yours faithfully

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

Consolidated statement of comprehensive income

| | 6 month period ended 30 September 2020 £ |
|------------------------------------|---|
| Revenue | 1,203,735 |
| Administrative expenses | (1,725,863) |
| Operating loss | (522,128) |
| Finance income | 11,895 |
| Finance costs | (3,622) |
| Loss before tax | (513,855) |
| Tax on loss | — |
| Loss for the financial year | (513,855) |

The results reflected above relate solely to continuing activities.

There was no other comprehensive income for the 6-month period to 30 September 2020.

Consolidated statement of Financial Position

| | Notes | At 30 September 2020 £ |
|--------------------------------|-------|---------------------------------|
| Non-current assets | | |
| Intangible fixed assets | 3 | 1,443,415 |
| Tangible fixed assets | 4 | 59,666 |
| | | <u>1,503,081</u> |
| Current assets | | |
| Debtors | 5 | 1,904,625 |
| Unpaid shares debtors | | 230,780 |
| Cash at bank and in hand | 6 | 778,844 |
| | | <u>2,914,249</u> |
| Total assets | | 4,417,330 |
| Current liabilities | | |
| Creditors due within one year | 7 | (2,430,078) |
| | | <u>(2,430,078)</u> |
| Non-current liabilities | | |
| Creditors due after one year | 8 | (50,000) |
| | | <u>(50,000)</u> |
| Total liabilities | | (2,480,078) |
| | | <u><u>1,937,252</u></u> |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 9 | 487 |
| Share premium | | 4,497,822 |
| Called-up share capital | | 10 |
| Called-up share premium | | 219,231 |
| Share option reserve | 11 | 33,496 |
| Retained earnings | | (2,813,794) |
| | | <u>1,937,252</u> |
| Total equity | | 1,937,252 |

Consolidated statement of Changes in Equity

| | Share capital £ | Share Premium £ | Share Option Reserve £ | Called-up share capital £ | Called-up share premium £ | Retained earnings £ | Total £ |
|------------------------------------|-----------------------|-----------------------|---------------------------------|------------------------------------|------------------------------------|---------------------------|------------------|
| As at 31 March 2020 | 455 | 3,749,349 | 25,789 | — | — | (2,299,939) | 1,475,654 |
| Shares issued in the period | 32 | 748,473 | — | 10 | 219,231 | — | 967,746 |
| Share option charge | — | — | 7,707 | — | — | — | 7,707 |
| Loss for the period | — | — | — | — | — | (513,855) | (513,855) |
| As at 30 September 2020 | 487 | 4,497,822 | 33,496 | 10 | 219,231 | (2,813,794) | 1,937,252 |

Consolidated Cash Flow Statement

| | Period ended 30 September 2020 £ |
|--|---|
| Cash flows from operating activities | |
| Profit after taxation | (513,855) |
| <i>Adjustments for:</i> | |
| Taxation charged | — |
| Finance costs | 3,622 |
| Finance income | (11,895) |
| Loss/(gain) on disposal of tangible fixed assets | — |
| Depreciation & amortization of fixed assets | 78,258 |
| Share based charges | 7,707 |
| Tax paid | — |
| Operating cash flows before working capital changes | (436,163) |
| (Increase)/decrease in trade and other receivables | (436,151) |
| Increase/(decrease) in trade and other payables | 668,505 |
| Net cash flow (used in)/from operating activities | (203,809) |
| Investing activities | |
| Purchase of property, plant and equipment | (19,505) |
| Cash in subsidiary acquired | — |
| Purchase of intangible assets | (650,000) |
| Increase in investments | (10,081) |
| Issue of other loans | — |
| Proceeds on disposal of tangible fixed assets | — |
| Finance costs | (3,622) |
| Finance income | 11,895 |
| Net cash flows used in investing activities | (671,313) |
| Financing activities | |
| Issue of shares | 967,746 |
| Repayment of borrowings | (201,146) |
| Proceeds on new loan | 50,000 |
| Sources of capital from finance leases | — |
| Capital payments for finance leases | (1,748) |
| Net cash generated in financing activities | 814,852 |
| Net increase in cash and cash equivalents | (60,270) |
| Cash and cash equivalents at beginning of period | 839,114 |
| Cash and cash equivalents at end of period | 778,844 |

NOTES TO THE FINANCIAL INFORMATION

GENERAL INFORMATION

Oberon Investments Limited is a limited liability company incorporated and domiciled in England and Wales. The address of its registered office, and its principal trading address, is Nightingale House, 65 Curzon Street, London, W1J 8PE. Its principal activity is arranging deals in investments and financial planning.

1. ACCOUNTING POLICIES

1.1 Basis of preparation

The historical financial information has been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – ‘The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland’ (‘FRS 102’), Companies Act 2006. The financial information has been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial information is prepared in sterling, which is the functional currency of the company and the group. Monetary amounts in these financial statements are rounded to the nearest £.

The consolidated financial information incorporate the financial information of Oberon Investments Limited and its subsidiary, M. D. Barnard & Company Limited. The acquisition method of accounting has been adopted. The results and cash flows relating to a business are included in the consolidated profit and loss account and the consolidated cash flow statement from the date of acquisition.

2.2 Going concern

The Directors have prepared the historical financial information on a going concern basis. The Directors believe that preparing the historical financial information on the going concern basis is appropriate having reviewed the Group’s working capital requirements for the next 20 months. This working capital review has taken into account future trading prospects, including an assessment of sensitivities around relevant key financial performance indicators and expected funds raised by the Group’s expected listing on the AQSE Growth Market.

2.3 Turnover

Turnover represents amounts earned from stockbroking commissions receivable on executed transactions, account administration charges and fees receivable for the management of investment funds net of VAT. Turnover from stockbroking is recognised upon settlement of transactions; all other turnover is recognised when the company is contractually entitled to do so.

2.4 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.5 Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquire plus costs directly attributable to the business combination.

Any excess of the cost of the business combination over the acquirer’s interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill. If the net fair value of the identifiable assets and liabilities exceeds the cost of the business combination the excess is recognised separately on the face of the consolidated statement of financial position immediately below goodwill.

2.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

The useful economic life of the intangible asset is based over a period of ten years. During the year the value of this intangible was fully impaired.

2.7 Goodwill

Goodwill represents the excess of the cost of an acquisition over the interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired. Goodwill is capitalised as an intangible asset. The goodwill is amortised over a period of 10 years, as recommended by FRS102, straight line with the expense being recognised in the profit and loss account on an annual basis.

2.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|--------------------------------|-----------------|
| Land and buildings Freehold | 4% per annum |
| Fixtures, fittings & equipment | 25% per annum |
| Computer equipment | 16.6% per annum |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to profit or loss.

Additions are depreciated as if they were acquired at the beginning of the year at a full year's rate.

2.9 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.10 Fixed asset investments

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements. The directors have assessed the value of the investment in the subsidiary and based on the value of the business as per the recent investments into the parent company (whose only asset is the subsidiary), no impairment charge is required to be made.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight-line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

2.14 Finance leases

Assets obtained under finance leases are capitalised as tangible fixed assets. Assets are depreciated over the shorter of the lease term and their useful lives.

Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the group. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance elements of the rental payment is charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.15 Pension

The Group operates a defined contribution pension scheme. All contributions are charged to the Statement of Comprehensive Income in the period to which they relate. The units of the plan are held separately from the Group in independently administered funds.

2.16 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

In accordance with FRS102, deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2.17 Foreign currency

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the report date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken to the profit and loss account.

2.18 Financial Instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

2.19 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

2.20 Significant Judgements and Estimates

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future year.

Intangible assets

Goodwill

Goodwill recognised on acquisition has been stated as an intangible asset on the balance sheet and is amortised to the income statement over a period of not more than 10 years from the date of acquisition as recommended by FRS 102.

Goodwill is subject to review for impairment in accordance with FRS 102. The carrying values of goodwill are written down by the amount of any impairment and the loss is recognised in the profit and loss account in the period in which this occurs.

3. Intangible assets

| | Goodwill £ | Contracts £ | Total £ |
|-----------------------------------|----------------------|-----------------------|-------------------|
| Cost | | | |
| At 31 March 2020 | 1,045,857 | 112,000 | 1,157,857 |
| Additions | 660,081 | — | 660,081 |
| At 30 September 2020 | 1,705,938 | 112,000 | 1,817,938 |
| Amortisation | | | |
| At 31 March 2020 | 198,352 | 112,000 | 310,352 |
| Amortisation charge in the period | 64,171 | — | 64,171 |
| At 30 September 2020 | 262,523 | 112,000 | 374,523 |
| Net book value | | | |
| At 31 March 2020 | 847,505 | — | 847,505 |
| At 30 September 2020 | 1,443,415 | — | 1,443,415 |

4. Tangible fixed assets

| | Fixtures, fittings & equipment £ | Computer equipment £ | Total £ |
|------------------------------------|--|------------------------------------|-------------------|
| Cost | | | |
| At 31 March 2020 | 60,254 | 74,599 | 134,853 |
| Additions | — | 19,505 | 19,505 |
| Disposals | — | — | — |
| At 30 September 2020 | 60,254 | 94,104 | 154,358 |
| Depreciation and impairment | | | |
| At 31 March 2020 | 38,155 | 42,450 | 80,605 |
| Depreciation charge in period | 5,853 | 8,234 | 14,087 |
| At 30 September 2020 | 44,008 | 50,684 | 94,692 |
| Carrying amount | | | |
| At 31 March 2020 | 22,099 | 32,149 | 54,248 |
| At 30 September 2020 | 16,246 | 43,420 | 59,666 |

Depreciation is included within administrative expenses.

5. Debtors

| | 30 September 2020 £ |
|--------------------------------|------------------------------------|
| Trade debtors | 1,391,022 |
| Rent and other deposits | 76,429 |
| Other debtors | 221,090 |
| Prepayments and accrued income | 216,084 |
| | <u>1,904,625</u> |

The fair value of the trade and other receivables is considered by the Directors not to be materially different to the carrying amounts.

6. Cash and cash equivalents

| | 30 September 2020 £ |
|--------------------------|------------------------------------|
| Cash at bank and in hand | <u>778,844</u> |

The directors consider that the carrying amount of cash and cash equivalents represents their fair value.

7. Creditors: amounts falling due within one year

| | 30 September 2020 £ |
|---------------------------------|------------------------------------|
| Trade creditors | 1,424,048 |
| Other taxes and social security | 72,390 |
| Other creditors | 191,064 |
| Borrowings | 19,636 |
| Deferred consideration | 548,759 |
| Finance lease creditor | 4,651 |
| Accruals and deferred income | 169,530 |
| | <u>2,430,078</u> |

The fair value of trade and other payables is considered by the Directors not to be materially different to carrying amounts.

8. Creditors: amounts falling due in greater than one year

| | 30 September 2020 £ |
|------------------------|------------------------------------|
| Borrowings | 50,000 |
| Deferred consideration | — |
| Finance lease creditor | — |
| | <u>50,000</u> |

9. Share capital

| | 30 September 2020 £ |
|---|------------------------------------|
| Share capital | |
| Nominal value £0.01 per share: 48,738 shares | 487 |
| Nominal value £0.01 per share (called-up): 1,049 shares | 10 |
| Share premium | |
| On fully paid shares | 4,497,822 |
| On called-up shares | 219,231 |
| | <u>4,717,550</u> |

On 30 September 2020 the board unanimously agreed to the allotment of 3,217 £0.01 ordinary shares at a price of £220 per share. The share issue was fully subscribed on or before 30 September 2020 with £35,386 of issue costs being incurred by the company. As of 30 September 2020, 1,049 shares subscribed for remained unpaid, thus, have been recognised as called-up share capital and called-up premium net of issue costs in the historic financial information.

10. Reserves

The following describes the nature and purpose of each reserve within equity:

| | |
|-------------------|--|
| Retained earnings | All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere. |
| Share premium | Excess consideration over nominal value net of issues costs |

11. Share option reserve

Oberon Investments Limited operates an equity settled share-based compensation plan (an EMI Option plan) whereby employees are awarded rights over shares. The changes in the number of shares held under option during the period was as follows:

| | Period ended 30 September |
|--------------------------------------|---|
| EMI Option Scheme | <i>2020</i> |
| | <i>No. shares held under option</i> |
| Outstanding at start of the period | 5,795 |
| Granted | — |
| Exercised | — |
| Forfeited | — |
| | <hr/> |
| Outstanding at the end of the period | 5,795 |
| Exercisable at the end of the period | 3,265 |

There were no share options granted or exercised in the 6-month period to 30 September 2020.

