

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

If you have sold or otherwise transferred all of your Existing Ordinary Shares, prior to the ex-entitlement date please immediately forward this document, together with the accompanying Form of Proxy and (if relevant) the Application Form as soon as possible, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Existing Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.



INSPIRATION HEALTHCARE GROUP PLC

(Incorporated under the Companies Act 2006 and registered in England and Wales with registered number 03587944)

Acquisition of S.L.E. Limited

**Placing & Subscription of 25,384,615 new Ordinary Shares
and Open Offer of up to 767,617 new Ordinary Shares
each at a price of 65 pence per New Ordinary Share**

and

Notice of General Meeting

Nominated Adviser and Broker

Cenkos Securities plc

The Existing Ordinary Shares are admitted to trading on AIM. Conditional upon completion of the Placing, the Open Offer and the Acquisition, application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that the New Ordinary Shares will be admitted to AIM and to commence trading at 08.00 a.m. on 7 July 2020. The New Ordinary Shares will, on Admission, rank *pari passu* in all respects with the Existing Ordinary Shares and will rank in full for all dividends and other distributions declared, made or paid on Ordinary Shares after Admission.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of FCA. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The London Stock Exchange has not itself examined or approved the contents of this document. Prospective investors should read this document in its entirety.

The total consideration under the Open Offer will be less than €8 million (or an equivalent amount) in aggregate and the Placing Shares will only be available to qualified investors for the purposes of the Prospectus Regulation Rules or otherwise in circumstances not resulting in an offer of transferable securities to the public under section 102B of FSMA. Therefore, in accordance with section 85 and section 86 of FSMA, this document is not, and is not required to be, a prospectus for the purposes of the Prospectus Regulation Rules and has not been prepared in accordance with the Prospectus Regulation Rules. Accordingly, this document has not been, and will not be, reviewed or approved by the FCA, pursuant to sections 85 and 87 of FSMA, the London Stock Exchange or any other authority or regulatory body. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules.

Your attention is drawn to the letter from the Chairman of the Company which is set out in Part I of this document and which contains, amongst other things, the Directors' unanimous recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting. Following the COVID-19 'Stay at Home Measures' imposed by the UK Government on prohibiting, amongst other things, all non-essential travel and large public gatherings, the Board will be implementing the following measures in respect of the General Meeting:

- **We expect only one Director and another shareholder representative to be in attendance in person at the venue for quorum purposes to conduct the business of the meeting.**
- **No other Directors will be present in person.**
- **Shareholders will not be permitted to attend the General Meeting, and if they attempt to do so, will be refused entry to the meeting in line with the Stay at Home Measures.**
- **Relevant questions related to the General Meeting from shareholders can be raised in advance of the General Meeting and in so far as is relevant to the business of the meeting, will be responded to by email and taken into account as appropriate at the General Meeting itself.**

- **Voting at the General Meeting will be carried out by way of poll so that votes cast in advance and the votes of all shareholders appointing the Chairman of the Meeting as their proxy can be taken into account. As usual, the results of the General Meeting will be announced as soon as practicable after it has taken place.**

We trust shareholders will understand and co-operate with these arrangements.

The latest time and date for acceptance and payment in full under the Open Offer is 11.00 a.m. on 3 July 2020. The procedure for acceptance and payment is set out in Part IV of this document and, where relevant, in the Application Form.

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

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

Notice of a General Meeting of Inspiration Healthcare Group plc, to be held at the offices of the Company at 2 Satellite Business Village, Fleming Way, Crawley, West Sussex RH10 at 11.00 a.m. on 6 July 2020, is set out at the end of this document. To be valid, the accompanying Form of Proxy for use in connection with the General Meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach the Company’s registrars, Link Asset Services, by not later than 11.00 a.m. on 2 July 2020 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting). As set out above, Shareholders will not be permitted entry to the General Meeting due to the Government’s COVID-19 Stay at Home Measures. Accordingly, the Company encourages all Shareholders to submit their Form of Proxy, rather than attend the meeting in person. In accordance with the Company’s articles of association, whilst completion and return of the Form of Proxy would not ordinarily preclude Shareholders from attending, speaking and voting in person at the General Meeting should they so wish, Shareholders are reminded that to do so would breach the Government’s Stay at Home Measures in relation to the containment and control of COVID-19. Should any Shareholder attempt to attend the General Meeting in person, they will be denied entry.

Alternatively, you can vote online at www.signalshares.com (the “Website”) by following the on-screen instructions, in particular at the “Proxy Voting” link. In order to appoint a proxy using the Website, members will need to log into their Signal Shares account, or register if they have not previously done so. To register members will need to identify themselves with their Investor Code which is detailed on their share certificate or available from the Registrars, Link Asset Services, on Tel: 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales.

Shareholders who hold their Existing Ordinary Shares in uncertificated form in CREST may alternatively use the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual as explained in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by the issuer’s agent (ID RA10) by no later than 11.00 a.m. on 2 July 2020 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting). As set out above, Shareholders will not be permitted entry to the General Meeting due to the Government’s Stay at Home Measures.

Qualifying non-CREST Shareholders will find an Application Form accompanying this document. Qualifying CREST Shareholders (none of whom will receive an Application Form) will receive a credit to their stock accounts in CREST in respect of the Open Offer Entitlements which will be enabled for settlement on 23 June 2020. Applications under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim arising out of a sale or transfer of Existing Ordinary Shares prior to the date on which the Existing Ordinary Shares were marked “ex-entitlement” by the London Stock Exchange. If the Open Offer Entitlements are for any reason not enabled by 3.00 p.m. on 23 June 2020 or such later time as the Company may decide, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements credited to its stock account in CREST. Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer. Applications for Excess Shares pursuant to the Excess Application Facility may be made by the Qualifying Shareholder provided that their Open Offer Entitlement has been taken up in full and subject to being scaled back in accordance with the provisions of this document.

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

A copy of this document is available, subject to certain restrictions relating to persons resident in certain overseas jurisdictions, at the Company’s website www.inspiration-healthcare.com.

IMPORTANT INFORMATION

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors’ current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group’s operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM Rules, none of the Company, Cenkos nor their respective Directors undertakes any obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors’ expectations or to reflect events or circumstances after the date of this document.

NOTICE TO OVERSEAS PERSONS

The distribution of this document and/or any accompanying documents in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents 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. In addition, the transfer of Open Offer Entitlements or Excess Open Offer Entitlements through CREST, in jurisdictions other than the UK, including the Restricted Jurisdictions (as defined below), may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any of those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

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

The New Ordinary Shares, the Open Offer Entitlements or the Excess Open Offer Entitlements have not been approved or disapproved by the US Securities and Exchange Commission, or any other securities commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the New Ordinary Shares nor have they approved this document or confirmed the accuracy or adequacy of the information contained in this document. Any representation to the contrary is a criminal offence in the United States.

In addition, Application Forms are not being posted to and no Open Offer Entitlements or Excess Open Offer Entitlements will be credited to a stock account of any person in the United States, Canada, Australia, New Zealand, Japan or the Republic of South Africa. The attention of Overseas Shareholders and other recipients of this document who are residents or citizens of any country other than the United Kingdom is drawn to the section entitled "Overseas Shareholders" at paragraph 6 of Part IV of this document.

PRESENTATION OF FINANCIAL INFORMATION

Certain data in this document, including financial, statistical and operational information has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data. Percentages in tables have been rounded and, accordingly, may not add up to 100 per cent. In this document, references to "pounds sterling", "£", "pence" and "p" are to the lawful currency of the United Kingdom, references to "US dollar", "dollar", "US\$" or "\$" are to the lawful currency of the United States and references to "Euros" and "€" are to a lawful currency of the European Union.

PRESENTATION OF MARKET, ECONOMIC AND INDUSTRY DATA

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

NO INCORPORATION OF WEBSITE INFORMATION

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

INTERPRETATION

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

All times referred to in this document, the Form of Proxy and the Application Form are, unless otherwise stated, references to London time.

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

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

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DIRECTORS, SECRETARY AND ADVISERS

Directors	Mark Simon Abrahams (<i>Non-executive Chairman</i>) Neil James Campbell (<i>Chief Executive Officer</i>) Michael John Briant (<i>Chief Financial Officer</i>) Toby Foster (<i>Commercial Director</i>) Brook Nolson (<i>Non-executive Director</i>) Robert James Beveridge (<i>Non-executive Director</i>) all of whose business address is at the Company's registered office
Registered Office	2 Satellite Business Village Fleming Way Crawley West Sussex RH10 9NE
Company website	www.inspiration-healthcare.com
Company Secretary	Mike Briant Nominated Adviser and Broker Cenkos Securities plc 6.7.8 Tokenhouse Yard London EC2R 7AS
Legal advisers to the Company	Fieldfisher LLP Riverbank House 2 Swan Lane London EC4R 3TT
Legal advisers to the Nominated Adviser	Rosenblatt Limited 9-13 St Andrew St Holborn London EC4A 3AF
Auditors	PriceWaterhouseCoopers LLP Donington Court Pegasus Business Park Herald Way East Midlands DE74 2 UZ
Receiving Agent	Link Asset Services Corporate Actions The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Registrar	Link Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

FUNDRAISING STATISTICS

Issue Price	65 pence
Number of Existing Ordinary Shares	39,052,146
Number of Placing Shares being issued by the Company pursuant to the Placing	25,323,115
Number of Director Subscription Shares to be issued by the Company	61,500
Number of Consideration Shares to be issued pursuant to the Acquisition Agreement	2,769,231
Open Offer basic entitlement	1 Open Offer Share for every 50 Existing Ordinary Shares
Number of Open Offer Shares (in aggregate) (assuming take-up in full of the Open Offer by Qualifying Shareholders)	up to 767,617
Number of New Ordinary Shares to be issued pursuant to the Placing, Director Subscriptions, Open Offer and the Acquisition Agreement ⁽¹⁾	up to 28,921,463
Number of Ordinary Shares in issue following Admission ⁽¹⁾	up to 67,973,609
New Ordinary Shares as a percentage of the Enlarged Share Capital	42.5 per cent.
Gross proceeds of the Placing	£16.46 million
Gross proceeds of the Director Subscriptions	£0.04 million
Gross proceeds of the Open Offer ⁽¹⁾	up to £0.50 million
Estimated net proceeds of the Fundraising receivable by the Company ⁽¹⁾	£15.77 million
Value of the Consideration Shares at the Issue Price	£1.80 million
Ordinary Share ISIN	GB00BXDZL105
Open Offer Basic Entitlements ISIN	GB00BMC5BG94
Open Offer Excess Entitlements ISIN	GB00BMC5BH02

¹ Assuming take-up in full of the Open Offer by Qualifying Shareholders.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date for entitlements under the Open Offer	6.00 p.m. on 17 June 2020
Announcement of the Placing, Open Offer and Acquisition	19 June 2020
Publication and despatch of this document, the Proxy Form and, to Qualifying Non-Crest Shareholders, the Application Form	19 June 2020
Existing Ordinary Shares marked “ex” by the London Stock Exchange	8.00 a.m. on 22 June 2020
Open Offer Entitlements and Excess Open Offer Entitlements credited to CREST stock accounts of Qualifying CREST Shareholders	23 June 2020
Latest recommended time and date for requesting withdrawal of Basic Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST	4.30 p.m. on 29 June 2020
Latest time and date for depositing Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST	3.00 p.m. on 30 June 2020
Latest time and date for splitting of Application Forms under the Open Offer	3.00 p.m. on 1 July 2020
Latest time and date for receipt of Forms of Proxy and CREST voting instructions	11.00 a.m. on 2 July 2020
Latest time and date for receipt of Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on 3 July 2020
General Meeting	11.00 a.m. on 6 July 2020
Results of the General Meeting and the Open Offer announced	6 July 2020
Admission of the New Ordinary Shares to trading on AIM and commencement of dealings	8.00 a.m. on 7 July 2020
Where applicable, expected date for CREST accounts to be credited in respect of New Ordinary Shares in uncertificated form	7 July 2020
Where applicable, expected date for despatch of definitive share certificates for New Ordinary Shares in certificated form	Within 5 business days from Admission

Notes:

1. Each of the above times and/or dates is subject to change at the absolute discretion of the Company and Cenkos. If any of the above times and/or dates should change, the revised times and/or dates will be announced through a Regulatory Information Service.
2. All of the above times refer to London time unless otherwise stated.
3. All events listed in the above timetable following the General Meeting are conditional on the passing of the Resolutions at the General Meeting.

DEFINITIONS

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

“Acquisition”	the proposed acquisition by the Company of the entire issued share capital of the Target
“Acquisition Agreement”	the agreement relating to the Acquisition, made between the Company and the Vendors, a summary of which is set out in paragraph 5 of Part 1 of this document
“Act”	the Companies Act 2006 (as amended)
“Admission”	admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules
“AIM”	the AIM market operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange from time to time
“AIM Rules for Nominated Advisers”	the AIM rules for nominated advisers published by the London Stock Exchange from time to time
“Articles”	the articles of association of the Company
“Application Form”	the application form accompanying this document to be used by Qualifying Non-CREST Shareholders in connection with the Open Offer
“Business Day”	a day (other than a Saturday, a Sunday or a public holiday) on which clearing banks are open for all normal banking business in the city of London.
“Cenkos” or “Nominated Adviser” or “Broker”	Cenkos Securities plc, as the Company’s nominated adviser and sole broker
“certificated form” or “in certificated form”	an Ordinary Share recorded on a company’s share register as being held in certificated form (namely, not in CREST)
“Company” or “Inspiration” or “Inspiration Healthcare”	Inspiration Healthcare Group plc, a company incorporated under the laws of England and Wales with company number 03587944
“Completion”	means completion of the Acquisition, pursuant to the Acquisition Agreement
“Consideration Shares”	the 2,769,231 new Ordinary Shares to be issued and allotted to Vendors pursuant to the Acquisition Agreement
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755) (as amended)

“Director Subscriptions” or the “Subscription”	the subscriptions to be made at the Issue Price by, or on behalf of, the following persons: (a) Mark Abrahams in respect of 15,375 new Ordinary Shares; (b) Neil Campbell in respect of 15,375 new Ordinary Shares; (c) Toby Foster in respect of 15,375 new Ordinary Shares; and (d) Jon Ballard in respect of 15,375 new Ordinary Shares.
“Director Subscription Agreements”	the subscription agreements dated on or about the date of this document between the Company and each of the persons subscribing for Director Subscription Shares
“Director Subscription Shares”	the 61,500 new Ordinary Shares to be issued pursuant to the Director Subscriptions
“Directors” or “Board”	the directors of the Company whose names are set out on page 6 of this document, or any duly authorised committee thereof
“Document” or “Circular”	this document which for the avoidance of doubt does not comprise a prospectus (under the Prospectus Regulation Rules) or an admission document (under the AIM Rules)
“Enlarged Group”	the Group following Completion
“Enlarged Share Capital”	the issued Ordinary Shares immediately following Admission, assuming the maximum number of New Ordinary Shares are issued
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“Excess Application Facility”	the arrangement pursuant to which Qualifying Shareholders may apply for additional Open Offer Shares in excess of their Open Offer Entitlement in accordance with the terms and conditions of the Open Offer
“Excess CREST Open Offer Entitlements”	in respect of each Qualifying CREST Shareholder, the entitlement (in addition to his Open Offer Entitlement) to apply for Open Offer Shares pursuant to the Excess Application Facility, which is conditional on him taking up his Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this document
“Excess Open Offer Entitlements”	an entitlement for each Qualifying Shareholder to apply to subscribe for Open Offer Shares in addition to his Open Offer Entitlement pursuant to the Excess Application Facility which is conditional on him taking up his Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this document
“Excess Shares”	Open Offer Shares which are not taken up by Qualifying Shareholders pursuant their Open Offer Entitlement and which are offered to Qualifying Shareholders under the Excess Application facility
“Ex-entitlement Date”	the date on which the Existing Ordinary Shares are marked “ex” for entitlement under the Open Offer, being 8.00 a.m. on 22 June 2020
“Existing Group”	the Company and its subsidiaries prior to completion of the Acquisition

“Existing Ordinary Shares”	the 39,052,146 Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM
“FCA”	the UK Financial Conduct Authority
“Form of Proxy”	the form of proxy for use in connection with the General Meeting which accompanies this document
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“Fundraising”	the Placing, the Director Subscriptions and the Open Offer
“General Meeting”	the general meeting of the Company to be held at the offices of the Company at 2 Satellite Business Village, Fleming Way, Crawley, West Sussex RH10 9NE at 11.00 a.m. on 6 July 2020, notice of which is set out at the end of this document
“Group”	the Company, its subsidiaries and its subsidiary undertakings
“HSBC”	HSBC UK Bank plc
“HSBC RCF”	a four year £5 million revolving credit facility entered into by the Company with HSBC
“IP”	intellectual property
“Issue Price”	65 pence per New Ordinary Share
“Link Asset Services”	a trading name of Link Market services Limited
“London Stock Exchange”	London Stock Exchange plc
“Money Laundering Regulations”	The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended)
“New Ordinary Shares”	the Placing Shares, the Director Subscription Shares, the Open Offer Shares and the Consideration Shares
“Notice of General Meeting”	the notice convening the General Meeting which is set out at the end of this document
“Open Offer”	the conditional invitation by the Company to Qualifying Shareholders to apply to subscribe for the Open Offer Shares at the Issue Price on the terms and subject to the conditions set out in this document and, in the case of Qualifying Non-CREST Shareholders, in the Application Form
“Open Offer Entitlement”	the individual entitlements of Qualifying Shareholders to subscribe for Open Offer Shares allocated to Qualifying Shareholders pursuant to the Open Offer
“Open Offer Shares”	up to 767,617 new Ordinary Shares to be issued by the Company pursuant to the Open Offer
“Ordinary Shares”	ordinary shares of 10 pence each in the capital of the Company
“Overseas Shareholders”	Shareholders with a registered address outside the United Kingdom
“Placees”	subscribers for the Placing Shares

“Placing”	the conditional placing of the Placing Shares by Cenkos, as agents on behalf of the Company, pursuant to the Placing Agreement, further details of which are set out in this document
“Placing Agreement”	the conditional placing and open offer agreement dated 18 June 2020 and made between Cenkos and the Company in relation to the Fundraising, further details of which are set out in this document
“Placing Shares”	the 25,323,115 new Ordinary Shares to be issued pursuant to the Placing
“Prospectus Regulation Rules”	the regulation (EU) No 2017/1129 of the European Parliament and of the Council
“Qualifying CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares in uncertificated form
“Qualifying Non-CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares in certificated form
“Qualifying Shareholders”	holders of Existing Ordinary Shares on the register of members of the Company at the Record Date but excluding any Overseas Shareholder who has a registered address in any Restricted Jurisdiction
“Record Date”	6.00 p.m. on 17 June 2020
“Registrars” and “Receiving Agent”	Link Asset Services, 34 Beckenham Road, Beckenham, Kent BR3 4TU
“Regulatory Information Service”	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA’s website
“Resolutions”	the resolutions set out in the Notice of General Meeting
“Restricted Jurisdiction”	means the United States of America, Australia, Canada, the Republic of South Africa, New Zealand, Japan or any other jurisdiction where the New Ordinary Shares may not be offered, sold, taken up, delivered or transferred into or from
“Shareholders”	holders of Ordinary Shares
“Target” or “S.L.E.”	S.L.E. Limited, the subject of the Acquisition Agreement
“UK”	the United Kingdom of Great Britain and Northern Ireland
“US” or “United States”	the United States of America, each State thereof, its territories and possessions (including the District of Columbia) and all other areas subject to its jurisdiction
“uncertificated” or “in uncertificated form”	an Ordinary Share recorded on a company’s share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“Vendors”	the existing shareholders of the Target
“£”, “pounds sterling”, “pence” or “p”	are references to the lawful currency of the United Kingdom

PART I

LETTER FROM THE CHAIRMAN OF INSPIRATION HEALTHCARE GROUP PLC

(Incorporated under the Companies Act 2006 and registered in England and Wales with registered number 03587944)

Directors:

Mark Abrahams (Non-executive Chairman)
Neil Campbell (Chief Executive Officer)
Mike Briant (Chief Financial Officer)
Toby Foster (Commercial Director)
Brook Nolson (Non-executive Director)
Bob Beveridge (Non-executive Director)

Registered office:

2 Satellite Business Village
Fleming Way
Crawley
West Sussex
RH10 9NE

19 June 2020

To Shareholders and, for information only, option holders

Dear Shareholder,

Proposed Acquisition of S.L.E. Limited
Placing & Subscription of 25,384,615 new Ordinary Shares at 65 pence per share
Open Offer of up to 767,617 Ordinary Shares at 65 pence per share
and
Notice of General Meeting

1. INTRODUCTION AND SUMMARY

The Company has today announced its proposed acquisition of S.L.E. Limited, together with a conditional Placing and Subscription pursuant to which the Company proposes to raise £16.5 million (before fees and expenses) by the issue and allotment by the Company of 25,384,615 new Ordinary Shares at the Issue Price of 65 pence per Ordinary Share to certain institutional and other investors.

In addition, in order to provide Shareholders who have not taken part in the Placing and Subscription with an opportunity to participate in the proposed issue of New Ordinary Shares, the Company is providing all Qualifying Shareholders with the opportunity to subscribe at the Issue Price for an aggregate of up to 767,617 Open Offer Shares, to raise up to £0.5 million (before fees and expenses), on the basis of:

**1 Open Offer Share for every 50 Existing Ordinary Shares held on the Record Date,
at 65 pence each, payable in full on acceptance.**

The Placing, the Subscription and the Open Offer are conditional, *inter alia*, upon the satisfaction of certain conditions to the Acquisition, Shareholders approving the Resolutions at the General Meeting, which will grant the Directors the authority to allot the New Ordinary Shares and the power to disapply statutory pre-emption rights in respect of the Placing Shares, the Director Subscription Shares and the Open Offer Shares. The Resolutions are contained in the Notice of General Meeting at the end of this Document. Admission is expected to occur at 8.00 a.m. on 7 July 2020 or such later time and/or date as Cenkos and the Company may agree, not being later than 8.00 a.m. on 21 July 2020. The Placing, the Subscription and the Open Offer are not underwritten.

The Open Offer provides Qualifying Shareholders with an opportunity to participate in the Fundraising whilst providing the Company with additional capital to invest in the business of the Group.

The Issue Price is at a discount of approximately 1.5 per cent. to the closing middle market price of 66 pence per Existing Ordinary Share on 18 June 2020 (being the last practicable date before publication of this Document).

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

2. BACKGROUND TO AND REASONS FOR THE ACQUISITION AND THE FUNDRAISING

The Company has previously stated its ambition to become a global leader in the field of neonatology through growing its core business, investing in disruptive technologies and through acquisition of synergistic companies and technology. As part of this strategy the Company acquired Vio Holdings Ltd (“Viomedex”), a small UK based manufacturer of neonatal intensive care products used in the field of respiratory medicine in September 2019, the first acquisition towards reaching its goal.

The Company is pleased to announce that it has today entered into a conditional agreement to acquire the entire issued share capital of S.L.E. Limited for an aggregate consideration of £18.0 million, on a cash free debt free basis.

S.L.E. is a leader in the design and manufacture of ventilators and capital equipment for neonatal intensive care, treating premature and sick babies. S.L.E.’s products are sold across the world through a distribution network built over many years. Approximately 89 per cent. of S.L.E.’s revenue in FY2019 was generated from sales outside of the UK, with a significant proportion of its revenue generated in Asia Pacific and the Middle East. In the financial year ended 31 July 2019, S.L.E. generated revenue of £16.1 million and profit before taxation of £1.5 million.

Strategic rationale for the Acquisition

The Directors believe that the Acquisition will:

- increase the Group’s profile, in line with the Company’s strategic goal of becoming a global leader in neonatal intensive care;
- be earnings enhancing in the short to medium term, with significant commercial synergies;
- transform the scale of the Group;
- broaden the Group’s product portfolio in neonatal intensive care, with the addition of neonatal ventilators, accessories and additional distributed products;
- enable significant cross-selling opportunities within the Enlarged Group, especially for neonatal respiratory disposables such as the recently acquired Viomedex nCPAP products and breathing circuits;
- reduce the reliance on third party distributed products within the Group’s current portfolio;
- enhance the Group’s manufacturing capabilities, with an approximately 30,000 sq. ft. facility in Croydon for the assembly of technically advanced capital equipment;
- leverage the Group’s well-established routes to market globally - Inspiration and S.L.E. had combined exports of circa £20.0 million (approximately 60% of total revenue) based on their last audited full year accounts, as well as the Group’s sales and marketing resource, to drive sales of the Group’s products; and
- increase the Group’s product development capability and consolidation of regulatory compliance.