The cost of the plan is measured at fair value, excluding the effect of non-market-based vesting conditions, on the date of grant. Fair values are calculated using the Black-Scholes valuation model. The net charge recognised in the period was £7,707 (period to March 2020: £25,789).

The following table sets out the weighted average information showing the inputs/assumptions of how the fair value of the options was calculated:

| | Period ended 30 September 2020 | Period ended 31 March 2020 |
|--|---|---|
| EMI Option Scheme valuation model inputs | | |
| Weighted average share price at grant | — | £62.62 |
| Weighted average exercise price | — | £50.66 |
| Expected dividend yield | — | 0% |
| Risk free interest rate | — | 0.5% |
| Volatility | — | 30.0% |
| Expected life (weighted) (years) | — | 3.7 |
| Weighted average fair value of options granted in the period | — | £26.10 |

12. Capital commitments

There were no amounts contracted for but not provided as at 30 September 2020.

13. Operating lease commitments

The group had the following commitments under non-cancellable operating leases:

| | Period ended 30 September 2020 |
|---------------------|---|
| | £ |
| Due in 1 year | 27,953 |
| Due in 2 to 5 years | 21,875 |
| | <hr/> |
| | 49,468 |
| | <hr/> <hr/> |

14. Post balance sheet events

Since the 30 September 2020 the company has issued a further 2,631 shares and received proceeds of £578,820. In addition, since the period end the company has received £230,780 which was outstanding, for shares issued before the end of the period. Both of these amounts were in connection with the pre-IPO fund raise process, which in total raised about £1.59.

After the end of the period the company entered into a new lease agreement for offices at 65 Curzon Street, London. The lease contract is for 2 years and commits the company to pay £620K over a 24 month period starting in January 2021, following a 2 month rent free period.

15. Ultimate controlling party

The Directors consider that there is no one controlling party who controls the group.

Part 9 Unaudited *Pro Forma* Statement of Net Assets of the Enlarged Group

REPORT ON THE UNAUDITED *PRO FORMA* STATEMENT OF NET ASSETS

The Existing Directors and Proposed Directors
Baskerville Capital Plc
44 Albemarle Street
London
W1S 4JJ

21 January 2021

Dear Sirs

We report on the unaudited *pro forma* financial information (the “**Pro Forma** Financial Information”) set out in Part V of the Company’s Admission Document dated 21 January 2021 (the “**Prospectus**”) which has been prepared on the basis described in the notes to the *Pro Forma* Financial Information, for illustrative purposes only, to provide information about the proposed admission of the ordinary shares of the Company to AQSE Growth Market. This report is required by complying with paragraph 7.7 of Table A of Appendix 1 to the AQSE Growth Market – Rules for Issuers and is given for the purpose of complying with that rule and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company to prepare the *Pro Forma* Financial Information in accordance with paragraph 7.7 of Table A of Appendix 1 to the AQSE Growth Market – Rules for Issuers.

It is our responsibility to form an opinion, as required by paragraph 7.7 of Table A of Appendix 1 to the AQSE Growth Market – Rules for Issuers as to the proper compilation of the *Pro Forma* Financial Information and to report our opinion to you.

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

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and for any responsibility arising under paragraph 7.7 of Table A of Appendix 1 to the AQSE Growth Market – Rules for Issuers to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with paragraph 7.7 of Table A of Appendix 1 to the AQSE Growth Market – Rules for Issuers, consenting to its inclusion in the Admission Document.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the *Pro Forma* Financial Information with the directors of the Company.

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

Opinion

In our opinion:

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

Declaration

For the purposes of Appendix 1: Information for an Admission Document, Table A Paragraph 7.7 of the AQSE Growth Market – Rules for Issuers, we are responsible for this report as part of the Admission Document and we declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and makes no omission likely to affect its import. This declaration is included in the Admission Document in compliance with paragraph 7.7 of Table A of Appendix 1 to the AQSE Growth Market – Rules for Issuers.

Yours faithfully

Haysmacintyre LLP
Chartered Accountants
10 Queens Street Place
London
EC4R 1AG

UNAUDITED *PRO FORMA* CONSOLIDATED NET ASSET STATEMENT FOR THE ENLARGED GROUP

The following unaudited *pro forma* statement of net assets of the Enlarged Group is prepared for illustrative purposes only. Because of its nature, the *pro forma* statement of net assets, it addresses a hypothetical situation and, therefore, does not represent the Enlarged Group's actual financial position.

The statement is prepared to illustrate the effect on the assets and liabilities of the transactions 1 to 4 as if they had taken place on 31 March 2020. It also reflects the fundraising completed by the Company of £1.59 million.

The unaudited *pro forma* statement of net assets is compiled on the basis set out below from the unaudited financial information of Oberon Investments Limited as at 31 March 2020 and Baskerville Capital Plc as at 30 June 2020 as set out in the accountants' reports in this Document.

Pro-forma balance sheet of Oberon Group (including Baskerville) as at 31st March 2020

| | Consolidated Oberon Inv Ltd As at 31/03/2020 £ | Baskerville Capital plc As at 30/06/2020 £ | OI Ltd Equity issued from 1/4/20 to admission £ | Acq of HIM funds in Jun'20 £ | Planned fund raise by BASK at admission £ | Baskerville acq of shares in Oberon Ltd at RTO for shares £ | Consolidation adjustments £ | Total pro-forma balance sheet at admission £ |
|--|--|--|---|--|---|--|-----------------------------------|--|
| Fixed Assets | | | | | | | | |
| Intangible assets | 847,505 | — | — | 650,000 | — | — | 11,100,080 | 12,597,586 |
| Tangible assets | 54,248 | — | — | — | — | — | 0 | 54,248 |
| | 901,754 | — | — | 650,000 | — | — | 11,100,080 | 12,651,834 |
| Current assets | | | | | | | | |
| Investments | — | 1,146,030 | — | — | — | 12,956,781 | -14,091,028 | 0 |
| Debtors | 1,699,254 | 12,882 | — | — | — | — | 0 | 1,712,136 |
| Cash at bank and in hand | 839,114 | 160,474 | 1,591,902 | -650,000 | 750,000 | — | 0 | 2,691,490 |
| | 2,538,368 | 1,319,386 | 1,591,902 | -650,000 | 750,000 | 12,956,781 | -14,102,811 | 4,403,626 |
| Creditors: amounts falling due within one year | 1,961,774 | 65,981 | 64,826 | — | 37,500 | — | 0 | 2,130,081 |
| Net current assets | 576,594 | 1,253,405 | 1,527,076 | -650,000 | 712,500 | 12,956,781 | -14,102,811 | 2,273,380 |
| Total assets less current liabilities | 1,478,348 | 1,253,405 | 1,527,076 | — | 712,500 | 12,956,781 | -3,002,731 | 14,925,380 |
| Creditors: amounts falling due after more than one year | 2,694 | — | — | — | — | — | 0 | 2,694 |
| Net assets | 1,475,654 | 1,253,405 | 1,527,076 | — | 712,500 | 12,956,781 | -3,002,731 | 14,922,686 |

The proforma statement of net assets of the Enlarged Group has been prepared as an aggregation of the following items:

- the net assets of Oberon Investments Limited as at 31 March 2020 as extracted from the underlying accounting records;
- the net assets of Baskerville Capital Plc as at 30 June 2020 as extracted from the underlying accounting records
- Transaction 1 – 4 as set out below;
- the net proceeds of the fundraising; and
- no adjustment has been made to reflect trading results since these dates.

Notes to the unaudited *pro forma* consolidated net asset statement for the Enlarged Group

1. The funds raised (net of costs) in Oberon Investments Limited in the period from 1 April 2020 to the date of Admission.
2. Net asset acquisition of Hanson Asset management on 26 June 2020 when £100 million of AUM was purchased.
3. The expected net proceeds of the capital raise, which is the amount after capital raise costs.
4. Reverse acquisition of Oberon Investments Limited by Baskerville Capital Plc.

By way of the share exchange agreement, the Company is expected to acquire the entire issued share capital of Oberon Investments Limited from its shareholders in return for the issue and allotment of 323,919,525 Ordinary Shares in the Company to those shareholders being the current shareholders of Oberon Investments Limited prior to Admission. As a result of the acquisition Oberon Investments Limited became a wholly owned legal subsidiary of the Company.

Part 10 Taxation

1. Taxation in the United Kingdom

The following information is based on UK tax law and HM Revenue and Customs (“HMRC”) practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for general guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

1.1 Tax treatment of the Company

Provided that the Company remains resident in the UK for taxation purposes it will be subject to UK corporation tax on its worldwide profits and gains, with credit granted for any overseas tax paid.

1.2 Tax treatment of United Kingdom investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK for tax purposes and, in the case of individuals, domiciled in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

- (i) who intend to acquire or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10 per cent., of any of the classes of shares in the Company; or
- (ii) who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or
- (iii) who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

1.3 Dividends

United Kingdom resident individuals

UK resident individual Shareholders who are domiciled in the UK, and who hold their Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company. UK resident individuals who are not domiciled in the UK may be eligible to make a claim to be taxed on the “remittance basis”, the effect of which is that they will generally be subject to UK income tax only if the dividend is remitted, or deemed to be remitted, to the UK, provided that the shares are not UK assets.

Dividend income received by UK tax resident individuals will have a £2,000 annum dividend tax allowance. A Dividend receipts in excess of £2,000 will be taxed at 7.5 per cent. for basic rate taxpayers, 32.5 per cent for higher rate taxpayers, and 38.1 per cent. for additional rate taxpayers.

United Kingdom discretionary trustees

The annual Dividend Allowance available to individuals will not be available to UK resident trustees of a discretionary trust.

UK resident trustees of a discretionary trust in receipt of dividends are liable to income tax at a rate of 38.1%, which mirrors the dividend additional rate (although the first £1,000 of dividends received in a relevant tax year may be taxable at only 7.5% depending on the circumstances).

United Kingdom resident companies

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax.

Withholding tax

Under current UK tax legislation no tax is withheld from dividends or redemption proceeds paid by the Company to Shareholders.

1.4 United Kingdom taxation of capital gains

The following paragraphs summarise the tax position in respect to a disposal of Ordinary Shares by a Shareholder resident for tax purposes in the UK.

To the extent that a Shareholder acquires Ordinary Shares allotted to him, the amount paid for the Ordinary Shares will generally constitute the base cost of the Shareholder's holding. A disposal may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains, depending on the Shareholder's circumstances and subject to any available exemption or relief.

For individual Shareholders who are UK tax resident or only temporarily non-tax resident in the UK, capital gains tax at the rate of 10 per cent. for basic rate taxpayers or 20 per cent. for higher or additional rate taxpayers may be payable on any gain (after any available exemptions, reliefs or losses). Individuals may benefit from certain reliefs and allowances (including a personal annual exemption allowance) depending on their circumstances.

For trustee Shareholders who are UK tax resident, capital gains tax at the rate of tax of 20 per cent. may be payable on any gain (after any available exemptions, reliefs or losses).

For Shareholders within the charge to UK corporation tax, a chargeable gain arising on disposal of Ordinary Shares may form part of the Shareholder's taxable profits that are subject to UK corporation tax, (after any available exemptions, reliefs or losses). The corporation tax rate applicable to a taxable profit is currently 19 per cent.

1.5 Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

No UK stamp duty will be payable on the issue of Placing Shares.

Neither UK stamp duty nor SDRT should arise on transfers of Ordinary Shares on AQSE Growth Market (including instruments transferring Ordinary Shares and agreements to transfer Ordinary Shares) based on the following assumptions:

- a) The Shares are admitted to trading on the AQSE Growth Market, but are not listed on any market (with the term "listed" being construed in accordance with section 99A of the Finance Act 1986), and this has been certified; and
- b) The AQSE Growth Market continues to be accepted as a "recognised growth market" as construed in accordance with section 99A of the Finance Act 1986).