COVID-19 RISK STATEMENT

The Directors believe that COVID-19 presents an unprecedented and unforeseen risk. Whereas the Board is confident in its projections of synergies and the future of the enlarged business, there are macro-economic factors that could impact the speed at which these synergies are realised and which are outside of the Board’s control.

The Directors believe that neonatal intensive care remains an attractive market which will continue to grow despite investment in critical healthcare infrastructure due to COVID-19 which has been predominantly around adult respiratory medicine. Although there may be a downturn in capital expenditure in hospitals due to macro-economic issues, the Directors believe that infrastructure will continue to grow and ventilation of the neonate will be an important part of this growth to preserve life and improve outcomes of premature and sick babies.

3. SUMMARY OF INSPIRATION HEALTHCARE

Inspiration Healthcare is a global provider of medical technology for use in critical care and operating theatres, with a particular focus on neonatal intensive care. The Group provides high quality innovative products to patients around the world which help to improve patient outcomes and it actively invests in innovative product opportunities and disruptive technologies. In the financial year ended 31 January 2020, the Group generated revenues of £17.8 million (2019: £15.5 million) and EBITDA of £2.3 million (2019 £1.6 million).

The Group sells a range of innovative branded neonatal care solutions, spanning numerous applications including non-invasive respiratory management and thermoregulation for newborns and patient warming for adults. The majority of the Group's branded products are used in the first few days of life, providing technology to premature and sick babies that could have a profound effect on their outcome. Inspiration Healthcare complements its branded products with distributed products to offer a more comprehensive product range, adding value to the customer proposition. The Group sells its products in over 50 countries, principally within the EU, North America and the Middle-East. The Group's distributed products are mainly sold in the UK and Ireland to support specialised surgical procedures, infusion therapies and critical care.

The Group intends to strengthen its competitive positioning in this niche through new product development and acquisitions of small to medium sized businesses to complement the Group's existing product portfolio, described in more detail below.

Core Neonatal Branded Products

Respiratory Portfolio

Inspire nCPAP™ – is an effective solution for supporting a respiratory compromised infant. The Inspire nCPAP™ reduces the amount of effort required for infants to breathe, ensuring they do not tire quickly allowing them to use energy to grow. The Inspire nCPAP™ uses established fluidic principles and is well established in the market, having been launched in 2010.

First Breath nCPAP™ – the next generation nCPAP system, following on from the successful Inspire nCPAP™, acquired into the Group through the acquisition of Viomedex in 2019. The product has been available in the EU since late 2018 and interest is growing in the product line, with three patents granted.

Inspire rPAP™ system – is a non-invasive device for the initial stabilisation and resuscitation of babies. Its innovative, patented design combines the ability to administer inflation breaths with all the clinical benefits of the gold standard fluidic flip nCPAP technology. Consisting of two parts, a 'driver' that controls the flow of fresh gas and the pressure the baby receives, and a 'generator' (patented) that sits on the nose and allows the gas to flow to and from the baby in synchronisation with their breathing pattern and can be used to inflate the lungs should the baby need assistance.

Breathing Circuits – the disposable tubing along which the gas from the Life Support machines to the interface with the baby travels. Medical gases are cold and dry and the circuit, when combined with a humidification device, maintains the gas at physiologically normal conditions. Circuits are supplied as single patient use and are usually changed weekly or when a therapy changes.

Thermoregulation Portfolio

CosyTherm2 (a sub-set of the Group's Patient Warming System) – provides safe and controlled warming to assist in the maintenance of normothermia. The system combines more effective thermal transfer with simplicity of use, which, the Directors believe, make it superior to other warming methods currently available. As well as neonatal, the patented warming technology has applications in paediatric and perioperative environments (where we promote the AlphaCore5 brand).

LifeStart™ – facilitates optimal cord clamping and bedside resuscitation / stabilisation. The infant is supported on a warm platform (when used in conjunction with the CosyTherm2 or equivalent) whilst leaving the umbilical cord intact as the clinician accesses the infant. This can allow improved placental transfusion and smoother cardiovascular transition, along with allowing resuscitation to take place next to the mother giving a more holistic approach to newborn resuscitation.

Tecotherm Neo – is a thermo-regulating device that can be used to cool a baby that has suffered from a lack of oxygen at birth (perinatal asphyxia), and gently re-warm them. Its predecessor (the TS med 200)

was used on the TOBY trial (published in the New England Journal of Medicine October 2009) that showed a significant reduction in brain injury (cerebral palsy) in a group of babies that had suffered from perinatal asphyxia. It is now sold throughout the world and has helped thousands of babies.

Unique+ CFM – cerebral function monitoring (“CFM”) of critically ill newborns has been used in diagnosis of brain injury for many years and is routinely used for babies that are suspected of injury that can be treated with the Tecotherm Neo. The Unique+ CFM can be set-up easily and quickly, allowing the neonatologist to diagnose as early as possible.

4. SUMMARY OF S.L.E. LIMITED

S.L.E. is a leader in the design and manufacture of ventilators for neonatal intensive care. Founded as ‘Specialised Laboratory Equipment Ltd’ in 1956, S.L.E. first launched its own neonatal ventilator in 1981 and has since continued to invest in research and development to bring about advances to support neonatal intensive care medicine. S.L.E., an award-winning company, has generated a significant proportion of its revenue of high-end ventilators in the Middle-East and Asia Pacific with established sales in Europe and Latin America. International sales accounted for approximately 89% of revenue in FY2019, of which approximately 90 per cent. were products developed and owned by S.L.E. S.L.E. also acts as a distributor in the UK for a number of manufacturers in the neonatal field. S.L.E. have a product development pipeline that includes new additions to the range of capital equipment.

S.L.E. is based in Croydon, just south of London, where it occupies approximately 30,000 sq. ft. of assembly and office space. S.L.E. employs approximately 110 staff, in key functions of sales and marketing, research and development, regulatory affairs and quality assurance with the majority in production and support functions.

The Directors believe that the newest product in the portfolio, the SLE6000 infant ventilator, has features which position it well as a technology leader and will maintain S.L.E.’s position at the forefront of neonatal respiratory medicine and can open new markets in forthcoming years. As well as ‘conventional’ modes of ventilation, the SLE6000 includes High Frequency Oscillatory Ventilation (HFOV) which can be used on the sickest patients as well as CPAP which can be used on stronger, healthier babies in conjunction with, amongst others, the Group’s Inspire nCPAP and First Breath nCPAP ranges. Other products in the range include the SLE5000, the predecessor to the SLE6000, and its simpler stable mate, the SLE4000. The SLE6000 has a modular design, allowing it to be easily updated and configured for each patient’s needs, with licenses for additional features purchased and installed via a USB stick, such as Oxygenie®, a closed loop oxygen control algorithm.

The Oxygenie® software module monitors oxygen levels in the baby’s blood as part of a closed loop feedback system, which increases or decreases the amount of oxygen supplied to the patient within safe limits. Importantly, this technology helps to reduce the number of manual interventions by medical staff so more time can be spent caring for the patient. This technology is licenced from the inventors on an exclusive basis until 7/03/2038 and was CE marked in 2019.

Financial Information on S.L.E. Ltd (as reported in audited financial statements under FRS102)

<i>Year end 31 July</i>	<i>2017 £m</i>	<i>2018 £m</i>	<i>2019 £m</i>
Revenue	14.0	14.9	16.1
Growth	8.7%	6.6%	8.0%
Gross margins	26.4%	28.9%	28.5%
Operating profit	0.7	1.2	1.5
EBITDA*	0.7	1.3	1.6
EBITDA margin	5.2%	8.7%	9.7%
Net income**	0.7	1.2	1.5***
FCF ****	0.2	0.2	1.0
Gross assets	9.5	10.5	11.7

* Earnings before interest, tax, depreciation and amortisation

** Historical tax losses have resulted in minimal tax charges

*** Excludes property revaluation

**** Excludes dividends paid and repayment of debt that is fully paid down in FY2019

S.L.E. has a well-diversified customer base with no single customer accounting for more than 14 per cent. of total revenue. These customers include the NHS, as well as larger customers in China, Japan, India, Russia and throughout the Middle East, EU and Latin America.

S.L.E.'s revenue has been growing steadily over the past 3 years as the SLE6000 has gained regulatory release in various jurisdictions around the world. Accordingly, as a higher margin product than its predecessor, the SLE6000 has led to greater profitability due to its modular design and software add-ons. This, combined with leveraging of the overhead base, has generated improving EBITDA margins. S.L.E. have invested in R&D and regulatory approvals, the products are not believed to be affected by the introduction of the Medical Device Regulations in Europe that are due to come into force on 26 May 2021. Over the years SLE has accumulated approximately £8.6 million of tax losses as at 31 July 2019, which are intended to be used by the Group to offset future profits of S.L.E.

The Board believe that the product range from S.L.E. complement and supplement the predominantly single use products from Inspiration Healthcare and make a compelling portfolio in the field of respiratory medicine for the neonate. The Directors believe that leveraging S.L.E.'s distribution network in Asia Pacific and the Middle East will give an excellent opportunity to drive cross-selling of non-competing product sales and using the Group's greater reach in other markets will aid the growth of S.L.E.'s products generally subject to any contractual restrictions that may apply.

5. KEY TERMS OF THE ACQUISITION & USE OF PROCEEDS

The total consideration payable to acquire the entire issued share capital of S.L.E. Limited and its subsidiaries is £18.0 million on a cash free debt free basis and subject to adjustment for normalised working capital, of which £16.2 million will be payable in cash upon Completion and £1.8 million will be satisfied by the issue and allotment of the Consideration Shares at the Issue Price to the Vendors. The cash consideration will be paid for using the net proceeds from the Placing and the new debt facility detailed below. It is intended that the balance of the proceeds from the Placing, together with any proceeds received pursuant to the Open Offer, will be used for marketing and product development as well as providing working capital for the Enlarged Group and strengthening the Company's balance sheet.

The Vendors have agreed not to dispose (save in certain limited circumstances) of any interest in the Consideration Shares for a period of 12 months from Completion and have agreed to certain orderly market restrictions for a further 12-month period thereafter. The Consideration Shares will rank in full for all dividends with a record date on or after the date of Admission and otherwise equally with the Existing Ordinary Shares, Placing Shares, Subscription Shares and Open Offer Shares in issue from the date of Admission.

The terms of the Acquisition are contained in the Acquisition Agreement which includes certain warranties from the Vendors relating to, *inter alia*, the business and operations of S.L.E and indemnities in favour of the Company and the limitations on liability under the warranties are set at a market standard level for such a transaction. The Vendors have agreed to procure that S.L.E. shall carry on its business in the ordinary course between the date of signing the Acquisition Agreement and Completion and during such period shall not take certain decisions or carry out certain actions without the prior consent of the Company. The Acquisition Agreement contains termination rights between signing and Completion in favour of the Company in the event of a material breach of the Acquisition Agreement including of these warranties or operational covenants by the Vendors.

6. NEW DEBT FACILITY

In order to part finance the cash element of the consideration of the Acquisition and to provide additional working capital, the Group has conditionally entered into the £5 million HSBC RCF. Interest on the amount drawn down under the HSBC RCF is payable at a rate of 2.5 per cent. over LIBOR. The loan agreement also provides for financial covenants, which relate to interest cover, leverage and capital expenditure, to be tested quarterly. Entry into the HSBC RCF is conditional, *inter alia*, on Admission.

7. BOARD CHANGES

As announced on 26 February 2020, Mike Briant, the Group's Chief Financial Officer, will be retiring from the Board at the end of June 2020. Mike has agreed to continue to work with the Group during a handover

period which will end in November 2020. It is intended that Jonathan Ballard, currently Inspiration's Group Financial Controller, will become the Group's Chief Financial Officer with effect from 1 July 2020. A further announcement concerning Jonathan's proposed appointment to the Board of Inspiration Healthcare will be made in due course.

8. DIRECTORS' PARTICIPATION IN THE FUNDRAISING

As part of the Fundraising, certain Directors and a person discharging managerial responsibility ("PDMR") have conditionally agreed to subscribe (either personally or through a nominee) for an aggregate of 61,500 Director Subscription Shares at the Issue Price. Details of the Director Subscription Shares for which the Directors have agreed to subscribe (either personally or through a nominee) are displayed below:

Name	Title	Number of Existing Ordinary Shares	Number of New Ordinary Shares subscribed for	Value of New Ordinary Shares subscribed for	Resulting shareholding following proposed subscription	Percentage of enlarged share capital following proposed subscription
Mark Abrahams	Non-executive Chairman	241,201	15,375	£9,993	256,576	0.4%
Neil Campbell	Chief Executive Officer	4,536,271	15,375	£9,993	4,551,646	6.7%
Toby Foster	Commercial Director	3,899,907	15,375	£9,993	3,915,282	5.8%
Jon Ballard	Group Financial Controller	–	15,375	£9,993	15,375	0.0%

9. RELATED PARTY TRANSACTION

The participation in the Placing by Premier Miton Group plc, an existing substantial shareholder in the Company, for 5,178,000 Placing Shares at the Issue Price is deemed to be a related party transaction pursuant to Rule 13 of the AIM Rules. Having consulted with Cenkos, the Company's Nominated Adviser, the Directors consider that the terms of Premier Miton's participation in the Placing are fair and reasonable insofar as the Company's shareholders are concerned.

10. CURRENT TRADING AND PROSPECTS

On 6 May 2020, the Company announced a trading update for the first quarter of the fiscal year ended 31 January 2021. In this announcement, the Company disclosed that trading for the first quarter has been strong, with revenues up by approximately 27 per cent. on the comparative period for the fiscal year ended 31 January 2020. The increase in revenues does not include the contracts won for the supply of ventilators to the UK National Health Service announced on the 16 and 20 March and 15 June 2020 which, when combined, are worth over £5 million of additional revenue to the Company and are expected to be accounted for in the second quarter of the financial year subject to product availability from our manufacturing partners. Without these exceptional orders, the Company's order book remains strong and the Company is receiving considerable interest in its products.

11. DETAILS OF THE PLACING

The Company has conditionally raised approximately £16.5 million before expenses by the conditional Placing of 25,323,115 new Ordinary Shares at the Issue Price by Cenkos, as agent for the Company, with Placees.

The Placing is conditional, *inter alia*, upon:

- the passing of the Resolutions at the General Meeting by Shareholders;
- the Placing Agreement becoming or being declared unconditional in all respects and not having been terminated in accordance with its terms prior to Admission; and
- Admission becoming effective by no later than 8.00 a.m. on 7 July 2020 or such later time and/or date (being no later than 8.00 a.m. on 21 July 2020) as Cenkos and the Company may agree.

If any of the conditions are not satisfied, the Placing Shares will not be issued and all monies received from the Placees will be returned to the Placees (at the Placees' risk and without interest) as soon as possible thereafter. The Placing is not being underwritten.

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

For the avoidance of doubt, subscribers for Placing Shares will not be entitled to participate in the Open Offer in respect of those shares.

12. THE PLACING AGREEMENT

Pursuant to the terms of the Placing Agreement, Cenkos, as agent for the Company, has conditionally agreed to use its reasonable endeavours to procure subscribers for the Placing Shares. Cenkos has conditionally placed the Placing Shares with certain institutional and other investors at the Issue Price. The Placing and the Open Offer have not been underwritten. The Placing Agreement is conditional upon, *inter alia*, the Resolutions being duly passed at the General Meeting and Admission becoming effective on or before 8.00 a.m. on 7 July 2020 (or such later time and/or date as Cenkos and the Company may agree, but in any event by no later than 8.00 a.m. on 21 July 2020).

The Placing Agreement contains customary warranties from the Company in favour of Cenkos in relation to, *inter alia*, the accuracy of the information in this document and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify Cenkos in relation to certain defined liabilities that it may incur in respect of the Fundraising.

Cenkos has the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, in the event of a material breach of the warranties given to Cenkos in the Placing Agreement or a material adverse change affecting the business, financial trading position or prospects of the Company or the Group as a whole.

The Placing Agreement also provides for the Company to pay all costs, charges and expenses of, or incidental to, the Fundraising and the Admission including all legal and other professional fees and expenses.

The Placing Shares have not been made available to the public and have not been offered or sold in any jurisdiction where it would be unlawful to do so.

13. THE OPEN OFFER

The Company considers it important that Qualifying Shareholders have an opportunity (where it is practicable for them to do so) to participate in the Fundraising and accordingly the Company is making the Open Offer to Qualifying Shareholders. The Company is proposing to raise up to approximately £0.5 million (before expenses) (assuming full take up of the Open Offer) through the issue of up to 767,617 Open Offer Shares.

The Open Offer Shares are available to Qualifying Shareholders pursuant to the Open Offer at the Issue Price of 65 pence per Open Offer Share, payable in full on acceptance. Any Open Offer Shares not subscribed for by Qualifying Shareholders will be available to Qualifying Shareholders under the Excess Application Facility.

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

1 Open Offer Share for every 50 Existing Ordinary Shares held by the Shareholder on the Record Date

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

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

Application has been made for the Open Offer Entitlements to be admitted to CREST. It is expected that such Open Offer Entitlements will be credited to CREST on 23 June 2020. The Open Offer Entitlements will be enabled for settlement in CREST until 11.00 a.m. on 3 July 2020. Applications through the CREST system may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of *bona fide* market claims. The Open Offer Shares must be paid in full on application. The latest time and date for receipt of completed Application Forms or CREST applications and payment in respect of the Open Offer is 11.00 a.m. on 3 July 2020. The Open Offer is not being made to certain Overseas Shareholders, as set out in paragraph 6 of Part IV of this document.

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

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

The Open Offer is conditional on the Placing becoming or being declared unconditional in all respects and not being terminated before Admission (as the case may be). Accordingly, if the conditions to the Placing are not satisfied or waived (where capable of waiver), the Open Offer will not proceed and the Open Offer Shares will not be issued and all monies received by the Receiving Agent will be returned to the applicants (at the applicant's risk and without interest) as soon as possible thereafter. Any Open Offer Entitlements admitted to CREST will thereafter be disabled.

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

Settlement and dealings

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective at 8.00 a.m. on 7 July 2020.

The New Ordinary Shares will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive dividends and other distributions declared following Admission.

14. THE GENERAL MEETING

You will find set out at the end of this Document a notice convening the General Meeting to be held at the offices of the Company at 2 Satellite Business Village, Fleming Way, Crawley, West Sussex RH10 9NE, on 6 July 2020 at which the following resolutions will be proposed as ordinary or special resolutions as indicated below:

- Resolution 1, which will be proposed as an ordinary resolution, is to authorise the Directors:
 - (a) to allot the Placing Shares in connection with the Placing;
 - (b) to allot the Open Offer Shares in connection with the Open Offer;
 - (c) to allot the Director Subscription Shares in connection with the Director Subscriptions; and
 - (d) to allot the Consideration Shares in connection with the Acquisition.

The authorities granted under this resolution are in addition to any other authorities in existence at the date of the General Meeting.

- Resolution 2, which will be proposed as a special resolution and which is subject to the passing of Resolution 1, dis-applies Shareholders' statutory pre-emption rights in relation to the issue of the Placing Shares pursuant to the Placing; the Director Subscription Shares pursuant to the Director Subscriptions and the Open Offer Shares pursuant to the Open Offer.

The disapplication authority under this resolution is in addition to any other authorities in existence at the date of the General Meeting.

15. ACTION TO BE TAKEN

In respect of the General Meeting

Following the COVID-19 'Stay at Home Measures' imposed by the UK Government prohibiting, amongst other things, all non-essential travel and large public gatherings, the Board will be implementing the following measures in respect of the General Meeting:

- (a) We expect only one Director and another shareholder representative to be in attendance in person at the venue for quorum purposes to conduct the business of the meeting.
- (b) No other Directors will be present in person.
- (c) Shareholders will not be permitted to attend the General meeting, and if they attempt to do so, will be refused entry to the meeting in line with the Stay at Home Measures.
- (d) Relevant questions related to the General Meeting from shareholders can be raised in advance of the General Meeting and in so far as is relevant to the business of the meeting, will be responded to by email and taken into account as appropriate at the General Meeting itself.
- (e) Voting at the General Meeting will be carried out by way of poll so that votes cast in advance and the votes of all shareholders appointing the Chairman of the Meeting as their proxy can be taken into account.
- (f) As usual, the results of the General Meeting will be announced as soon as practicable after it has taken place.

A Form of Proxy for use at the General Meeting accompanies this document. The Form of Proxy should be completed and signed in accordance with the instructions thereon and returned to the Company's registrars, Link Asset Services PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible, but in any event so as to be received by no later than 11.00 a.m. on 2 July 2020 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting).

Alternatively, you can vote online at www.signalshares.com (the "Website") by following the on-screen instructions, in particular at the "Proxy Voting" link. In order to appoint a proxy using the Website, members will need to log into their Signal Shares account, or register if they have not previously done so. To register members will need to identify themselves with their Investor Code which is detailed on their share certificate or available from the Registrars, Link Asset Services, on Tel: 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales.

If you hold your Existing Ordinary Shares in uncertificated form in CREST, you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual. Further details are also set out in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by the issuer's agent (ID: RA10) by no later than 11.00 a.m. on 2 July 2020 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting).

As set out above, Shareholders will not be permitted entry to the General Meeting due to the Government's Stay at Home Measures. Accordingly, the Company encourages all Shareholders to either submit their Form of Proxy, or make use of the CREST Proxy Voting Service rather than attend the meeting in person. In accordance with the Company's articles of association, whilst nominating a proxy would not ordinarily preclude Shareholders from attending, speaking and voting in person at the General Meeting should they so wish, Shareholders are reminded that to do so would breach the Government's Stay at Home Measures

in relation to the containment and control of COVID-19. Should any Shareholder attempt to attend the General Meeting in person, they will be denied entry.

In respect of the Open Offer

Qualifying Non-CREST Shareholders wishing to apply for Open Offer Shares or the Excess Shares must complete the enclosed Application Form in accordance with the instructions set out in paragraph 3 of Part IV of this document and on the accompanying Application Form and return it to Link Asset Services by post to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU or by hand (during normal office hours only) to, Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, so as to arrive no later than 11.00 a.m. on 3 July 2020.

If you do not wish to apply for any Open Offer Shares under the Open Offer, you should not complete or return the Application Form. Shareholders are nevertheless requested to complete and return the Form of Proxy.

If you are a Qualifying CREST Shareholder, no Application Form will be sent to you. Qualifying CREST Shareholders will have Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to their stock accounts in CREST. You should refer to the procedure for application set out in paragraph 3 of Part IV of this document. The relevant CREST instructions must have settled in accordance with the instructions in paragraph 3.2 of Part IV of this document by no later than 11.00 a.m. on 3 July 2020.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer.

16. OVERSEAS SHAREHOLDERS

Information for Overseas Shareholders who have registered addresses outside the United Kingdom or who are citizens or residents of countries other than the United Kingdom appears in paragraph 6 of Part IV of this document, which sets out the restrictions applicable to such persons. If you are an Overseas Shareholder, it is important that you pay particular attention to that paragraph of this document.

17. RISK FACTORS

Your attention is drawn to the risk factors in Part II of this document which are important and which should be read in full. These are in addition to the risks associated with COVID-19 detailed above.

18. RECOMMENDATION

The Directors consider the Acquisition and the Fundraising to be in the best interests of the Company and its Shareholders as a whole and accordingly recommend unanimously Shareholders to vote in favour of the Resolutions to be proposed at the General Meeting and the Directors confirm that they intend to vote in favour of the Resolutions in respect of their beneficial holdings amounting, in aggregate, to 8,746,025 Existing Ordinary Shares, representing approximately 22.4 per cent. of the existing issued ordinary share capital of the Company.