The above comments are intended as a guide to the general UK stamp duty and SDRT position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

Inheritance Tax

Placing Shares are assets situated in the UK for the purposes of UK inheritance tax.

Investors who are concerned about the potential UK inheritance tax implications of their Placing Shares should consult their own tax adviser.

1.6 Enterprise Investment Scheme (EIS)

EIS

The Directors have received advance assurance from HMRC that it would be able to authorise the Company to issue compliance certificates under section 204(1) of the Income Tax Act 2007 in respect of Subscription Shares issued to individuals, following receipt from the Company of a properly completed compliance statement (Form EIS1) within the prescribed time limit stipulated in section 205(4) of the Income Tax Act 2007.

The continuing status of the Subscription Shares as qualifying for EIS purposes will be conditional upon the qualifying conditions being and remaining satisfied throughout the

relevant period of ownership. There can be no guarantee that any investment in the Company will remain a qualifying investment for EIS purposes. EIS eligibility is also dependent on a shareholder's own position and not just that of the Company. Accordingly, investors should take their own advice in this regard.

Part 11 Additional Information

1. Responsibility

- 1.1 Each of the Directors and Proposed Directors whose names appear on page 5 of this Document accept responsibility for the information contained in this Document (other than the information for which responsibility is accepted pursuant to paragraph 1.2 of Part 11). To the best of the knowledge of the Company and the Directors and Proposed Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and contains no omission likely to affect its import.
- 1.2 Each member of the Concert Party accepts responsibility for the information contained in this document relating to that member. To the best of the knowledge and belief of each member of the Concert Party (having taken all reasonable care to ensure that such is the case), the information contained in this document for which they take responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. The Company

- 2.1 The Company's legal and commercial name is Baskerville Capital plc.
- 2.2 The Company was incorporated and registered as a public company limited by shares in England and Wales on 6 April 2017 under the Act with registration number 10712201 and has Legal Entity Identifier 21380024SB7KJSJ69U67.
- 2.3 The domicile of the Company is the United Kingdom.
- 2.4 The Company is a public limited company and accordingly the liability of its members is limited. The Company and its activities and operations are principally regulated by the Act and the regulations made thereunder.
- 2.5 The Company's registered office is at 44 Albemarle Street, London W1S 4JJ and the telephone number is 020 7933 8780 and its website can be found at www.baskcap.com. On Admission, the Company's registered office will move to Second Floor, Nightingale House, 65 Curzon Street, London, W1J 8PE, its telephone number will be +44 (0) 203 179 5300 and its website address will be www.oberoninvestments.com. The information on each website does not form part of this Document unless that information is incorporated by reference into this Document.

3. The Company and its Subsidiaries following Admission

- 3.1 On Admission the Company will be the holding company of the Group Following Admission, each of these companies will be directly or indirectly wholly owned by the Company, the issued share capital of each of which is fully paid.

| <u>Name</u> | <u>Registered number</u> | <u>Country of incorporation</u> | <u>Percentage of issued share capital held</u> |
|--------------------------------|--------------------------|---------------------------------|--|
| GMC EBT Limited | 11088741 | England & Wales | 100% |
| M.D. Barnard & Company Limited | 02198303 | England & Wales | 100% |
| Oberon Investments Limited | 10726349 | England & Wales | 100% |
| Barnard Nominees Limited | 02255224 | England & Wales | 100% |

- 3.2 On 27 January 2020, the Company acquired a 7.83% interest in Oberon and on 8 July 2020 acquired a further 2.3% interest in such company.
- 3.3 Except as set out in paragraphs 3.1 and 3.2 above as at the date of this Document, neither the Company nor Oberon, has an interest in any other company.

4. Share Capital of the Company

- 4.1 In accordance with the Act, the Company has no limit on its authorised share capital and, accordingly, there is no limit on the maximum number of shares that may be allotted by the Company.
- 4.2 On incorporation of the Company 10,000,000 Ordinary Shares were subscribed for and issued and allotted at a price of £0.005 per share which were fully paid up.
- 4.3 In September 2017 a further 37,800,000 Ordinary Shares were issued and allotted at a price of £0.005 per share which were fully paid up.
- 4.4 In the 12 months preceding the date of this Document, there have been no changes to the issued share capital of the Company.
- 4.5 The number of shares outstanding at the beginning of the year was 47,800,000. The number of shares outstanding at the end of the year is 47,800,000.
- 4.6 As at 20 January 2021 (being the latest practicable date prior to the issue of this Document), the issued and fully paid up share capital of the Company was as follows:

Issued and fully paid

| Class | Nominal Amount |
|--------------|-----------------------|
| Ordinary | £239,000 |

- 4.7 The issued and fully paid share capital of the Company immediately following completion of the Acquisition, the Subscription and Admission is expected to be as follows:

Issued and fully paid on Admission

| Class | Nominal Amount |
|--------------|-----------------------|
| Ordinary | £2,038,949 |

- 4.8 The Company's share capital consists of one class of Ordinary Shares with equal voting rights (subject to the Articles) and the Ordinary Shares are transferrable in both certificated and uncertificated form. No Shareholder has any different voting rights from any other Shareholder.
- 4.9 Pursuant to a resolution passed on 28 November 2019, the Company resolved that:
- 4.9.1 the directors be generally and unconditionally authorised pursuant to section 551 of the Act to issue and allot shares in the Company or grant rights to subscribe for or to convert any security into shares of the Company (**Rights**) up to an aggregate nominal amount of £71,700, provided that this authority will, unless previously renewed, varied or revoked, expire at the conclusion of the next annual general meeting of the Company except that the Company may, before such expiry, make offers or agreements which would or might require Rights to be allotted or granted after such expiry and the directors may allot or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This authority revokes and replaces all unexercised authorities previously granted to the directors to allot or grant Rights, but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities;
- 4.9.2 in accordance with section 570 of the Act, the directors be given the general power to allot equity securities (as defined in section 560 of the Act) for cash, pursuant to the authority conferred by Resolution 4.9.1 as if section 561(1) of the Act did not apply to any such allotment. This power was limited to:

- 4.9.2.1 (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in, or under, the laws of any territory or the requirements of any regulatory body or stock exchange) the allotment of equity securities in connection with an offer by way of a rights issue;
- to the holders of Ordinary Shares in proportion (as nearly as may be practicable) to their respective holdings; and
 - holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary;
- 4.9.2.2 the allotment (otherwise than pursuant to paragraph 4.9.2.1) of equity securities up to an aggregate nominal amount of £71,700;
- 4.9.3 the directors may, for the purposes of paragraph 4.9.2, impose any limits or restrictions and make any arrangements which they consider necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or any regulatory body or stock exchange;
- 4.9.4 the power granted will expire at the conclusion of the next annual general meeting of the Company (unless previously renewed, varied or revoked by the Company prior to or on such date) except that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities pursuant to any such offer or agreement notwithstanding that the power conferred by this resolution has expired; and
- 4.9.5 this resolution revoked and replaced all unexercised powers previously granted to the directors to allot equity securities as if section 561(1) of the Act did not apply but without prejudice to any allotment of equity securities already made, offered or agreed to be made pursuant to such powers.
- 4.10 From Admission the Ordinary Shares will be traded on the Access segment of the AQSE Growth Market.
- 4.11 Each Consideration Share and Subscription Share will rank in full for all dividends and distributions declared made or paid after their issue and otherwise *pari passu* in all respects with each Existing Ordinary Share and will have the same rights (including voting and dividend rights and rights on a return of capital).
- 4.12 There are no rights and/or obligations over the Company's unissued share or loan capital nor do there exist any undertakings to increase the Company's share of loan capital. Except for: (a) the New Ordinary Shares (b) the warrants over Ordinary Shares referred to in paragraph 7.2 of Part 11; and (c) Ordinary Shares under option pursuant to the options referred to in paragraphs 2 of Part 4 and 11.6 of Part 11.
- 4.13 No share of the Company or any subsidiary is under option or has been agreed conditionally or unconditionally to be put under option (other than as set out in paragraph 4.12.)
- 4.14 The Company does not have in issue any securities not representing share capital nor any shares which are held by or on behalf of the Company itself, and except as set out in paragraph 7.2 of Part 11 there are no outstanding convertible securities issued by the Company.
- 4.15 On Admission, the Company's existing Shareholders will suffer a dilution of 88.28% in their aggregate interests in the Company, taking into account the issue of the Consideration Shares, and the Subscription Shares.
- 4.16 The Ordinary Shares may be held in either certificated form or under the CREST system.
- 4.17 The Ordinary Shares are and will be created and issued under the Act and are denominated in pounds sterling.

- 4.18 Except as disclosed in this paragraph 4, since the date of incorporation of the Company: (i) there has been no change in the amount of the issued share or loan capital of the Company; and (ii) no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share capital of the Company.
- 4.19 As at 20 January 2021 (being the Last Practicable Date) and except for the Concert Party details of which are set out in Part 3, the Company, Directors and the Proposed Directors are neither aware of any person or persons who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company nor are they aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company, nor, that the Company is owned or controlled directly or indirectly by any entity.
- 4.20 The registrars of the Company are Share Registrars Limited. They will be responsible for maintaining the register of members of the Company.

5. Summary of the Articles of Association of the Company

- 5.1 The rights attaching to the Ordinary Shares, as set out in the Articles contain, amongst others, the following provisions:

Votes of members

- 5.2 Subject to any special terms as to voting or to which any shares may have been issued or, no shares having been issued subject to any special terms, on a show of hands every member who being an individual is present in person or by proxy or, being a corporation is present by a duly authorised representative, has one vote, and on a poll every member has one vote for every share of which he is the holder.
- 5.3 Unless the directors determine otherwise, a member of the Company is not entitled in respect of any shares held by him to vote at any general meeting of the Company if any amounts payable by him in respect of those shares have not been paid or if the member has a holding of at least 0.25% of any class of shares of the Company and has failed to comply with a notice under section 793 of the Act.

Variation of rights

- 5.4 The Articles do not contain provisions relating to the variation of rights as these matters are dealt with in section 630 of the Act. If at any time the capital of the Company is divided into different classes of shares, the rights attached to any class may be varied or abrogated with the consent in writing of the holders of at least three fourths in nominal value of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of that class but not otherwise.

Transfer of shares

- 5.5 Subject to the provisions of the Articles relating to CREST, all transfers of shares will be effected in any usual form or in such other form as the board approves and must be signed by or on behalf of the transferor and, in the case of a partly paid share, by or on behalf of the transferee. The transferor is deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect of it.
- 5.6 The directors may, in their absolute discretion and without assigning any reason, refuse to register the transfer of a share in certificated form if it is not fully paid or if the Company has a lien on it, or if it is not duly stamped, or if it is by a member who has a holding of at least 0.25% of any class of shares of the Company and has failed to comply with a notice under section 793 of the Act. In exceptional circumstances approved by the London Stock Exchange, the directors may refuse to register any such transfer, provided that their refusal does not disturb the market.
- 5.7 The Articles contain no restrictions on the free transferability of fully paid Ordinary Shares provided that the transfers are in favour of not more than four transferees, the transfers are in respect of only one class of share and the provisions in the Articles, if any, relating to registration of transfers have been complied with.

Payment of dividends

5.8 Subject to the provisions of the Act and to any special rights attaching to any shares, the Shareholders are to distribute amongst themselves the profits of the Company according to the amounts paid up on the shares held by them, provided that no dividend will be declared in excess of the amount recommended by the directors. A member will not be entitled to receive any dividend if he has a holding of at least 0.25% of any class of shares of the Company and has failed to comply with a notice under section 793 of the Act. Interim dividends may be paid if profits are available for distribution and if the directors so resolve.

Unclaimed dividends

5.9 Any dividend unclaimed after a period of 12 years from the date of its declaration will be forfeited and will revert to the Company.

Untraced Shareholders

5.10 The Company may sell any share if, during a period of 12 years, at least three dividends in respect of such shares have been paid, no cheque or warrant in respect of any such dividend has been cashed and no communication has been received by the Company from the relevant member. The Company must advertise its intention to sell any such share in both a national daily newspaper and in a newspaper circulating in the area of the last known address to which cheques or warrants were sent. Notice of the intention to sell must also be given to the London Stock Exchange.

Return of capital

5.11 On a winding-up of the Company, the balance of the assets available for distribution will, subject to any sanction required by of the Act, be divided amongst the members.

Borrowing powers

5.12 Subject to the provisions of the Act, the directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and assets, including its uncalled or unpaid capital, and to issue debentures and other securities and to give guarantees.

Directors

5.13 No shareholding qualification is required by a director.

5.14 The directors are entitled to fees, in addition to salaries, at the rate decided by them, subject to an aggregate limit of £150,000 per annum or such additional sums as the Company may by ordinary resolution determine. The Company may by ordinary resolution also vote extra fees to the directors which, unless otherwise directed by the resolution by which it is voted, will be divided amongst the directors as they agree, or failing agreement, equally. The directors are also entitled to be repaid all travelling, hotel and other expenses incurred by them in connection with the business of the Company.

5.15 No director shall be required to retire before the completion of a Reverse Takeover. At the third (or next subsequent) annual general meeting after an annual general meeting or general meeting at which a director was appointed and which follows the completion of a Reverse Takeover, such director will retire from office. A retiring director is eligible for reappointment.

5.16 The directors may from time to time appoint one or more of their body to be the holder of an executive office on such terms as they think fit.

5.17 Except as provided in paragraphs 5.18 and 5.19 below, a director may not vote or be counted in the quorum present on any motion in regard to any contract, transaction, arrangement or any other proposal in which he has any material interest, which includes the interest of any person connected with him, otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. Subject to the Act, the Company may by ordinary resolution suspend or relax this provision to any extent or ratify any transaction not duly authorised by reason of a contravention of it.

- 5.18 In the absence of some other material interest than is indicated below, a director is entitled to vote and be counted in the quorum in respect of any resolution concerning any of the following matters:
- 5.18.1 the giving of any security, guarantee or indemnity to him in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiaries;
 - 5.18.2 the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
 - 5.18.3 any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in its underwriting or subunderwriting;
 - 5.18.4 any contract, arrangement, transaction or other proposal concerning any other company in which he is interested provided that he is not the holder of or beneficially interested in 1% or more of any class of the equity share capital of such company, or of a third company through which his interest is derived, or of the voting rights available to members of the relevant company, any such interest being deemed to be a material interest, as provided in paragraph 5.17 above, in all circumstances;
 - 5.18.5 any contract, arrangement, transaction or other proposal concerning the adoption, modification or operation of a superannuation fund or retirement, death or disability benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by HMRC;
 - 5.18.6 any contract, arrangement, transaction or other proposal concerning the adoption, modification or operation of an employee share scheme which includes full time executive directors of the Company and/or any subsidiary or any arrangement for the benefit of employees of the Company or any of its subsidiaries and which does not award to any director any privilege or advantage not generally accorded to the employees to whom such a scheme relates; and
 - 5.18.7 any contract, arrangement, transaction or proposal concerning insurance which the Company proposed to maintain or purchase for the benefit of directors or for the benefit of persons including the directors.
- 5.19 If any question arises at any meeting as to the materiality of a director's interest or as to the entitlement of any director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question must be referred to the chairman of the meeting and his ruling in relation to any other director will be final and conclusive except in a case where the nature or extent of the interest of such director has not been fully disclosed.
- 5.20 The directors may provide or pay pensions, annuities, gratuities and superannuation or other allowances or benefits to any director, ex-director, employee or ex-employee of the Company or any of its subsidiaries or to the spouse, civil partner, children and dependants of any such director, ex-director, employee or ex-employee.

CREST

- 5.21 The directors may implement such arrangements as they think fit in order for any class of shares to be held in uncertificated form and for title to those shares to be transferred by means of a system such as CREST in accordance with the Uncertificated Securities Regulations 2001 and the Company will not be required to issue a certificate to any person holding such shares in uncertificated form.

Disclosure notice

- 5.22 The Company may by notice in writing require a person whom the Company knows or has reasonable cause to believe to be or, at any time during the three years immediately preceding the date on which the notice is issued, to have been interested in shares comprised in the Company's relevant share capital:

- 5.22.1 to confirm that fact or (as the case may be) to indicate whether or not it is the case; and
- 5.22.2 where he holds or has during that time held an interest in shares so comprised, to give such further information as may be required in the notice.

General meetings

- 5.23 An annual general meeting and an extraordinary general meeting for the passing of a special resolution must be called by at least 21 days' notice, and all other general meetings must be called by at least 14 days' notice.
- 5.24 Notices must be given in the manner stated in the articles to the members, other than those who under the provisions of the articles or under the rights attached to the shares held by them are not entitled to receive the notice, and to the auditors.
- 5.25 No business may be transacted at any general meeting unless a quorum is present which will be constituted by two persons entitled to vote at the meeting each being a member or a proxy for a member or a representative of a corporation which is a member. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of, or by, members, will be dissolved.
- 5.26 At a general meeting a resolution put to the vote will be decided on a show of hands unless, before or on the declaration of the show of hands, a poll is demanded by the chairman or by at least five members present in person or by proxy and entitled to vote or by a member or members entitled to vote and holding or representing by proxy at least one tenth of the total voting rights of all the members having the right to vote at the meeting. Unless a poll is demanded as above, a declaration by the chairman that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of general meetings of the Company is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 5.27 No member is entitled to vote at any general meeting either personally or by proxy or to exercise any privilege as a member, unless all calls or other sums presently payable to him in respect of shares in the Company have been paid.
- 5.28 The appointment of a proxy must be in any usual form, or such other form as may be approved by the directors, and must be signed by the appointor or by his agent duly authorised in writing or if the appointor is a corporation, must be either under its common seal or signed by an officer or agent so authorised. The directors may, but will not be bound to, require evidence of authority of such officer or agent. An instrument of proxy need not be witnessed.
- 5.29 The proxy will be deemed to include the right to demand or join in demanding a poll and generally to act at the meeting for the member giving the proxy.
- 5.30 The directors may direct that members or proxies wishing to attend any general meeting must submit to such searches or other security arrangements or restrictions as the directors consider appropriate in the circumstances and may, in their absolute discretion, refuse entry to, or eject from, such general meeting any member or proxy who fails to submit to such searches or otherwise to comply with such security arrangements or restrictions.

6. Option Scheme

The Company intends to adopt a share option scheme or around Admission and anticipates that its principal rules will include the following:

Overall grant limits:

- 6.1 The Company may not grant options if that grant would result in the total number of shares put under option in the last 10 years (together with any shares that have been issued in the last 10 years past to fulfil options) exceeding 15% of the issued share capital of the company. Shares granted pursuant to options that can no longer be exercised are excluded when calculating this limit.

Grant of options

- 6.2 Grant of an option may be renounced by the grantee within 30 consecutive days. No option can be transferred, assigned or charged. No amount is payable on grant of an option.

Subscription price

- 6.3 The price per share to be paid on exercise of an option will be the market value at the time of the grant.

Exercise of options

- 6.4 Options may be exercised in whole or part in accordance with the rules and any objective exercise conditions imposed by the Company. Earlier exercise is permitted notwithstanding that performance conditions have not been met if the optionholder dies (where exercise is permitted by his personal representatives for 12 months) or earlier if determined by the Company. For persons who leave the employment of the Group by reason of injury, disability, redundancy or retirement, options may be exercised up to 30 months after their leaving date to the extent that they have vested.
- 6.5 Where the grantee becomes bankrupt or otherwise deprived of legal or beneficial ownership of the option, the option will lapse.

Takeovers

- 6.6 The grantee will be notified of any bid and may exercise any options that have vested within six months of an offer becoming unconditional, after which period the option will lapse. The grantee may agree with an acquiring company to release his rights in exchange for a new option whereby the market value of the shares at the date of grant is the same as for the shares under the old option and will be treated as having been granted at the date of the old option.

Liquidation

- 6.7 The Board must immediately notify the grantee and options may be exercised to the extent they have vested in the period between the date on which notice is given and the passing of any resolution for the winding-up of the Company. The shares will be deemed to have been issued prior to the passing of such a resolution.

Adjustment of options

- 6.8 If a reorganisation of the Company is affected, the number of shares subject to option and the exercise price may be adjusted as the Company may determine and may be confirmed to be reasonable by the Company's auditors and approved by HM Revenue & Customs. This may be retrospective if relevant to an already exercised option.

Costs

- 6.9 Costs of administration of the scheme are to be borne by the Company.

Termination

- 6.10 If the Option Scheme is terminated the existing options will remain in full force. The EMI Scheme is not intended to form any contract of employment and individuals who participate will not have any rights to damages for any loss, or potential loss of benefit, in the event of termination of office.

7. Directors' and Proposed Directors' Interests

7.1 On Admission the interests of the Directors and Proposed Directors and their immediate families and, so far as they are aware having made due and careful enquiries, of persons connected with them (within the meaning of sections 252 to 254 of the Act) (all of which are beneficial, unless otherwise stated) in the issued share capital are, at the date of this Document, and, immediately following Admission will be as follows:

| Director / Proposed Director | Ordinary Shares as at the date of this Document | Percentage of Existing Ordinary Shares | Number of Ordinary Shares on Admission | % of Enlarged Share Capital |
|-------------------------------------|--|---|---|------------------------------------|
| Rodger Sargent | 2,500,000 | 5.23% | 8,516,200 | 2.08% |
| Derek Kehoe | 3,700,000 | 7.74% | 3,700,000 | 0.90% |
| Simon McGivern | Nil | Nil | 52,756,925 | 12.89% |
| John Beaumont | Nil | Nil | 1,144,975 | 0.28% |
| Robert Hanson | Nil | Nil | Nil | Nil |
| Alex Hambro | Nil | Nil | 500,000 | 0.12% |

7.2 The Directors and Proposed Directors are interested in the following Warrants over Ordinary Shares:

| Name | Warrants over Ordinary Shares | Exercise price | Expiry date |
|----------------|--------------------------------------|-----------------------|--------------------|
| Rodger Sargent | 625,000 | £0.075 | 22 September 2021 |
| Derek Kehoe | 925,000 | £0.075 | 22 September 2021 |
| Rodger Sargent | 1,000,000 | £0.025 | 22 September 2021 |
| Derek Kehoe | 1,000,000 | £0.025 | 22 September 2021 |

7.3 Except as disclosed in paragraphs 7.1 and 7.2 and in paragraph 2.1 of Part 4:

7.3.1 none of the Directors or Proposed Directors nor any person connected with them, within the meaning of sections 252 and 253 of the Act, is interested in the share capital of the Company, or in any related financial products referenced to the Ordinary Shares; and

7.3.2 there are no outstanding loans or options granted by the Company to any Director or Proposed Director or for their benefit, nor has any guarantee been provided by the Company for their benefit

7.4 Except as disclosed in paragraphs 7.1 and 7.2, as at the date of this Document, the Directors and Proposed Directors are not aware of any interest which will immediately following Admission represent 3 per cent. or more of the issued share capital or voting rights of the Company or of any person who, directly or indirectly, jointly or severally, exercises or could exercise control of the Company.

7.5 No Director or Proposed Director has any interest, whether direct or indirect, in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company taken as a whole and which was effected by the Company during the current or immediately preceding financial year, or during any earlier financial year and which remains in any respect outstanding or unperformed.

8. Significant Shareholders

8.1 Except for the interests of those persons set out in paragraph 7.1 and in this paragraph 8.1, the Directors and Proposed Directors are not aware of any interest (other than interests of such Directors) which, at the date of this Document and immediately following Admission, would amount to 3% or more of the Company's issued share capital or the total voting rights:

| Name | Ordinary Shares as at the date of this Agreement | Percentage of Existing Ordinary Shares | Ordinary Shares on Admission | Percentage of Enlarged Share Capital |
|-------------------------------------|---|---|-------------------------------------|---|
| James Cox | 5,100,000 | 10.67% | 5,100,000 | 1.25% |
| Canaccord Genuity Wealth Management | 3,400,000 | 7.11% | 3,400,000 | 0.83% |
| Michael Wright | 1,900,000 | 3.97% | 1,900,000 | 0.46% |
| Mohamed Hanif Patel | 1,800,000 | 3.77% | 1,800,000 | 0.44% |
| MD Barnard Nominees Limited | 1,475,000 | 3.09% | 1,475,000 | 0.36% |

8.2 No major holder of Ordinary Shares, either as listed above, or as set out in paragraph 7.1 of this Part 11 has voting rights different from other holders of Ordinary Shares.