Yours faithfully

Mark Abrahams

Non-executive Chairman

PART II

RISK FACTORS

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

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

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

RISKS RELATING SPECIFICALLY TO THE EXISTING GROUP AND THE ENLARGED GROUP

Acquisition not proceeding

There can be no assurance that the conditions to the Acquisition Agreement will be satisfied and that the Acquisition will be completed. Completion is conditional upon, *inter alia*, the approval by Shareholders of the Resolutions to be proposed at the General Meeting. In the event that Shareholders do not vote in favour of the Resolutions, the Acquisition will not be completed. In the event that the Acquisition cannot be completed, the Placing and the Open Offer will not become unconditional and will terminate in accordance with the terms of the Placing Agreement.

Integration

Whilst the Company has past experience in integrating acquisitions, the Enlarged Group's success may in part be dependent upon the Company's ability to integrate the Target and any other businesses that it may acquire in the future, without disruption to the existing business. The success of the Enlarged Group will, to an extent, depend upon the successful integration and motivation of certain senior management personnel of Target. It is possible that failure to retain these people during the integration period will affect the ability to integrate Target successfully into the Enlarged Group.

Protection of Intellectual Property

The Group's success and ability to compete effectively is, in large part, dependent upon exploitation of proprietary technologies that the Group has developed internally, the Group's ability to protect and enforce its intellectual property rights so as to preserve its exclusive rights in respect of its technologies and its ability to preserve the confidentiality of its know-how. The Group relies primarily on patent laws to protect its intellectual property rights. The Group has six patents granted (two of which are licensed to the Group) and one patent pending across two patent families as well as two licenced patents across two patent families.

There can be no assurance that patents pending will be granted or future patent applications will be issued, nor that the lack of any such patents will not have a material adverse effect on the Group's ability to develop and market its proposed products, or that, if issued, the Group would have the resources to protect any such issued patent from infringement. Also, no assurance can be given that the Group will develop products which are patentable or that patents will be sufficiently broad in their scope to provide protection for the Group's intellectual property rights against third parties. Nor can there be any assurance as to the ownership,

validity or scope of any patents which have been, or may in the future be, issued to the Group or that claims with respect thereto would not be asserted by other parties.

To date, the Group has also relied on copyright, trademark and trade secret laws, as well as confidentiality procedures, non-compete agreements with its employees, consultants, contractors, customers and vendors, to establish and protect its rights to its technology and, to the best extent possible, control the access to and distribution of its technology, documentation and other proprietary information. Despite these precautions, it may be possible for a third party to copy or otherwise obtain and use its technology without authorisation.

Once granted, a patent can be challenged both in the patent office and in the courts by third parties. Third parties can bring material and arguments which the patent office granting the patent may not have seen. Therefore, issued patents may be found by a court of law or by the patent office to be invalid or unenforceable or in need of further restriction.

It should be noted that it may be possible for competitors to develop products which have the same or similar functionality and characteristics, and which therefore compete with the Group's products, without infringing on the Group's intellectual property. This risk increases once the Group's products are on the market.

A third party may infringe the Group's intellectual property rights

Policing unauthorised use of the Group's intellectual property rights is difficult and expensive. There can be no assurance that the steps the Group takes will prevent misappropriation of, or prevent an unauthorised third party from obtaining or using, the technologies the Group relies on. In addition, effective protection may be unavailable or limited in some jurisdictions. Any misappropriation of the Group's proprietary technology and intellectual property could have a negative impact on the Group's business and its operating results. Litigation may be necessary in the future to enforce or protect the Group's rights or to determine the validity or scope of the proprietary rights of others. Litigation could cause the Group to incur substantial costs and divert resources and management attention away from its daily business and there can be no guarantees as to the outcome of any such litigation.

The Group may inadvertently infringe a third party's intellectual property rights

Although the Directors believe that the Group's technologies do not currently infringe upon patents held by others, no assurance can be given that such infringements do not exist or will not exist in the future. The Group may be unaware of filed patent applications and issued patents that could include claims covering the Group's products. There is a risk that the Group may inadvertently infringe a patent held by another party. Further, there can be no assurances that others have not developed or will not develop similar or competing products, duplicate any of the products of the Group or design around any pending patent application or patents (if any) subsequently granted in favour of the Group. Parties making claims of infringement may be able to obtain injunctive or other equitable relief that could effectively block Group's ability to sell or supply its products or license its technology and could cause the Group to pay substantial royalties, licensing fees or damages or incur substantial costs in redesigning those products that contain the allegedly infringing intellectual property or in obtaining alternative technology. There can be no assurance that the Group will be able to obtain alternative technology on a timely basis or, if any licences are required, that the Group will be able to obtain any such licence on commercially favourable terms, if at all. This may have a material adverse effect on the Group and its ability to compete.

The defence of any lawsuit could divert management's efforts and attention from ordinary business operations and result in time-consuming and expensive litigation, regardless of the merits of such claims, which could materially and adversely affect the Group's business, results of operations and financial condition. Any potential intellectual property litigation could also force the Group to lose the opportunity to license its technology to others or to collect royalty payments based upon successful protection and assertion of its intellectual property against others. In addition, the Group may be required to develop alternative non-infringing solutions that may require significant time and substantial unanticipated resources. There can be no assurance that such claims will not have a material adverse effect on the Group's business, financial condition or results.

Dependence on key executives and personnel

The Group's development and prospects are dependent upon training and retaining qualified professional, scientific and technical operating staff. In particular, the Group's success depends to a significant degree upon the vision, technical and specialist skills, experience, performance, and continued service of its Directors, senior management and other key personnel. Whilst the Group has entered into contractual arrangements with these individuals with the aim of securing the services of each of them, retention of these services cannot be guaranteed and the loss of the services of any of the Directors, senior management or key personnel may have a material adverse effect on the Group and its commercial and financial performance, and damage the value of an investment in the Ordinary Shares.

Ability to recruit and retain skilled personnel

The ability to continue to attract and retain employees with the appropriate expertise and skills cannot be guaranteed. Finding and hiring any additional personnel and replacements could be costly and might require the Group to grant significant equity awards or other incentive compensation, which could adversely impact its financial results, and there can be no assurance that the Group will have sufficient financial resources. Effective product development and innovation, upon which the Group's success is dependent, is in turn dependent upon attracting and retaining talented technical and engineering personnel, who represent a significant asset and serve as the source of the Group's technological and product innovations. In addition, to expand the Group's customer base and increase sales, the Group will need to continue to hire qualified sales personnel. If the Group is unable to hire, train and retain such personnel in a timely manner, the development and introduction of the Group's products could be delayed and its ability to sell its products and otherwise to grow its business will be impaired and the delay and inability may have a detrimental effect upon the performance of the Group.

The Group is dependent on technology and product development

Although the Group has successfully completed the initial development of several products, continued research and development of additional products will be required. There can be no assurance that any of the Group's product candidates will be successfully developed. The Group may encounter delays and incur additional development and production costs and expenses, over and above those expected by the Directors. Furthermore, there can be no assurance that any of the Group's developed products will successfully complete any applicable regulatory certification or clinical testing process or that they will meet the regulatory requirements necessary for commercial distribution. If the Group's development programme is curtailed due to any of the above issues, this may have an adverse material effect on the Group's business and financial conditions.

The Group's success and ability to compete are dependent on underlying technologies which the Group has developed or may develop in the future. There is a risk that the technology that the Group has developed or may develop in the future may not work as well as planned or that the marketing of the technology may not be as successful as the Directors hope. Further, the markets in which the Group and its customers compete or plan to compete are characterised by constantly and rapidly changing technologies and technological obsolescence. The Group's ability to compete successfully depends on the technological and creative skill of the Group's personnel, consultants and contractors and their ability to design, develop, manufacture, assemble, test, market and support new products and enhancements on a timely and cost effective basis to satisfy the demands and expectations of customers. There is no assurance that the Group will be able to do this. Any failure to anticipate technological changes; to develop, use or procure new technologies; or to react to changes in existing technologies could materially delay its development of new products or enhancements, which could result in product obsolescence, loss of revenue opportunities, and customer migration, negatively affecting the Group's financial results.

Dependency on key suppliers

The manufacture of the Group's products involves a number of parts, some of which may only be available from a limited number of third parties. Failure by a third party to deliver components or a third party ceasing to manufacture components could result in delays in the manufacture of products or the need to redesign certain elements. Such an event could have an adverse impact on the revenues and profitability of the Group and its ability to manufacture certain products.

Counterparty risk

There is a risk that parties with whom the Group trades or has other business relationships (including partners, customers, suppliers and other parties) may default on their contractual obligations or become insolvent. This may be as a result of general economic conditions or factors specific to that company. In the event that a party with whom the Group trades defaults on its obligations or becomes insolvent, this could have an adverse impact on the revenues and profitability of the Group.

United Kingdom exit from the European Union

Following the United Kingdom's exit from the EU on 31 January 2020 ("Brexit") and entrance into the transition period, the likelihood of a no deal Brexit has increased, which could have significant negative impact on the Group. The extent of the impact will depend in part on the nature of the arrangements if any that are put in place between the UK and the EU at the end of the transition period and, the extent to which the UK continues to apply laws that are based on EU legislation from 1 January 2021. In addition, the macroeconomic effect of Brexit on the Group's business is unknown. As such, it is not possible to state the impact that Brexit would have on the Group. It could also potentially make it more difficult for the Group to operate its business in the EU as a result of any increase in tariffs and/or more burdensome regulations being imposed on UK companies (such as changes in applicable legislation affecting the regulatory pathway of the Group's products, both in Europe and in the UK). This could restrict the Group's future prospects and adversely impact its financial condition.

Regulatory risk

The Group's products are subject to regulation in every jurisdiction in which they are sold. Further, the Group is in the process of obtaining approvals and/or accreditations that are required for the sale of a number of products in the Group's pipeline. Changes in either the content or timetable of regulatory requirements or the process for obtaining approvals and/or accreditations could affect the functional suitability of some of the Group's products or adversely affect the timing or level of related product sales. Should it be the case that the Group's products become subject to further regulatory or other restrictions, then the Group may incur further research and/or development costs, or could be required to apply for regulatory approvals, that could have a material adverse effect on its financial position or prospects.

Management of the Group's growth strategy

There can be no certainty that the Group will be able to implement successfully its stated strategy. The ability of the Group to implement its strategy in rapidly evolving and competitive markets will require effective management planning and operational controls.

The Directors anticipate that significant expansion will be required to respond to market opportunities. The Group's growth plans may place a significant strain on the Group's management, operational, financial and personnel resources. The Group's future growth and prospects will depend on its ability to manage this growth and to continue to expand and improve operational and financial performance, whilst at the same time maintaining effective cost controls. The Group's future growth may depend, in part, on its ability to identify suitable acquisition targets. There can be no assurance that any targets identified will be available at a value which makes them suitable for acquisition at the relevant time, or that third party finance required to fund the acquisition will be available on acceptable terms. Any failure to expand and improve operational, financial and quality control systems in line with the Group's growth could have a material adverse effect on the Group's business, financial condition and results of operation.

Market acceptance of the Group's products is uncertain

The Group's success will depend on the market acceptance of its products and there can be no guarantee that this acceptance will be forthcoming. In relation to products the Group is developing or intends to develop for the medical market, physicians will use the Group's products only if, based on experience, clinical data, side effect profiles and other factors, they determine that they are preferable to other products currently in use or beneficial in combination with other products. Similarly, changes in attitudes towards forms of surgery amongst doctors or patients may adversely affect the commercial prospects and success of the Group's products. Many other factors influence the adoption of new products, including marketing and distribution restrictions, adverse publicity and product pricing, as well as the introduction of competing products. Any restriction on the Group's ability or the ability of its partners to advertise or otherwise promote claims of superiority, or requirements to conduct additional clinical trials to provide proof of such claims, could

negatively affect the sales of its products and/or its costs. The failure of the Group's products to achieve market acceptance, or the failure of a market to develop for the Group's products, could prevent the Group from generating meaningful product revenues, and could negatively affect the Group's financial position.

Geopolitical risks

The Group operates internationally, meaning that it is exposed to certain risks relating to international trade, regulation, import/export regimes, sanctions and politics. For example, in the event that the US Government changes its import regime and/or implements restrictions on the importation of technologies from outside the US (as has been discussed), this could have a material impact on the Group. This is especially sensitive around the supply of ventilators for COVID-19.

The Group is exposed to potential product liability

Some of the Group's activities expose it to potential product liability and professional indemnity risks, as well as litigation and reputational risks, which are inherent in the development and manufacture of medical devices. Any product liability claim brought against the Group, with or without merit, or marketing in specific jurisdictions could result in the increase of the Group's product liability insurance rates or the inability to secure coverage in the future. There can be no assurance that the necessary insurance cover will be available to the Group at a commercially acceptable cost or that, in the event of any claim, the level or extent of insurance carried by the Group now or in the future will be adequate, or that a product liability or other claim would not materially and/or adversely affect the business of the Group.

The Group's disaster recovery plans may not be sufficient

The Group depends on the performance, reliability and availability of its laboratory/manufacturing equipment and information technology systems. Any damage to or failure of its equipment and/or systems could result in disruptions to the Group's research and operations. The Group's disaster recovery plans may not adequately address every potential event and its insurance policies may not cover any loss in full or in part (including losses resulting from business interruptions) or damage that it suffers fully or at all, which could have a material adverse effect on the Group's business, financial position or prospects.

Exchange rate fluctuations

As a consequence of the international nature of its business, the Group is exposed to the risks associated with changes in foreign currency exchange rates. Although the Group is domiciled in the United Kingdom, some of the Group's revenues are generated in currencies other than Sterling. As well as significant Sterling denominated costs in the UK, the Group may in future incur costs in non-Sterling territories. To the extent that there are fluctuations in exchange rates, this may have an impact on the figures consolidated in the Group's accounts, which could have a material impact on the Group's financial position or result of operations, as shown in the Group's accounts going forward. The Directors cannot predict the effect of exchange rate fluctuations upon future operating results and there can be no assurance that exchange rate fluctuations will not have a material adverse effect on the business, operating results or financial condition of the Group.

Financial risk

There are a number of financial risks which are outside the control of the Group and which can affect revenues and/or costs. The Group does not fully hedge against such risks currently. These include varying international exchange rates, interest rates, world commodity prices, energy prices and supplies, raw materials prices and supplies, inflation and international trends in trade, tariffs and protectionism and changes in the legal and regulatory framework. The Group's operations, business and financial performance are affected by these factors, which are beyond the control of the Group.

Tax risk

Any change in the Company's tax status or in taxation legislation in any jurisdiction in which the Group operates could affect the Company's financial condition and results and its ability (if any) to provide returns to Shareholders. Statements in this document concerning the taxation of investors in Ordinary Shares are based on current UK tax law and practice which is subject to change. The taxation of an investment in the Company depends on the individual circumstances of investors.

GENERAL RISKS RELATING TO AN INVESTMENT IN THE ORDINARY SHARES

General

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

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

Share price volatility and liquidity

Following Admission, the market price of the Ordinary Shares may be subject to wide fluctuations in response to many factors which may or may not be outside of the control of the Company, including changes in the performance of the medical technology market as a whole, stock market fluctuations and general economic conditions or changes in political sentiment. This may substantially affect the market price of the Ordinary Shares irrespective of the progress the Company may make in terms of developing and expanding its products or its actual financial, trading or operational performance. These factors could include the performance of the Company, purchases or sales of the Ordinary Shares (or the perception that such may occur, as, for example in the period leading up to the expiration of the restrictions contained in certain lock-in and orderly marketing arrangements), legislative changes and market, economic, political or regulatory conditions or price distortions resulting from limited liquidity in the Company's shares. The share price for publicly traded companies, particularly those at an early stage of development, such as the Company, can be highly volatile.

Investment risk and AIM

The New Ordinary Shares will be admitted to AIM and it is emphasised that no application is being made for admission of the New Ordinary Shares to the Official List or to any other stock exchange. An investment in shares quoted on AIM may be less liquid and may carry a higher risk than an investment in shares quoted on the Official List. The rules of AIM are less demanding than those of the Official List. Further, London Stock Exchange has not itself examined or approved the contents of this Document. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

Issue of additional Ordinary Shares

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

Dilution

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

Legislation and tax status

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

General economic climate

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

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

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

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

PART III

SOME QUESTIONS AND ANSWERS ABOUT THE OPEN OFFER

The questions and answers set out in this Part III: “Some Questions and Answers about the Open Offer” are intended to be in general terms only and, as such, you should read Part IV: “Terms and Conditions of the Open Offer” of this document for full details of what action to take. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other appropriate independent financial adviser duly authorised under the FSMA if you are in the United Kingdom, or if not, from another appropriately authorised independent financial adviser. **For certainty, the Open Offer is not being extended into the United States or in any other Restricted Jurisdiction where such offer is not permitted pursuant to applicable securities laws.**

This Part III deals with general questions relating to the Open Offer and more specific questions relating principally to persons resident in the United Kingdom who hold their Ordinary Shares in certificated form only. If you are an Overseas Shareholder, you should read paragraph 6 of Part IV: “Terms and Conditions of the Open Offer” of this document and you should take professional advice as to whether you are eligible and/or you need to observe any formalities to enable you to take up your Open Offer Entitlement. If you hold your entitlement to Existing Ordinary Shares in uncertificated form (that is, through CREST) you should read Part IV: “Terms and Conditions of the Open Offer” of this document for full details of what action you should take. If you are a CREST sponsored member, you should also consult your CREST sponsor. If you do not know whether your Existing Ordinary Shares are in certificated or uncertificated form, please contact Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, or you can contact them on Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

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

1. WHAT IS AN OPEN OFFER?

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

In this instance Shareholders will also be offered the opportunity to apply for additional shares in excess of their entitlement to the extent that other Qualifying Shareholders do not take up their entitlement in full. The Issue Price is a 1.5 per cent. discount to the closing middle market price of 66 pence per Ordinary Share on 18 June 2020.

This Open Offer is an invitation by the Company to Qualifying Shareholders to apply to acquire up to an aggregate of 767,617 new Ordinary Shares at a price of 65 pence per share. If you hold Ordinary Shares on the Open Offer Record Date or have a *bona fide* market claim, other than, subject to certain exceptions, where you are a Shareholder with a registered address or located in the United States or any other Restricted Jurisdiction, you will be entitled to buy Open Offer Shares under the Open Offer.

The Open Offer is being made on the basis of 1 Open Offer Share for every 50 Existing Ordinary Shares held by Qualifying Shareholders on the Open Offer Record Date.

The Excess Application Facility allows Qualifying Shareholders to apply for Open Offer Shares in excess of their Open Offer Entitlements. Applications made under the Excess Application Facility will be scaled back at the Company's discretion if applications are received from Qualifying Shareholders for more than the available number of Excess Shares. Unlike in a rights issue, Application Forms are not negotiable documents and neither they nor the Open Offer Entitlements can themselves be traded.

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

If you receive an Application Form and, subject to certain exceptions, are neither a holder with a registered address nor located in the United States or any other Restricted Jurisdiction, then you should be eligible to participate in the Open Offer as long as you have not sold all of your Existing Ordinary Shares on or after the 22 June 2020 (the time when the Existing Ordinary Shares are expected to be marked “ex-entitlement” by the London Stock Exchange).

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

If you hold your Existing Ordinary Shares in certificated form and, subject to certain exceptions, do not have a registered address and are not located in the United States or any other Restricted Jurisdiction, you will be sent an Application Form that shows:

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

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

If you would like to apply for any of or all of the Open Offer Shares comprised in your Open Offer Entitlement or any Excess Open Offer Entitlement you should complete the Application Form in accordance with the instructions printed on it and the information provided in this document. Completed Application Forms should be posted, along with a cheque or banker’s draft drawn in the appropriate form, in the accompanying pre-paid envelope or returned to Link Asset Services (who will act as receiving agent in relation to the Open Offer), by post to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or by hand (during normal office hours only) 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received by no later than 11.00 a.m. on 3 July 2020, after which time Application Forms will not be valid.

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

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

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

If you do not return your Application Form subscribing for the Open Offer Shares to which you are entitled by 11.00 a.m. on 3 July 2020, the Company has made arrangements under which the Company has agreed to issue the Open Offer Shares to other Qualifying Shareholders under the Excess Application Facility.

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

4.2 If you want to take up some but not all of your Open Offer Entitlement

If you want to take up some but not all of the Open Offer Shares to which you are entitled, you should write the number of Open Offer Shares you want to take up in Box 6 of your Application Form; for example, if you are entitled to take up 600 shares but you only want to take up 300 shares, then you should write ‘300’ in Box 6. To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example, ‘300’) by £0.65, which

is the price in pounds of each Open Offer Share (giving you an amount of £195 in this example). You should write this amount in Box 9, rounding up to the nearest whole pence and this should be the amount your cheque or banker's draft is made out for. You should then return the completed Application Form, together with a cheque or banker's draft for that amount, in the accompanying pre-paid envelope (for use only by Shareholders with registered addresses in the United Kingdom) or return by post to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, or by hand (during normal office hours only), to the Receiving Agent, Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received by the Receiving Agent by no later than 11.00 a.m. on 3 July 2020, after which time Application Forms will not be valid. If you post your Application Form by first-class post, you should allow at least four Business Days for delivery.

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

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

A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 14 July 2020.

4.3 If you want to take up all of your Open Offer Entitlement

If you want to take up all of the Open Offer Shares to which you are entitled, all you need to do is send the Application Form (ensuring that all joint holders sign (if applicable), together with your cheque or banker's draft for the amount (as indicated in Box 5 of your Application Form), payable to Link Market Services Limited re: Inspiration Healthcare Group plc Open Offer A/C and crossed "A/C Payee Only", in the accompanying pre-paid envelope or return to Link Asset Services by post to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or by hand (during normal office hours only) to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received by no later than 11.00 a.m. on 3 July 2020, after which time Application Forms will not be valid. If you post your Application Form by first-class post, you should allow at least four Business Days for delivery.

4.4 If you want to apply for more than your Open Offer Entitlement

Provided you have agreed to take up your Open Offer Entitlement in full, you can apply for further Open Offer Shares under the Excess Application Facility. You should write the number of Open Offer Shares comprised in your Open Offer Entitlement (as indicated in Box 4 of the Application Form) in Box 6 and write the number of additional Open Offer Shares for which you would like to apply in Box 7. You should then add the totals in Boxes 6 and 7 and insert the total number of Open Offer Shares for which you would like to apply in Box 8.

For example, if you have an Open Offer Entitlement for 600 Open Offer Shares but you want to apply for 900 Open Offer Shares in total, then you should write '600' in Box 6, '300' in Box 7 and '900' in Box 8. To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example, '900') by £0.65, which is the price in pounds sterling of each Open Offer Share (giving you an amount of £585 in this example). You should write this amount in Box 9, rounding up to the nearest whole penny and this should be the amount your cheque or banker's draft is made out for. You should then return the completed Application Form, together with a cheque or banker's draft for that amount, in the accompanying prepaid envelope (for use by Shareholders with registered addresses in the United Kingdom only) or return to Link Asset Services by post to Link Asset Services ,Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or by hand (during normal office hours only) to Link Asset Services ,Corporate Actions, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received by no later than 11.00 a.m. on 3 July 2020, after which time Application Forms will not be valid. If you post your Application Form by first-class post, you should allow at least four Business Days for delivery.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, such applications will be scaled back at the Company's absolute discretion if applications are received from Qualifying Shareholders for more than the available number of Excess Shares. It should be noted that applications under the Excess Application Facility may not be satisfied in full. A definitive share certificate will then be sent to you for the Open Offer Shares that you take up and otherwise successfully apply for using the Excess Application Facility. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 14 July 2020.

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

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

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

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

- (a) Qualifying CREST Shareholders who held their Existing Ordinary Shares in uncertificated form on 17 June 2020 and who have converted them to certificated form;
- (b) Qualifying Non-CREST Shareholders who bought Existing Ordinary Shares before 22 June 2020 but were not registered as the holders of those shares at the close of business on 17 June 2020; and
- (c) certain Overseas Shareholders who are not resident in or subject to the laws of a Restricted Jurisdiction.

If you do not receive an Application Form but think that you should have received one or you have lost your Application Form, please contact the shareholder helpline of Link Asset Services, on Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

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

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

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

8. CAN I TRADE MY OPEN OFFER ENTITLEMENT?

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

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

9. WHAT IF I CHANGE MY MIND?

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

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

If you hold shares in the Company directly and you sell some or all of your Existing Ordinary Shares before ex-entitlement date of 22 June 2020, you should contact the buyer or the person/company through whom you sell your shares. The buyer may be entitled to apply for Open Offer Shares under the Open Offer as set out in the Application Form.