9. Directors' Terms of Appointment

9.1 The Company and the Oberon Group have entered into the following service agreements and letters of appointment with the Directors and Proposed Directors:

9.1.1 an agreement with Rodger Sargent dated 11 September 2017, pursuant to which Rodger Sargent was appointed as a non-executive director and chairman of the Company for an annual fee of £25,000, payable monthly in arrears. Rodger Sargent is required to devote at least two days a month to perform his duties for the Company. The appointment was for an initial term of 12 months and is terminable on three months' notice on either side. No compensation is payable for loss of office and the appointment may be terminated immediately if, among other things, Mr Sargent is in material breach of the terms of the appointment;

9.1.2 an agreement with Derek Kehoe dated 11 September 2017, pursuant to which Derek Kehoe was appointed as a non-executive director of the Company for an annual fee of £25,000, payable monthly in arrears. Derek Kehoe is required to devote at least two days a month to perform his duties for the Company. The appointment was for an initial term of 12 months and is terminable on three months' notice on either side. No compensation is payable for loss of office and the appointment may be terminated immediately if, among other things, Mr Kehoe is in material breach of the terms of the appointment;

9.1.3 an agreement between Simon McGivern and MD Barnard dated 26 February 2018, under the terms of which Mr McGivern agreed to act as chief executive officer of the Existing Oberon Group. In the absence of breach, the appointment is terminable on six months' notice on either side. The salary payable to Mr McGivern is £180,000 per annum. Mr McGivern has agreed to post termination restrictions on competing activity. In addition, Mr McGivern has entered into a letter of appointment with the Company pursuant to which and conditional upon Admission he agreed to be a director of the Company, which appointment ends on termination of his service agreement.

9.1.4 an agreement with between John Beaumont and MD Barnard dated 25 February 2020, under the terms of which Mr Beaumont agreed to act as finance director of the Existing Oberon Group. In the absence of breach, the appointment is terminable on six months' notice on either side. The salary payable to Mr Beaumont is £80,000 per annum. Mr Beaumont has agreed to post termination restrictions on competing activity. In addition Mr Beaumont has entered into a letter of appointment with the Company pursuant to which and conditional upon Admission he agreed to be a

director of the Company, which appointment ends on termination of his service agreement.

- 9.1.5 an agreement with Robert Hanson dated 20 January 2021, pursuant to which Mr Hanson was appointed as a non-executive director of the Company, subject to Admission, for an annual fee of £60,000, payable monthly in arrears. In addition Mr Hanson is entitled to receive £20,000 worth of share options (valued at the share price on the first trading day of the year) and a bonus of 5% of any sums invested in the Company by a third party introduced by Mr Hanson. Mr Hanson is required to devote such time as is necessary to perform his duties for the Company. The appointment is for an initial term of two years and is terminable on three months' notice on either side. No compensation is payable for loss of office and the appointment may be terminated immediately if, among other things, Mr Hanson is in material breach of the terms of the appointment.
- 9.1.6 an agreement with Alex Hambro dated 20 January 2021, pursuant to which Mr Hanson was appointed as a non-executive director of the Company, subject to Admission, for an annual fee of £30,000, payable monthly in arrears. Mr Hambro is required to devote such time as is necessary to perform his duties for the Company. The appointment is for an initial term of two years and is terminable on three months' notice on either side. No compensation is payable for loss of office and the appointment may be terminated immediately if, among other things, Mr Hambro is in material breach of the terms of the appointment.
- 9.2 The aggregate remuneration paid (including any contingent or deferred compensation) and benefits in kind granted to the Directors by the Company during the financial period ended on the date of this Document was £37,500 (which includes a bonus of £12,500 paid to Rodger Sargent in August 2020).
- 9.3 It is estimated that the aggregate remuneration payable to the Proposed Directors from the date of Admission to 30 June 2020 under arrangements that are in force and that will come into effect on Admission will amount to £149,033.
- 9.4 Except as set out above, there are no liquidated damages or other compensation payable by the Company upon early termination of the contracts of the Directors and the Proposed Directors. None of the Directors or the Proposed Directors has any commission or profit sharing arrangements with the Company.

10. Additional Information on the Directors and Proposed Directors

- 10.1 In addition to directorships of the Company, the Directors and Proposed Directors hold or have held the following directorships (including directorships of companies registered outside England and Wales) or are or have been partners in the following partnerships within the five years prior to the date of this Document:

| Director | Current directorships | Previous directorships |
|-------------------|---|---|
| Rodger Sargent | All Active Asset Capital Limited Nubem Novem Limited Low 6 Group PLC | BigBlu Broadband PLC Contentment Limited Entertainment AI plc OTAQ PLC Logos Capital plc S4 Capital plc Sonr News Limited |
| James Derek Kehoe | Northwick Mansion Company Limited Orka Financial Technologies Ltd | |
| Simon McGivern | Barnard Nominees Limited GMC EBT Limited MAP Capital Partners Limited MAP Ventures Ltd | Alumnet Limited Bookme Limited Locca Design and Development Ltd Locca Distribution Ltd |

| Director | Current directorships | Previous directorships |
|-----------------|--|--|
| | M.D. Barnard & Company Limited Oberon Investments Limited | Locca Tech Limited Powerstation Studios Limited Silver Bullet Data Services Limited Worklab Ventures Ltd. |
| Robert Hanson | Bridge Nominees Limited Blue River Hanson Holdings LLP GH Investment Holdings Limited Goviex Uranium INC Hanson Asset Management Limited Hanson Boxes Limited Hanson Capital Investments Limited Hanson China Partners (Shanghai/HK) Hanson Family Holdings Limited Hanson Fine Chemicals (USA) Hanson Logistics Limited Harris Hanson & Partners Limited Kaizen Discovery Ltd Millennium Hanson Advisers (USA) Sport & Artist Management Limited Trillion Energy | Arlington Capital LTD GH Bank Limited Hanson Asset Management Limited MoorgateHanson LLP |
| Alex Hambro | Crescent Capital NI Limited Crescent Capital II GP Limited Crescent Capital III GP Limited Falanx Group Limited First Strategic Insight Lts Halkin Development Limited HF Partnership LLP Judges Scientific PLC IWP Holdings LTD Octopus Apollo VCT PLC OTAQ PLC Targa Fund Limited Time Partners Limited Welbeck Ventures Ltd Welbeck Capital Partners LLP Whitley Asset Management Limited | BACIT (UK) Limited Bapco Closures Holdings Limited Bapco Closures Research Limited Benchmark Holdings PLC Dixton Farm Dumbleton Farm Greshman House Renewable Energy VCT 2 PLC Hazel Targa VCT PLC Izon Science Ltd Octopus Eclipse VCT PLC (dissolved) Welbeck Investment Partners Member Ltd Welbeck Investment Partnership LLP |
| John Beaumont | Cryo Science Limited MC Peat & Co LLP M.D. Barnard & Company Limited Oberon Investments Ltd The Regeneration Incentive Co Ltd | Patriot Sports Management Ltd |

10.2 Mr Sargent was a director of Contentment Limited, having resigned on 27 July 2016. Contentment Limited was placed into creditor's voluntary liquidation and its winding up commenced on 27 July 2016. Simon McGivern resigned as a director of Bluw Limited, Concept Merchandise Limited and Litebulb Studios Limited on 1 July 2015. Those companies were placed into administration in April 2016.

- 10.3 Save as disclosed in paragraph 10.2 above none of the Directors or Proposed Directors has:
- 10.3.1 had any previous names;
 - 10.3.2 any unspent convictions in relation to indictable offences;
 - 10.3.3 had any bankruptcy order made against him or entered into any voluntary arrangements;
 - 10.3.4 been a director of a company which has been placed in receivership, insolvent liquidation, administration, been subject to a voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;
 - 10.3.5 been a partner in any partnership which has been placed in insolvent liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
 - 10.3.6 been the owner of any assets or a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
 - 10.3.7 been publicly criticised by any statutory or regulatory authority (including recognised professional bodies); or
 - 10.3.8 been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of a Company.
- 10.4 None of the Directors or Proposed Directors has, or has had, any conflict of interest between any duties to the Company and their private interests or any duties they owe.
- 10.5 No Director has been interested in any transaction with the Company which was unusual in its nature or conditions or significant to the business of the Company during the current financial year which remains outstanding or unperformed.
- 10.6 The Company does not intend to make investments which involve related parties, but if any such investment is to be proposed, the Company will comply with the requirements related to such transactions under the AQSE Rules.
- 10.7 Except for the Directors and Proposed Directors and as set out in paragraph 2 of Part 3 of this Document, the Board does not believe that there are any other Senior Managers who are relevant in establishing that the Company has the appropriate expertise and experience for the management of the Company's business.

11. Material Contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company within the two years immediately preceding the date of this Document and are, or may be, material to the Company:

11.1 Novum Engagement Letter

An engagement letter dated 31 January 2020 between the Company and Novum pursuant to which the Company appointed Novum to act as the corporate adviser to the Company for the purposes of seeking admission of the Company's shares to trading on the AQSE Growth Market, for which, the Company agreed to pay a corporate finance fee of £25,000 plus VAT on completion of Admission. In addition, the Company also agreed to pay i) an initial fee of £12,500 plus VAT on signing the engagement letter; ii) a fee of £12,500 plus VAT, payable on the first submission of this Document to AQSE Stock Exchange; iii) a five per cent sales commission on the gross aggregate value of funds raised from investors introduced by Novum and iv) following Admission, a retainer of £25,000 per annum plus VAT which will be subject to a separate agreement entered into prior to Admission.

11.2 Novum Corporate Adviser and Broker Agreement

An AQSE Corporate Adviser and broker agreement dated 21 January 2021 between the Company and Novum pursuant to which the Company appointed Novum to act as AQSE Corporate Adviser and broker to the Company on an ongoing basis following Admission for which the Company agreed to pay a fee of £25,000 plus VAT per annum, payable quarterly in advance. The agreement contains certain undertakings and indemnities given by the Company in respect of, *inter alia*, compliance with all applicable laws and regulations. The agreement continues for a fixed period of six months from the date of Admission and thereafter is subject to termination by either party giving three months' prior written notice.

11.3 Irrevocable undertakings

Irrevocable undertakings in favour of the Company and dated on or around the date of this Document have been received from the Existing Directors who have undertaken to vote (or where applicable, procure that the registered holder of the relevant shares votes), in the case of the Independent Director, in favour of the Resolutions and, in the case of Rodger Sargent, in favour of Resolutions 1, 3 and 4 at the General Meeting.

11.4 Registrar Agreement

The Company and the Registrar have entered into an agreement with the Registrar dated 27 July 2017 ("Registrar Agreement"), pursuant to which the Registrar agreed to act as registrar to the Company and to provide transfer agency services and certain other administrative services to the Company in relation to its business and affairs. The Registrar is entitled to receive an annual fee for the provision of its services under the Registrar Agreement. The annual fee will be calculated on the basis of the number of holders of shares in the Company and the number of transfers of such shares.

The Registrar Agreement is terminable on three months' written notice given by either party. In addition, the agreement may be terminated immediately if either party commits a material breach of the agreement which has not been remedied within 30 days of a notice requesting the same, or upon an insolvency event in respect of either party. The Company has agreed to indemnify the Registrar against, and hold it harmless from, any damages, losses, costs, claims or expenses incurred by the Registrar in connection with or arising out of the Registrar's performance of its obligations in accordance with the terms of the Registrar Agreement, save to the extent that the same arises from some act of fraud or wilful default on the part of the Registrar. The Registrar may delegate the carrying out of certain matters which the Registrar considers appropriate without giving prior written notice to the Company.

11.5 Acquisition of minority interest in Oberon

Pursuant to a subscription letter dated 27 January 2020 the Company subscribed for a 7.83% shareholding in Oberon for £850,640 in cash together with a commitment to subscribe for a second tranche in Oberon for £350,945 (subsequently reduced to £295,390) worth of Oberon shares being a 2.3% shareholding which completed on 8 July 2020.