If you sell any of your Existing Ordinary Shares on or after the record date but before the ex-entitlement date of 22 June 2020, you may still take up and apply for the Open Offer Shares as set out on your Application Form.

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

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

Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder and the number of an

account held in the Applicant's name at the building society or bank by stamping or endorsing the back of the cheque or draft to such effect. The account name should be the same as that shown on the application.

Post-dated cheques will not be accepted.

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

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

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

You should send your completed Application Form, together with the monies in the appropriate form, in the accompanying pre-paid envelope or return by post to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, or by hand (during normal office hours only) to: Link Asset Services, Corporate Actions The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU (who will act as receiving agent in relation to the Open Offer). If you post your Application Form by first-class post, you should allow at least four Business Days for delivery. If you do not want to take up or apply for Open Offer Shares then you need take no further action.

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

The Receiving Agent must receive the Application Form by no later than 11.00 a.m. on 3 July 2020, after which time Application Forms will not be valid. If an Application Form is being sent by first class post in the UK, Qualifying Shareholders are recommended to allow at least four Business Days for delivery.

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

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

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

It is expected that Link Asset Services will post all new share certificates by 14 July 2020.

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

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

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

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

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

Your ability to apply to acquire Open Offer Shares may be affected by the laws of the country in which you live and you should take professional advice as to whether you require any governmental or other consents

or need to observe any other formalities to enable you to take up your Open Offer Entitlement. Shareholders with registered addresses or who are located in the United States or any other Restricted Jurisdiction are, subject to certain exceptions, not eligible to participate in the Open Offer. Your attention is drawn to the information in paragraph 6 of Part IV: "Terms and Conditions of the Open Offer" of this document.

20. FURTHER ASSISTANCE

Qualifying Shareholders with fewer than 50 Existing Ordinary Shares will not be entitled to take up any Open Offer Shares, but can apply under the Excess Application Facility. Should you require further assistance please contact the Receiving Agent, Link Asset Services on 0371 664 0321 or if outside of the UK on Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

PART IV

TERMS AND CONDITIONS OF THE OPEN OFFER

INTRODUCTION

As explained in the letter from the Chairman set out in Part I of this document, the Company is proposing to raise up to £16.5 million (before expenses) through the issue of 25,384,615 new Ordinary Shares to institutional and other investors pursuant to the Placing and Subscription at a price of 65 pence per share, and is proposing to raise up to approximately £0.5 million (before expenses) (assuming full take up of the Open Offer Shares) in addition and separate to the funds raised pursuant to the Placing and Subscription, through the issue of Open Offer Shares to Qualifying Shareholders at the Issue Price.

The Issue Price represents a discount of 1.5 per cent. to the closing middle market price of 66 pence per Existing Ordinary Share on 18 June 2020, being the last practicable date prior to the announcement of the Acquisition and the Fundraising.

The purpose of this Part IV is to set out the terms and conditions of the Open Offer. Up to 767,617 Open Offer Shares will be issued through the Open Offer. Qualifying Shareholders are being offered the right to subscribe for Open Offer Shares in accordance with the terms of the Open Offer. The Open Offer has not been underwritten.

The Record Date for entitlements under the Open Offer for Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders is 17 June 2020. Qualifying Non-CREST Shareholders will have received Application Forms with this document and Open Offer Entitlements are expected to be credited to stock accounts of Qualifying CREST Shareholders in CREST by 23 June 2020.

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

The latest time and date for receipt of a completed Application Form and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate) is 11.00 a.m. on 3 July 2020 with Admission and commencement of dealings in Open Offer Shares expected to take place at 8.00 a.m. on 7 July 2020.

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

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

The Open Offer is an opportunity for Qualifying Shareholders to apply for up to 767,617 Open Offer Shares *pro rata* (excepting fractional entitlements) to their current holdings at the Issue Price in accordance with the terms of the Open Offer.

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

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

1. THE OPEN OFFER

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

- (a) 1 Open Offer Share for every 50 Existing Ordinary Shares held by Qualifying Shareholders at the Record Date and so in proportion for any other number of Ordinary Shares then held; and
- (b) further Open Offer Shares in excess of the Open Offer Entitlement through the Excess Application Facility (although such Open Offer Shares will only be allotted to the extent that not all Qualifying Shareholders apply for their Open Offer Entitlement in full).

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

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

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

If you are a Qualifying CREST Shareholder, application will be made for your Open Offer Entitlement and Excess CREST Open Offer Entitlement to be credited to your CREST account. Open Offer Entitlements and Excess CREST Open Offer Entitlements are expected to be credited to CREST accounts on 23 June 2020. The Existing Ordinary Shares are already admitted to CREST. Accordingly, no further application for admission to CREST is required for the Open Offer Shares. All such shares, when issued and fully paid, may be held and transferred by means of CREST.

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

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

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

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

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

The Open Offer Shares will, when issued and fully paid, rank in full for all dividends and other distributions declared, made or paid after the date of this document and otherwise *pari passu* in all respects with the

Existing Ordinary Shares. The Open Offer Shares are not being made available in whole or in part to the public except under the terms of the Open Offer.

2. CONDITIONS AND FURTHER TERMS OF THE OPEN OFFER

The Open Offer is conditional on the Placing becoming or being declared unconditional in all respects and not being terminated before Admission. The principal conditions to the Placing are:

- (a) the passing of the Resolutions without amendment at the General Meeting;
- (b) the Placing Agreement having become unconditional (save for Admission) and not having been terminated in accordance with its terms prior to Admission; and
- (c) Admission becoming effective by no later than 8.00 a.m. on 7 July 2020 (or such later date as Cenkos and the Company may agree, being not later than 8.00 a.m. on 21 July 2020).

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

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

No temporary documents of title will be issued in respect of Open Offer Shares held in uncertificated form. Definitive certificates in respect of Open Offer Shares taken up are expected to be posted to those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in certificated form by 14 July 2020.

In respect of those Qualifying Shareholders who have validly elected to hold their Open Offer Shares in uncertificated form, the Open Offer Shares are expected to be credited to their stock accounts maintained in CREST by 7 July 2020.

Applications will be made for the Open Offer Shares to be admitted to trading on AIM. Admission of the Open Offer Shares is expected to occur at 8.00 a.m. on 7 July 2020, when dealings in the Open Offer Shares are expected to begin.

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

3. PROCEDURE FOR APPLICATION AND PAYMENT

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

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

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

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

(a) **General**

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

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

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

(b) **Bona fide market claims**

Applications to acquire Open Offer Shares may only be made on the Application Form and may only be made by the Qualifying Non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked "ex" the entitlement to participate in the Open Offer. Application Forms may not be sold, assigned, transferred or split, except to satisfy *bona fide* market claims up to 3.00 p.m. on 1 July 2020. The Application Form is not a negotiable document and cannot be separately traded. A Qualifying Non-CREST Shareholder who has sold or otherwise transferred all or part of his holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked "ex" the entitlement to participate in the Open Offer, should contact his broker or other professional adviser authorised under FSMA through whom the sale or purchase was effected as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed by the purchaser(s) or transferee(s).

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

(c) **Application procedures**

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

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

Qualifying Shareholders with fewer than 50 Existing Ordinary Shares will not be entitled to take up any Open Offer Shares, but can apply under the Excess Application Facility.

Completed Application Forms should be returned by post to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or by hand to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 11.00 a.m. on 3 July 2020. The Company reserves the right to treat any application not strictly complying with the terms and conditions of application as nevertheless valid. The Company further reserves the right (but shall not be obliged) to accept either Application Forms or remittances received after 11.00 a.m. on 3 July 2020.

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

- (i) Application Forms received after 11.00 a.m. on 3 July 2020; or
- (ii) Applications in respect of which remittances are received before 11.00 a.m. on 3 July 2020 from authorised persons (as defined in FSMA) specifying the Open Offer Shares applied for and undertaking to lodge the Application Form in due course but, in any event, within two Business Days.

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

(d) **Payments**

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

Cheques will be presented for payment upon receipt. The Company reserves the right to instruct Link Asset Services to seek special clearance of cheques to allow the Company to obtain value

for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant member account, as applicable) pending clearance thereof). No interest will be paid on payments. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents and/or cheques sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted. If the Open Offer does not become unconditional, no Open Offer Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Open Offer by cheque or return funds direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn (at the applicant's sole risk), to applicants as soon as practicable following the lapse of the Open Offer. If Open Offer Shares have already been allotted to a Qualifying Non-Crest Shareholder and such Qualifying Non-Crest Shareholder's cheque is not honoured upon first presentation or such Qualifying Non-Crest Shareholder's application is subsequently otherwise deemed to be invalid, the Receiving Agent shall be authorised (in its absolute discretion as to manner, timing and terms) to make arrangements, on behalf of the Company, for the sale of such Qualifying Non-Crest Shareholder's Open Offer Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. None of the Receiving Agent, either Bank or the Company nor any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying Non-Crest Shareholders.

(e) ***Incorrect Sums***

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

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

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

- (i) Provided they choose to take up their Open Offer Entitlement in full, the Excess Application Facility enables a Qualifying Non-CREST Shareholder to apply for Excess Shares. Qualifying Non-CREST Shareholders wishing to apply for Excess Shares may do so by completing Box 7 of the Application Form. Qualifying Shareholders with fewer than 50 Existing Ordinary Shares will not be entitled to take up any Open Offer Shares, but can apply under the Excess Application Facility.
- (ii) If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, the Excess Shares will be scaled back at the Company's absolute discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.
- (iii) Qualifying Non-CREST Shareholders who wish to apply for Excess Shares must complete the Application Form in accordance with the instructions set out on the Application Form.
- (iv) Should the Open Offer become unconditional and applications for Open Offer Shares by Qualifying Shareholders under the Open Offer exceed 767,617 Open Offer Shares, resulting in a scale back of applications, each Qualifying Non-CREST Shareholder who has made a valid application for Excess Shares and from whom payment in full for the Excess Shares

has been received will receive a pounds sterling amount equal to the number of Excess Shares applied and paid for but not allocated to the relevant Qualifying Non-CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable thereafter, without payment of interest and at the applicant's sole risk.

(g) **Effect of valid application**

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

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

- (ix) confirms that in making the application he is not relying and has not relied on the Company or Cenkos or any person affiliated with the Company, or Cenkos, in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

All enquiries in connection with the procedure for application and completion of the Application Form should be addressed to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, or you can contact them on Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Proxy

Qualifying Non-CREST Shareholders who do not want to take up or apply for the Open Offer Shares under the Open Offer should take no action and should not complete or return the Application Form. However, you are encouraged to vote at the General Meeting by completing and returning the enclosed Proxy Form.

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

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

(a) General

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

To request an increased credit, ensuring to leave sufficient time for the additional Excess CREST Open Offer Entitlements to be credited to their account and for an application to be made in respect of those Excess CREST Open Offer Entitlements before the application deadline.

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

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

If for any reason Open Offer Entitlements and/or the Excess CREST Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by, 3.00 p.m. on 23 June 2020, or such later time and/or date as the Company may decide, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlement and Excess CREST Open Offer Entitlement which should have been credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying Non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive an Application Form.

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

(b) **Market claims**

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

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

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

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

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

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

- (i) the number of Open Offer Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Open Offer Entitlement. This is GB00BMC5BG94;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (v) the participant ID of Link Asset Services in its capacity as a CREST receiving agent. This is 7RA33;
- (vi) the member account ID of Link Asset Services in its capacity as a CREST receiving agent. This is 20754INS;
- (vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 3 July 2020; and

- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 3 July 2020.

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

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

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 3 July 2020 in order to be valid is 11.00 a.m. on that day.

In the event that the Placing, Subscription and the Open Offer do not become unconditional by 8.00 a.m. on 7 July 2020 (or such later time and date as the Company, and Cenkos determine being no later than 8.00 a.m. on 21 July 2020), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

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

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

- (i) the number of Excess Shares for which application is being made (and hence being delivered to the Receiving Agent);
- (ii) the ISIN of the Excess CREST Open Offer Entitlement. This is GB00BMC5BH02;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;
- (v) the participant ID of Link Asset Services Ltd in its capacity as a CREST receiving agent. This is 7RA33;
- (vi) the member account ID of Link Asset Services in its capacity as a CREST receiving agent. This is 20754INS;
- (vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of Excess Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 3 July 2020; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application in respect of an Excess CREST Open Offer Entitlement under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 3 July 2020.