11.6 Acquisition Agreement including Lock-in Undertakings

Pursuant to an agreement between the Company and certain of Oberon's other shareholders dated 21 January 2021, the Company conditionally agreed to acquire the issued share capital of Oberon not already owned by it for £12,956,781 to be satisfied by the issue of the Consideration Shares. The Acquisition Agreement has been signed by Oberon shareholders that hold more than 90% of the Oberon shares not already owned by the Company. Should the other shareholders not sign the Acquisition Agreement before completion, the Company will use the statutory squeeze out procedure described in paragraph 16.6 of this Part 11 to require those persons to sell their Oberon shares on the terms of the Acquisition Agreement.

The Acquisition Agreement is conditional upon certain customary matters, including but not limited to the grant by the Takeover Panel of a waiver of the obligations under Rule 9 of the Takeover Code, the FCA approving the change of control of Oberon Investments (which was granted on 21 January 2021), the Introduction Agreement becoming unconditional (other than for Admission) and Admission, and as a result will become unconditional and complete on Admission.

In addition, under the terms of the Acquisition Agreement, each of the Acquisition Agreement Warrantors severally undertakes that they will not for a period of six months after Admission dispose of all or any part of their holding of Consideration Shares without the prior written consent of the Company (which consent the Company has agreed not to give without the consent of Novum), nor create or dispose of or agree to create or dispose of any interest in them to or in favour of any other person, except in certain limited circumstances, including accepting, or executing an irrevocable commitment to accept, any offer made in accordance with the Takeover Code by any third party for the whole of the ordinary share capital of the Company (other than any ordinary share capital owned by the offeror or any concert party of the offeror), a disposal pursuant to a scheme of arrangement or offer by the Company to buy its own shares made to all of its shareholders, a disposal to a family member or family trust or to satisfy a claim for breach of the warranties or tax covenant described below.

The agreement contains customary warranties and indemnities relating to Oberon, given by all of the Sellers in relation to fundamental warranties and by the Acquisition Agreement Warrantors in relation to general and operational warranties. The Acquisition Agreement Warrantors have entered into a customary tax covenant in favour of the Company. Claims under the Acquisition Agreement are subject to certain financial, time and other limitations. The threshold to be exceeded in respect of the amount of each claim is £15,000 and subject to a minimum aggregate amount of £120,000, in which case the Warrantors shall be liable for the whole amount claimed and not only the excess. The limitation period in respect of warranty claims under the Acquisition Agreement is 18 months following completion of the acquisition in the case of general warranties and seven years in respect of a claim under the tax warranties and/or the tax covenant. The liability of the Sellers can, at the relevant Seller's election be satisfied in cash or by cancelling or transferring the equivalent value of Consideration Shares (at an implied value of £0.04 per share) held by them, and each Seller's liability is capped at the amount of shares received by them.

The Company has also given customary warranties to the selling shareholders. There is a threshold for claims of an aggregate amount of £100,000, in which case the Company shall be liable for the whole amount claimed and not only the excess. The Company may settle claims by the allotment and issue of Ordinary Shares at 4p per share.

Simon McGivern and Simon Like hold options over up to, respectively, 3,795 and 2,000 ordinary shares in Oberon ("Options") pursuant to its EMI option scheme ("Scheme"). Conditional upon Completion, the Company has undertaken to Simon McGivern and Simon Like to adopt, as soon as reasonably practicable, an employee share option scheme on substantially similar terms to the Scheme, and as described in paragraph 6 of Part 11 of this Document, which will permit the rollover of the Options into new options in the Company ("New Scheme"). The rollover will be in the same ratio as the existing Oberon shares are exchanged for Consideration Shares so that Simon McGivern will roll over into options over 25,711,125 Ordinary Shares and Simon Like will roll over into 13,550,000 Ordinary Shares. Simon McGivern and Simon Like have undertaken not to exercise their Options pending the adoption of the New Scheme and the grant of the rollover options to replace the Options.

The Acquisition Agreement contains restrictive covenants in favour of the Company, which apply until the second anniversary of Completion, and each Acquisition Agreement Warrantor has undertaken to the Company, subject to customary exceptions, not to dispose of any Consideration Shares without the Company's consent for a period of six months following Completion. The Acquisition Agreement is governed by the laws of England and Wales and is subject to the jurisdiction of the courts of the English courts.

11.7 Introduction Agreement

On 21 January 2021, the Introduction Agreement was entered into between the Company (1), the Directors and Proposed Directors (2) and Novum, pursuant to which Novum conditionally agreed to apply for Admission. The Introduction Agreement provides that, conditional upon Admission, Novum will be paid the remainder of the fees set out in paragraph 11.1. The Company has agreed to pay all other costs and expenses relating to the application for Admission. The Introduction Agreement is conditional upon, among other things, the Acquisition Agreement being unconditional (except for Admission), the Subscription being unconditional (except for Admission) and Admission having occurred on

9 February 2021 or such later date as the Company and Novum agree being no later than 30 June 2021. The Introduction Agreement contains certain warranties from the Company, Directors and Proposed Directors and an indemnity from the Company, in each case in favour of Novum. It also contains provisions entitling Novum to terminate the agreement prior to Admission if, among other things, a breach of any of the warranties occurs or on the occurrence of an event fundamentally and adversely affecting the position of the Company.

11.8 Subscription letters

The Company has entered into commitments with various subscribers pursuant to which the subscribers, conditionally, undertook to subscribe for the Subscription Shares at the Issue Price. The commitments are conditional upon the Introduction Agreement becoming unconditional (except for any condition relating to Admission) and Admission having occurred on or before 29 January 2021 or such later date as the Company and Novum may agree not being later than 28 February 2021, except for one subscription letter which provides for a long stop date of 31 March 2021. If Admission does not occur by the relevant long stop date, the Company will need to agree an extension with each subscriber. There is no guarantee that such extension will be forthcoming.

11.9 Warrant Instruments

On 12 July 2017 the Company entered into a warrant instrument to create and issue warrants to subscribe for up to 2,000,000 Ordinary Shares; each such warrant has an exercise price of £0.025. On 11 September 2017 the Company entered into a warrant instrument to create and issue warrants to subscribe for up to 11,500,000 Ordinary Shares; each such warrant has an exercise price of £0.075. All of such warrants are freely transferable and had an exercise period that was due to expire on 22 September 2019. That exercise period was extended to 22 September 2021 by a deed poll dated 27 August 2019.

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by Oberon or members of the Existing Oberon Group within the two years immediately preceding the date of this document and are, or may be, material to Oberon or members of the Existing Oberon Group:

11.10 Asset Purchase Agreement with Hanson Asset Management Limited

On 26 June 2020, M.D. Barnard & Company Limited entered into an asset purchase agreement with Hanson Asset Management Limited (as Seller) and Oberon (as guarantor) pursuant to which M.D. Barnard & Company Limited acquired the wealth management business previously carried on by Hanson Asset Management Limited (“Wealth Management Business”). Oberon has agreed to guarantee the obligations of M.D. Barnard & Company Limited under the agreement.

The consideration payable under the acquisition was £650,000 in cash. The agreement contains customary warranties relating to Wealth Management Business, and mutual indemnities relating to the Transfer of Undertakings (Protection of Employment) Regulations (TUPE). Claims under the asset purchase agreement are subject to certain financial, time and other limitations. Hanson Asset Management Limited is not liable for any warranty claim unless the aggregate amount exceeds £5,000, in which case Hanson Asset Management Limited will be liable for the whole amount claimed and not only the excess. The limitation period in respect of warranty claims under the asset purchase agreement is two years and the overall liability of Hanson Asset Management Limited is limited to the purchase price.

The asset purchase agreement is governed by the laws of England and Wales and is subject to the exclusive jurisdiction of the courts of England and Wales.

11.11 Share Purchase Agreement with the Smythe House Sellers

On 18 August 2020, Oberon entered into the Smythe House SPA pursuant to which Oberon conditionally agree to acquire the entire issued share capital of Smythe House for a combination of cash consideration and share consideration. Completion is conditional upon FCA change of control consent relating to Smythe House and on completion of the Acquisition.

The consideration for the purchase is £400,000 and is payable in part on completion (as a combination of cash and the issue of new ordinary shares in Oberon) and part on a

deferred basis subject to certain conditions. The deferred consideration is payable within 30 days of the second anniversary of completion, to be satisfied either in cash or by the issue of new ordinary shares in Oberon at the election of the Buyer having received a request from the Seller as to the split of consideration. If Oberon is a subsidiary of another company, the SPA provides that the share consideration will instead be satisfied by the issue of shares in its ultimate parent. As a result of the acquisition by the Company of Oberon pursuant to the Acquisition Agreement, the Smythe House Sellers will be entitled to new Ordinary Shares in respect of the deferred consideration.

The agreement contains customary warranties relating to Smythe House, to be given by all of the Smythe House Sellers in relation to fundamental warranties and by the Smythe House Warrantors in relation to general warranties. The Smythe House Sellers have entered into a customary tax covenant in favour of Oberon. Claims under the Smythe House SPA are subject to certain financial, time and other limitations. The threshold to be exceeded in respect of the amount of each claim is £3,500 and subject to a minimum aggregate amount of £35,000, in which case the Smythe House Sellers shall be liable for the whole amount claimed and not only the excess.

The limitation period in respect of warranty claims under the Smythe House SPA is 18 months following completion of the acquisition in the case of general warranties and seven years in respect of a claim under the tax warranties and/or the tax covenant. The overall liability of each the Smythe House Sellers under fundamental warranties is limited to the purchase price received by each of them, and the maximum liability of the Smythe House Warrantors is the aggregate sum payable to the Smythe House Warrantors.

The Smythe House SPA contains restrictive covenants in favour of Oberon, which apply for a period of 18 months from Completion. The Smythe House SPA is governed by the laws of England and Wales and is subject to the exclusive jurisdiction of the courts of England and Wales.

12. FCA Authorisation

MD Barnard is authorised by the FCA to, subject to certain limitations:

- Advise on investments namely:
 - Certificates representing certain security
 - Commodity Futures
 - Commodity options and options on commodity futures
 - Debentures
 - Futures (excluding a commodity future and a rolling spot forex contract)
 - Government and public securities
 - Options (excluding a commodity option and an option on a commodity future)
 - Rights to or interests in investments (Contractually Based Investments)
 - Rights to or interests in investments (Security)
 - Shares
 - Units
 - Warrants
- Advise on P2P agreements
- Arrange and bring about deals in investments
- Arrange the safeguarding and administration of assets
- Cause dematerialised instructions to be sent
- Deal in investments as agent and principal
- Make arrangements with a view to transactions in investments

- Manage an unauthorised alternative investment fund
- Manage investments
- Safeguard and administer assets, without arranging
- Send dematerialised instructions
- Agree to carry on a regulated activity

In all cases above the authorisation covers eligible counterparties, professionals and retail (investment) clients.

13. Related Party Transactions

Other than as disclosed in note 19 of Part 7 of this Document, there are no material related party transactions required to be disclosed under the accounting standards applicable to the Company, to which the Company or members of the Existing Oberon Group were party during the period of twelve months preceding the date of this Document.

14. Litigation

14.1 Neither the Company nor any member of the Existing Oberon Group is involved in any legal, governmental or arbitration proceedings which may have or have had in the 12 months prior to the date of this Document a significant effect on the Company's or any member of the Existing Oberon Group's financial position or profitability and, so far as the Directors and Proposed Directors are aware, there are no such significant proceedings pending or threatened against the Company or any member of the Existing Oberon Group. The Existing Oberon Group has insurance in place to cover claims associated with Professional Liability and Fraud and the Proposed Directors would expect client claims in the ordinary course of business to be covered by such policy.

15. Working Capital

The Directors and Proposed Directors are of the opinion, having made due and careful enquiry, that taking into account the net proceeds of the Subscription, the working capital available to the Enlarged Group on Admission will be sufficient for the present requirements of the Enlarged Group, that is, for the period of twelve months following Admission.

16. Mandatory bids and compulsory acquisition rules relating to Ordinary Shares

- 16.1 Other than as provided by the City Code and Chapter 3 of Part 28 of the Act, there are no rules or provisions relating to mandatory bids and/or squeeze-out and sell-out rules that apply to the Ordinary Shares.
- 16.2 The City Code is issued and administered by the Takeover Panel. The City Code applies to the Company and Shareholders will be entitled to the protection afforded by the City Code.
- 16.3 There have been no public takeover bids for the Company's shares.

Mandatory bid provisions

16.4 Under Rule 9 of the City Code, when: (i) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons in which he is already interested and in which persons acting in concert with him are interested) carry 30% or more of the voting rights of a company subject to the City Code; or (ii) any person, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30% but does not hold shares carrying more than 50% of the voting rights of such a company, and such person or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested, then, except with the consent of the Takeover Panel, that person, and any person acting in concert with him, must make a general offer in cash 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 to acquire the balance of the shares not held by him and his concert party.

- 16.5 Except where the Takeover Panel permits otherwise, an offer under Rule 9 of the City Code must be in cash and at the highest price paid within the 12 months prior to the announcement of the offer for any shares in the company by the person required to make the offer or any person acting in concert with him. Offers for different classes of equity share capital must be comparable; the Takeover Panel should be consulted in advance in such cases.

Squeeze-out

- 16.6 Under the Act, if a “takeover offer” (as defined in section 974 of the Act) is made for the Ordinary Shares and the offeror were to acquire, or unconditionally contract to acquire, not less than 90% in value of the Ordinary Shares to which the offer relates and not less than 90% of the voting rights carried by the Ordinary Shares to which the offer relates, it could, within three months of the last day on which its takeover offer can be accepted, compulsorily acquire the remaining 10%. The offeror would do so by sending a notice to outstanding members telling them that it will compulsorily acquire their Ordinary Shares and then, six weeks later, it would execute a transfer of the outstanding Ordinary Shares in its favour and pay the consideration for the outstanding Ordinary Shares to the Company, which would hold the consideration on trust for outstanding members. The consideration offered to the minority shareholder whose shares are compulsorily acquired must, in general, be the same as the consideration that was available under the original offer unless a member can show that the offer value is unfair.

Sell-out

- 16.7 The Act also gives minority members a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the Ordinary Shares and, at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 90% in value of the Ordinary Shares and not less than 90% of the voting rights carried by the Ordinary Shares, any holder of Ordinary Shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those Ordinary Shares. The offeror is required to give any member notice of its right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority members to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, three months from the date on which notice is served on members notifying them of their sell-out rights. If a member exercises its rights, the offeror is entitled and bound to acquire those Ordinary Shares on the terms of the offer or on such other terms as may be agreed.

17. Notifications of shareholdings

The provisions of chapter 5 of the Disclosure Guidance and Transparency Rules (“DTR 5”) will apply to the Company and its shareholders following Admission. DTR 5 sets out the notification requirements for shareholders and the company where the voting rights of a shareholder exceed reach or fall below the threshold of 3 per cent. and each 1 per cent. thereafter up to 100 per cent. DTR 5 provides that disclosure by a shareholder to the company must be made within two trading days of the event giving rise to the notification requirement and the company must release details to a regulatory information service as soon as possible following receipt of a notification.

18. General

- 18.1 The total costs and expenses in relation to Admission payable by the Company are estimated to amount to approximately £312,540 (excluding VAT).
- 18.2 Except as disclosed in this Document and for the advisers named on page 5 of this Document, no person has received, directly or indirectly, from the Company during the twelve months preceding the date of this Document or has entered into any contractual arrangements to receive, directly or indirectly, from the Company on or after the start of the trading of the Ordinary Shares on the AQSE Growth Market, fees totalling £10,000 or more or securities in the Company with a value of £10,000 or more (calculated by reference to the Issue Price) or any other benefit to a value of £10,000 or more.

- 18.3 Except as disclosed in this Document, there has been no significant change in:
- 18.3.1 the financial or trading position of the Company since 30 June 2020, the date to which the Financial Information in Part 6 of this Document was prepared; and
 - 18.3.2 the financial or trading position of the Existing Oberon Group since 30 September 2020, the date to which the Financial Information in Part 8 of this Document was prepared.
- 18.4 Haysmacintyre has given and has not withdrawn its written consent to the issue of this Document with the inclusion herein of its reports as set out in Parts 6, 7, 8 and 9 of this Document and the references thereto. Haysmacintyre also accepts responsibility for its reports.
- 18.5 Novum has given and not withdrawn its written consent to the inclusion in this Document of references to its name in the form and context in which it appears.
- 18.6 Except as disclosed in this Document, the Directors and Proposed Directors are not aware of any patents or intellectual property rights, licences or industrial, commercial or financial contracts or new technological processes which may be of material importance to the Enlarged Group's business or profitability.
- 18.7 The Company's accounting reference date is 30 June and from Admission will be 31 March.
- 18.8 There are no investments in progress and there are no future investments in respect of which the Directors or the Proposed Directors have already made firm commitments which are significant to the Company.
- 18.9 Except as disclosed in this Document, the Directors and Proposed Directors are unaware of any exceptional factors which have influenced the recent activities of the Company or the Existing Oberon Group.
- 18.10 No financial information contained in this Document is intended by the Company to represent nor constitute a forecast of profits by the Company nor constitute publication of accounts by it.

19. Availability of this Document

Copies of this Document will be available free of charge to the public during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the registered office of the Company and from the offices of Novum Securities Limited, Lansdowne House, 57 Berkeley Square, London W1J 6ER, and shall remain available for at least one month after the date of Admission.

Dated: 21 January 2021

Definitions

The following definitions apply throughout this Document, unless the context requires otherwise. References in this Document to European Union legislation are to that legislation as it has effect in domestic United Kingdom law:

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| “Acquisition” | the proposed acquisition from the Sellers of the share capital of Oberon Investments Limited by the Company pursuant to the Acquisition Agreement |
| “Acquisition Agreement” | the share purchase agreement between the Sellers and the Company dated 21 January 2021 pursuant to which the Company agreed to purchase and the Sellers agreed to sell the issued share capital of Oberon not already owned by the Company |
| “Acquisition Agreement Warrantors” | Simon McGivern, James Phillips, Simon Like and John Beaumont |
| “Act” | Companies Act 2006, as amended |
| “Admission” | admission of the Enlarged Share Capital to trading on the AQSE Growth Market becoming effective in accordance with the AQSE Rules |
| “AIM” | the AIM Market operated by the London Stock Exchange |
| “Admission Document” or “Document” | this Document |
| “Aquis Stock Exchange” | Aquis Stock Exchange Limited, a company incorporated in England with registered company number 4309969 |
| “AQSE Growth Market” | the Access segment of the AQSE Growth Market operated by Aquis Stock Exchange |
| “AQSE Rules” | the rules contained in the AQSE Growth Market Access Rulebook, which set out the admission requirements and continuing obligations of companies seeking admission to and whose securities are admitted to trading on the Access segment of the AQSE Growth Market issued by Aquis Stock Exchange, and where relevant to the preparation of this Document, the AQSE Growth Market – Rules for Issuers, March 2020 |
| “Articles” | the articles of association of the Company (as amended from time to time) |
| “AUM” | assets under management |
| “Board of Directors” or “Board” | the directors of the Company, comprising up to Admission the Existing Directors and, upon Admission, the Proposed Directors, whose names in each case are set out on page 5 |
| “Business Day” | means a day (other than a Saturday or Sunday) on which banks are open for business in London |
| “certificated” or “in certificated form” | in relation to a share or other security, a share or other security, title to which is recorded in the relevant register of the share or other security concerned as being held in certificated form (that is, not in CREST) |
| “Company” or “Baskerville” | Baskerville Capital Plc (to be renamed of Oberon Investments Group Plc), a company incorporated in England and Wales with number 10712201 |
| “Completion” | completion of the Acquisition |
| “Concert Party” | the concert party for the purposes of the Takeover Code comprising certain shareholders of Oberon as more particularly described in Part 4 of this Document |

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| “Concert Party Shares” | the maximum number of Ordinary Shares that may be held by the Concert Party arising from the Proposals and comprising: <ul style="list-style-type: none"> (i) the Consideration Shares; (ii) the 500,000 Subscription Shares being subscribed for by a member of the Concert Party; (iii) up to 39,261,125 Ordinary Shares that may be issued on the exercise of roll over options to be granted to Simon McGivern and Simon Like (as set out in paragraph 11.6 of Part 11); and (iv) up to 5,640,000 Ordinary Shares that may be issued to other members of the Concert Party on the exercise of the options and warrants listed in paragraph 2 of Part 4 |
| “Consideration Shares” | 323,919,525 Ordinary Shares, to be issued to the shareholders of Oberon (other than the Company) pursuant to the Acquisition Agreement |
| “CREST” or “CREST System” | the paperless settlement system operated by Euroclear UK & Ireland enabling securities to be evidenced otherwise than by certificates and transferred otherwise than by written instruments |
| “CREST Regulations” | the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) as amended from time to time |
| “Directors” or “Existing Directors” | the directors of Baskerville at the date of this Document as set out in paragraph 1 of Part 3 of this Document |
| “Enlarged Group” | from Admission, the Company and the Existing Oberon Group, taken together |
| “Enlarged Share Capital” | the share capital of the Company immediately following the issue of the New Ordinary Shares |
| “EU” | the European Union |
| “Euroclear UK & Ireland” | Euroclear UK & Ireland Limited the operator of CREST |
| “Existing Baskerville Shares” or “Existing Ordinary Shares” | 47,800,000 Ordinary Shares of £0.005 each in the capital of the Company |
| “Existing Oberon Group” | Oberon Investments Limited and its subsidiaries as listed in paragraph 3.1 of Part 11 |
| “FCA” | the Financial Conduct Authority |
| “Form of Proxy” | the form of proxy for use at the General Meeting |
| “FSMA” | the Financial Services and Markets Act 2000, as amended |
| “GDPR” | General Data Protection Regulation (EU) 2016/679, as it applies in the United Kingdom |
| “General Meeting” | the general meeting of the Company to be held at the offices of Fladgate LLP, 16 Great Queen Street, London WC2B 5DG at 10 a.m. on 8 February 2021 to vote on the Resolutions |
| “Hanson Asset Management” | the retail wealth management business acquired by MD Barnard from Hanson Asset Management Limited |
| “HMRC” | HM Revenue & Customs |
| “IASB” | the International Accounting Standards Board |
| “Independent Director” | Derek Kehoe |
| “Independent Shareholders” | all Shareholders other than the members of the Concert Party, each an Independent Shareholder |

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| “IFRIC” | the International Financial Reporting Interpretations Committee |
| “IFRS” | the International Financial Reporting Standards issued by the IASB and adopted by the European Union |
| “Introduction Agreement” | the conditional agreement dated 21 January 2021 between the Company (1), the Directors and Proposed Directors (2) and Novum (3), further details of which are set out in paragraph 11.7 of Part 11 of this Document. |
| “Issue Price” | £0.04 per Ordinary Share, being the price at which the Subscription Shares are subscribed for |
| “Last Practicable Date” | the last practicable date prior to the publication of this Document, being 20 January 2021 (unless otherwise stated) |
| “Listing Rules” | the listing rules made by the FCA under section 73A of FSMA as amended from time to time |
| “Lock-in Undertakings” | the lock-in undertakings given by the Locked-in Parties, under the Acquisition Agreement, details of which are set out in paragraph 11.6 of Part 11 of this Document |
| “Locked-in Party” | each of the Acquisition Agreement Warrantors |
| “London Stock Exchange” | the London Stock Exchange plc |
| “Main Market” | the main market for listed securities of the London Stock Exchange |
| “Market Abuse Regulation” | Market Abuse Regulation (EU) No. 596/2014 |
| “New Board” | the board of directors of the Company upon Admission, comprising the Proposed Directors |
| “New Ordinary Shares” | the Subscription Shares and the Consideration Shares |
| “Non-Executive Director” | a director who is not a full or part-time employee of the Company or holder of an executive office |
| “Notice of General Meeting” | means the notice of the General Meeting which forms part of this Document |
| “Novum” | Novum Securities Limited, a company incorporated in England and Wales with registered number 05879560 |
| “Oberon” | Oberon Investments Limited, a company registered in England and Wales with registered number 10726349 and, where appropriate, its subsidiaries |
| “Oberon Investments” or “MD Barnard” | M.D. Barnard & Company Limited, a company which is the wholly owned subsidiary of Oberon and registered in England and Wales with number 02198303 and trading under the name Oberon Investments |
| “Official List” | the Official List of the FCA |
| “Option Scheme” | an enterprise management incentive share options scheme, details of which are set out in paragraph 6 of Part 11 of this document |
| “ordinary resolution” | a resolution of a duly constituted general meeting of the Company passed by a simple majority of the votes cast by, or on behalf of, the Shareholders entitled to vote present in person or by proxy and voting at the meeting and includes a unanimous written resolution of all Shareholders entitled to vote and expressed to be an ordinary resolution |
| “Ordinary Shares” | ordinary shares of £0.005 each in the capital of the Company |

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| “Panel” or “Takeover Panel” | the UK Panel on Takeovers and Mergers |
| “RIS” | one of the regulatory information services authorised by the FCA to receive, process and disseminate regulatory information in respect of the listed companies |
| “Placing Shares” | the New Ordinary Shares to be issued pursuant to the Placing |
| “Proposals” | together, the Acquisition, the Subscription, the Whitewash Proposal and other Resolutions as set out in this Document |
| “Proposed Directors” | the proposed directors of the Company following Admission whose names are set out in paragraph 1 of Part 3 of this Document |
| “Prospectus Regulation” | the Prospectus Regulation (EU) 2017/1129 |
| “Prospectus Rules” | the Prospectus Regulation Rules made by the Financial Conduct Authority |
| “QCA” | the Quoted Companies Alliance |
| “QCA Code” | the QCA Corporate Governance Code 2018, published by the QCA, as amended from time to time |
| “Resolutions” | the resolutions (including the Whitewash Resolution) to be proposed at the General Meeting as set out in the Notice of General Meeting, with any permitted amendments thereto |
| “Reverse Takeover” | a reverse takeover as defined in the Listing Rules |
| “Rule 9 Offer” | an offer under Rule 9 of the Takeover Code |
| “Securities Act” | the U.S. Securities Act of 1933, as amended |
| “Sellers” | the sellers pursuant to the Acquisition Agreement of the share capital of Oberon not already owned by the Company |
| “Senior Managers” | the senior management of the Existing Oberon Group described in Part 3 |
| “Shareholders” | holders of Ordinary Shares |
| “Smythe House” | Smythe House Limited, incorporated in England and Wales under company number 7088807 whose registered office is at Broad House, The Broadway, Hatfield, Hertfordshire, AL9 5BG |
| “Smythe House Sellers” | Edward de Burgh Galwey, Josephine de Burgh Galwey, Simon de Burgh Galwey and Stella de Burgh Galwey |
| “Smythe House SPA” | the share purchase agreement between the Smythe House Sellers and Oberon dated 18 August 2020 pursuant to which Oberon agreed to purchase the entire issued share capital of Smythe House. |
| “Smythe House Warrantors” | Edward de Burgh Galwey and Josephine de Burgh Galwey |
| “special resolution” | a resolution of the Shareholders requiring a majority of not less than 75% of the votes cast by, or on behalf of, the Shareholders entitled to vote present in person or by proxy and voting at the meeting |
| “Standard Listing” | a standard listing under Chapter 14 of the Listing Rules |
| “Subscription” | the proposed subscription for 36,070,250 Ordinary Shares at the Issue Price, conditional on Admission, the details of which are set out in paragraph 11.8 of Part 11 |
| “Subscription Shares” | the new Ordinary Shares subscribed for under the Subscription |

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| “Takeover Code” | the City Code on Takeovers and Mergers issued and administered by the United Kingdom Panel on Takeovers and Mergers (as amended from time to time) |
| “UK” or “United Kingdom” | the United Kingdom of Great Britain and Northern Ireland |
| “uncertificated” or “in uncertificated form” | in relation to a share or other security, a share or other security, title to which is recorded in the relevant register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST |
| “VAT” | means value added tax |
| “VCT” | venture capital trust |
| “Whitewash Resolution” | resolution number 2 set out in the Notice of General Meeting |
| “Whitewash Proposal” | the approval by Independent Shareholders of the waiver granted by the Panel of the obligation that would otherwise arise for any member of the Concert Party to make a general offer to Shareholders pursuant to Rule 9 of the Takeover Code as a result of the issue of the Concert Party Shares |
| “£” or “GBP” or “Sterling” or “Pounds Sterling” | the lawful currency of the United Kingdom |

Baskerville Capital plc

(Incorporated and registered in England and Wales with registered number 10712201)

NOTICE OF GENERAL MEETING

NOTICE IS GIVEN that a general meeting of the members of Baskerville Capital plc (**Company**) will be held at the offices of Fladgate LLP at 16 Great Queen Street, London WC2B 5DG on 8 February 2021 at 10.00 a.m. for the purposes of considering and, if thought fit, passing the following resolutions of which Resolutions 1, 2 and 3 will be proposed as ordinary resolutions and Resolution 4 as a special resolution. Resolution 2 will be taken on a poll in accordance with the requirements of the Panel on Takeovers and Mergers (**Panel**), and each shareholder who is not an Independent Shareholder has undertaken not to vote on Resolution 2.

In this notice, words and phrases that are defined in the Admission Document of which this notice forms part (**Admission Document**) have the same meanings unless the context requires otherwise.

ORDINARY RESOLUTIONS

1. That the acquisition by the Company of the entire issued share capital of Oberon Investments Limited on the terms set out in the Admission Document be approved.
2. That the grant of a waiver by the Panel of any obligation that would otherwise arise under Rule 9 of the Takeover Code for any of the Concert Party to make a general offer to Shareholders, as a result of the allotment and issue to them of the Concert Party Shares (which would represent approximately 64.55% of the fully diluted share capital), be and is hereby approved.
3. That:
 - 3.1. the directors of the Company be generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (**CA 2006**) to allot shares in the Company or grant rights to subscribe for or to convert any security into shares of the Company (**Rights**) up to an aggregate nominal amount of £2,472,802, provided that this authority will, unless previously renewed, varied or revoked by the Company, expire on 8 February 2022 or, if earlier, at the conclusion of the next annual general meeting of the Company except that the Company may, before such expiry, make offers or agreements which would or might require shares to be allotted or Rights to be granted after such expiry and the directors may allot shares or grant Rights in pursuance of such offers or agreements notwithstanding that the authority conferred by this resolution has expired; and
 - 3.2. this authority revokes and replaces all unexercised authorities previously granted to the directors to allot shares or grant Rights, but without prejudice to any allotment of shares or grant of Rights already made, offered or agreed to be made pursuant to such authorities.

SPECIAL RESOLUTION

4. That, subject to the passing of resolution 3:
 - 4.1. in accordance with section 570 CA 2006, the directors be given the general power to allot equity securities (as defined in section 560 CA 2006) pursuant to the authority conferred by resolution 3 as if section 561(1) CA 2006 did not apply to any such allotment. This power is limited to:
 - 4.1.1. the allotment of the Subscription Shares;
 - 4.1.2. the allotment of equity securities in connection with an offer by way of a rights issue;
 - (a) to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and

- (b) to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary; and
- 4.1.3. the allotment (otherwise than pursuant to paragraph 4.1.1 and 4.1.2) of equity securities up to an aggregate nominal amount of £407,789; and
- 4.2. the directors may, for the purposes of paragraph 4.1.2 above, impose any limits or restrictions and make any arrangements which they consider necessary or expedient in relation to treasury shares, fractional entitlements, record dates, or legal or practical problems in or under the laws of any territory or the rules or regulations of any regulatory body or stock exchange;
- 4.3. the power granted by this resolution will expire on 8 February 2022 or, if earlier, at the conclusion of the next annual general meeting of the Company (unless renewed, varied or revoked by the Company prior to or on such date) except that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities pursuant to any such offers or agreements notwithstanding that the power conferred by this resolution has expired; and
- 4.4. this resolution revokes and replaces all unexercised powers previously granted to the directors to allot equity securities as if section 561(1) CA 2006 did not apply but without prejudice to any allotment of equity securities already made, offered or agreed to be made pursuant to such powers.

Dated: 21 January 2021

By order of the Board
Rodger Sargent
Company Secretary

Registered office:
4th Floor
43-44 Albemarle Street
London W1S 4JJ

EXPLANATORY NOTES TO THE NOTICE OF GENERAL MEETING:

Appointment of proxies

1. In order to have the right to appoint a proxy to exercise voting rights at the General Meeting, a person must be entered on the register of members of the Company at 10.00 a.m. 4 February 2021, or, in the event of any adjournment, in the register of members 48 hours (excluding non-business days) before the date of any adjourned meeting. Changes to entries on the register of members after this time will be disregarded in determining the rights of any person to appoint a proxy to exercise such rights.
2. In accordance with recent Government legislation and related restrictions in response to COVID-19, and to minimise public health risks, the General Meeting is to be held as a closed meeting and members and their proxies (other than the Chairman) will not be able to attend the meeting in person. As such, members are strongly encouraged to appoint the Chairman of the General Meeting to act as their proxy as any other named person will not be permitted to attend the meeting.
3. You may appoint more than one proxy provided that each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you must complete a separate proxy form for each proxy and specify against the proxy's name the number of shares over which the proxy has rights. If you are in any doubt as to the procedure to be followed for the purpose of appointing more than one proxy you must contact the Company's registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham GU9 7DR or by emailing voting@shareregistrars.uk.com. If you fail to specify the number of shares to which each proxy, relates or specify a number of shares greater than that held by you on the record date, proxy appointments will be invalid.
4. If you do not indicate to your proxy how to vote on any resolution, your proxy will vote or abstain from voting at their discretion. Your proxy will vote (or abstain from voting) as they think fit in relation to any other matter which is put before the meeting. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against a resolution.

Appointment of a proxy using the hard copy proxy form

5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.
6. To appoint a proxy using the proxy form, it must be
 - (a) completed and signed;
 - (b) sent or delivered to the Company's registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham GU9 7DR or the completed proxy form can be scanned and emailed to voting@shareregistrars.uk.com; and
 - (c) received by the Company's registrars no later than 10.00 a.m. on 4 February 2021.
7. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
8. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
9. The Company, pursuant to regulation 41 of The Uncertificated Securities Regulations 2001 (SI 2001/3755), specifies that only those ordinary shareholders registered in the register of members of the Company by 10.00 a.m. on 4 February 2021 or, if the meeting is adjourned, in the register of members 48 hours (excluding non-business days) before the date of any adjourned meeting will be entitled to attend or vote at the meeting in respect of the number of Ordinary Shares registered in their name at that time. Changes to entries on the register of members after that time will be disregarded in determining the rights of any person to attend or vote at the meeting.

Appointment of proxies through CREST

10. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) 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(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
11. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID: 7RA36) by 10.00 a.m. on 4 February 2021. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
12. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as is necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

13. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (SI 2001/3755).

Appointment of proxy by joint members

14. In the case of joint holders of shares, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder (being the first named holder in respect of the shares in the Company's register of members) will be accepted.

Changing proxy instructions

15. To change your proxy instructions simply submit a new proxy appointment using the methods set out in paragraphs 6 or 11 above. Note that the cut off time for receipt of proxy appointments specified in those paragraphs also applies in relation to amended instructions. Any amended proxy appointment received after the specified cut off time will be disregarded.
16. Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard copy proxy form, please contact the Company's registrar as indicated in paragraph 3 above.
17. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

18. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrar as indicated in paragraph 3 above. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
19. The revocation notice must be received by the Company no later than 10.00 a.m. on 4 February 2021.
20. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to paragraph 21 below, your proxy appointment will remain valid.
21. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

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

Issued shares and total voting rights

23. As at 6.00 p.m. on 20 January 2021 (being the latest practicable date prior to the publication of this notice), the Company's issued share capital comprised 47,800,000 ordinary shares of £0.005 each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6.00 p.m. on 20 January 2021 is 47,800,000.

Communication

24. You may not use any electronic address provided either in this notice of meeting or any related documents (including the document within which this notice of meeting is incorporated and the proxy form) to communicate with the Company for any purposes other than those expressly stated.

Poll vote

25. In order to comply with the requirements of the Panel on Takeovers and Mergers, Resolution 2 will be taken on a poll and each shareholder who is not an Independent Shareholder has undertaken not to vote on Resolution 2.