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

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

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 3 July 2020 in order to be valid is 11.00 a.m. on that day.

In the event that the Placing, the Subscription and the Open Offer do not become unconditional by 8.00 a.m. on 7 July 2020 (or such later time and date as the Company and Cenkos determine being no later than 8.00 a.m. on 21 July 2020), the Open Offer will lapse, the Open Offer Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

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

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

A holder of an Application Form who is proposing to deposit the entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 3 July 2020. After depositing their Open Offer Entitlement into their CREST account, Qualifying CREST Shareholders will shortly thereafter receive a credit for their Excess CREST Open Offer Entitlement, which will be managed by the Receiving Agent.

In particular, having regard to normal processing times in CREST and on the part of the Receiving Agent, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST, is 3.00 p.m. on 30 June 2020 and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements from CREST is 4.30 p.m. on 29 June 2020 in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility, as the case may be, prior to 11.00 a.m. on 3 July 2020.

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

(g) **Validity of application**

A USE Instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 3 July 2020 will constitute a valid application under the Open Offer.

(h) **CREST procedures and timings**

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE Instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 3 July 2020. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(i) **Proxy**

If a Qualifying CREST Shareholder does not wish to apply for the Open Offer Shares under the Open Offer, they should take no action. They are however, encouraged to vote at the General Meeting by completing and returning the enclosed Proxy Form.

(j) **Incorrect or incomplete applications**

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

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

(k) **The Excess Application Facility**

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

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

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

Should the Open Offer become unconditional and applications for Open Offer Shares by Qualifying Shareholders under the Open Offer exceed 767,617 Open Offer Shares, resulting in a scale back of applications under the Excess Application Facility, each Qualifying CREST Shareholder who has made a valid application pursuant to his Excess CREST Open Offer Entitlement, and from whom payment in full for the excess Open Offer Shares has been received, will receive a pounds sterling amount equal to the number of Open Offer Shares validly applied and paid for but which are not allocated to the relevant Qualifying CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable following the completion of the scale back, without payment of interest and at the applicant's sole risk by way of cheque or CREST payment, as appropriate. Fractions of Open Offer Shares will be aggregated and made available under the Excess Application Facility.

All enquiries in connection with the procedure for applications under the Excess Application Facility and Excess CREST Open Offer Entitlements should be addressed to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. Link Asset Services can be contacted on 0371 664 0321 from within the UK. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Effect of valid application

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

- (i) represents and warrants to the Company and Cenkos that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of any such person on a non-discretionary basis;
- (ii) agrees to pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agents' payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);
- (iii) agrees with the Company and Cenkos that all applications under the Open Offer and contracts resulting therefrom, and any non-contractual obligations related thereto, shall be governed by, and construed in accordance with, the laws of England;
- (iv) confirms to the Company and Cenkos that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this document, and the applicant accordingly agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this document, he will be deemed to have had notice of all the information in relation to the Company contained in this document (including information incorporated by reference);
- (v) represents and warrants to the Company and Cenkos that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements;

- (vi) represents and warrants to the Company and Cenkos that if he has received some or all of his Open Offer Entitlements from a person other than the Company, he is entitled to apply under the Open Offer in relation to such Open Offer Entitlement by virtue of a *bona fide* market claim;
- (vii) requests that the Open Offer Shares to which he will become entitled be issued to them on the terms set out in this document and subject to the Articles; and
- (viii) represents and warrants to the Company and Cenkos that he is not, nor is he applying on behalf of any Shareholder who is, in the United States or is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application in the United States or to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any other jurisdiction in which the application for Open Offer Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer; represents and warrants to the Company and Cenkos that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and confirms that in making the application he is not relying and has not relied on the Company or Cenkos or any person affiliated with the Company, or Cenkos, in connection with any investigation of the accuracy of any information contained in this document or his investment decision.

(l) ***Company's discretion as to the rejection and validity of applications***

The Company may in its sole discretion, but shall not be obliged to:

- (i) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part IV;
- (ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
- (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "first instruction") as not constituting a valid application if, at the time at which the Receiving Agent receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE Instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

(m) **Lapse of the Open Offer**

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 7 July 2020 or such later time and date as the Company and Cenkos determine (being no later than 8.00 a.m. on 21 July 2020), the Open Offer will lapse, the Open Offer Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

4. MONEY LAUNDERING REGULATIONS

4.1 Holders of Application Forms

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

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

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

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

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

The verification of identity requirements will not usually apply:

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

- (d) if the aggregate subscription price for the Open Offer Shares is less than €15,000 (approximately £13,500).

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

- (a) if payment is made by cheque in sterling drawn on a branch in the United Kingdom of a bank or building society which bears a UK bank sort code number in the top right hand corner the following applies. Cheques should be made payable to Link Market Services Limited re: Inspiration Healthcare Group plc Open Offer A/C in respect of an application by a Qualifying Shareholder and crossed "A/C Payee Only". Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted details of the name of the account holder on the back of the cheque and have either added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. The name of the account holder should be the same as the name of the shareholder shown on page 1 of the Open Offer Application Form; or
- (b) if the Application Form is lodged with payment by an agent which is an organisation of the kind referred to in paragraph 4.1(a) above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force, the agent should provide with the Application Form written confirmation that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Receiving Agent. If the agent is not such an organisation, it should contact Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

To confirm the acceptability of any written assurance referred to in (b) above, or in any other case, the acceptor should contact Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

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

If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 11.00 a.m. on 3 July 2020, Link Asset Services has not received evidence satisfactory to it as aforesaid, Link Asset Services may, at its discretion, as agent of the Company, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest to the account at the payee bank from which such monies were originally debited (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid).

4.2 **Open Offer Entitlements in CREST**

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

Submission of a USE Instruction, which on its settlement constitutes a valid application as described above, constitutes a warranty and undertaking by the applicant to provide promptly to Link Asset

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

5. ADMISSION, SETTLEMENT AND DEALINGS

The result of the Open Offer is expected to be announced on 6 July 2020. Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. Subject to the Open Offer becoming unconditional in all respects (save only as to Admission), it is expected that Admission of the Open Offer Shares will become effective and that dealings in the Open Offer Shares, fully paid, will commence at 8.00 a.m. on 7 July 2020.

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

Open Offer Entitlements and Excess CREST Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 3 July 2020 (the latest date for applications under the Open Offer). If the condition(s) to the Open Offer described above are satisfied, Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company.

On 7 July 2020, the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Open Offer Shares with effect from Admission. The stock accounts to be credited will be accounts under the same CREST participant IDs and CREST member account IDs in respect of which the USE Instruction was given. Notwithstanding any other provision of this document, the Company reserves the right to send Qualifying CREST Shareholders an Application Form instead of crediting the relevant stock account with Open Offer Entitlements and Excess CREST Open Offer Entitlements, and to allot and/or issue any Open Offer Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agents in connection with CREST.

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

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

6. OVERSEAS SHAREHOLDERS

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

6.1 General

The distribution of this document and the making or acceptance of the Open Offer to or by persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the United Kingdom, may be affected by the laws or regulatory requirements of

the relevant jurisdictions. It is the responsibility of those persons to consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Open Offer Shares under the Open Offer.

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

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

No person receiving a copy of this document and/or an Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such Application Form and/or credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such Application Form and/or credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this document and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

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

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

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

contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part IV and specifically the contents of this paragraph 6.

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

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

Overseas Shareholders who wish, and are permitted, to apply for Open Offer Shares should note that payment must be made in sterling denominated cheques or where such Overseas Shareholder is a Qualifying CREST Shareholder, through CREST. Due to restrictions under the securities laws of the United States and the Restricted Jurisdictions, and subject to certain exceptions, Qualifying Shareholders in the United States or who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Jurisdiction will not qualify to participate in the Open Offer and will not be sent an Application Form nor will their stock accounts in CREST be credited with Open Offer Entitlements. No public offer of Open Offer Shares is being made by virtue of this document or the Application Forms into the United States or any Restricted Jurisdiction.

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

6.2 **United States**

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

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

Subject to certain exceptions, any person who acquires Open Offer Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this document or the Application Form and delivery of the Open Offer Shares, that they are not, and that at the time of acquiring the Open Offer Shares they will not be, in the United States or acting on behalf of, or for the account or benefit of a person on a non-discretionary basis in the United States or any state of the United States.

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

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

6.3 **Restricted Jurisdictions**

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

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

6.4 **Other overseas territories**

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

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

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

Any person completing and returning an Application Form or requesting registration of the Open Offer Shares comprised therein represents and warrants to the Company, Cenkos and the Receiving Agents that, except where proof has been provided to the Company's satisfaction that such person's use of the Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is not requesting registration of the relevant Open Offer Shares from within the United States or any Restricted Jurisdiction; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire Open Offer Shares in respect of the Open Offer or to use the Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a

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

(b) **Qualifying CREST Shareholders**

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

6.6 Waiver

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

7. TIMES AND DATES

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

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

8. TAXATION

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

9. FURTHER INFORMATION

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

10. GOVERNING LAW AND JURISDICTION

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

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

NOTICE OF GENERAL MEETING

INSPIRATION HEALTHCARE GROUP PLC

(Incorporated under the Companies Act 2006 and registered in England and Wales with registered number 03587944)

NOTICE IS HEREBY GIVEN THAT a general meeting of Inspiration Healthcare Group plc (the “**Company**”) will be held at the offices of the Company at 2 Satellite Business Village, Fleming Way, Crawley, West Sussex RH10 at 11.00 a.m. on 6 July 2020 to consider and, if thought fit, to pass the following resolutions of which resolution 1 will be proposed as an ordinary resolution of the Company and resolution 2 will be proposed as a special resolution of the Company:

ORDINARY RESOLUTION

1. THAT, conditional upon the passing of Resolution 2 occurring, and in addition to any other authorities granted to the directors pursuant to section 551 of the Companies Act 2006 (the “**Act**”) prior to the date of the passing of this resolution, the directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Act to exercise all powers of the Company to allot shares in the Company, and grant rights to subscribe for or to convert any security into shares of the Company (such shares, and rights to subscribe for or to convert any security into shares of the Company being “**relevant securities**”) provided that this authority shall be limited to:
 - (a) the allotment of up to 25,323,115 new ordinary shares of 10p each in the capital of the Company (“**Ordinary Shares**”) in connection with the Placing (as defined in the circular to shareholders of the Company dated 19 June 2020 (the “**Circular**”));
 - (b) the allotment of up to 767,617 new Ordinary Shares in connection with the Open Offer (as such term is defined in the Circular);
 - (c) the allotment of up to 61,500 new Ordinary Shares in connection with the Director Subscriptions (as such term is defined in the Circular);
 - (d) the allotment of up to 2,769,231 new Ordinary Shares in connection with the Acquisition (as such term is defined in the Circular),

and further provided that, unless previously renewed, revoked, varied or extended, this authority shall expire on the date which is 12 months from the date of the passing of this resolution except that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such an offer or agreement as if this authority had not expired.

SPECIAL RESOLUTION

2. THAT, conditional upon the passing of Resolution 1 occurring, and in addition to any other authorities given to the directors pursuant to section 570 of the Act prior to the passing of this resolution, the directors be and they are empowered, pursuant to section 570(1) and 571(1) of the Act, as applicable, to allot equity securities (as defined in section 560 of the Act) of the Company for cash pursuant to the authority of the directors under section 551 of the Act conferred by Resolution 1, and/or where such allotment constitutes an allotment of equity securities by virtue of section 560(2) of the Act, as if section 561(1) of the Act did not apply to such allotment provided that the power conferred by this resolution shall be limited to:
 - (a) the allotment of up to 25,323,115 new Ordinary Shares in connection with the Placing (as such terms are defined in the Circular);
 - (b) the allotment of up to 767,617 new Ordinary Shares in connection with the Open Offer (as such term is defined in the Circular);

- (c) the allotment of up to 61,500 new Ordinary Shares in connection with the Director Subscriptions (as such term is defined in the Circular);

and further provided that, unless previously renewed, revoked, varied or extended, this power shall expire on the date which is 12 months from the date of the passing of this resolution except that the Company may before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted under this authority after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.

Dated: 19 June 2020

Registered Office:
2 Satellite Business Village
Fleming Way
Crawley
West Sussex
RH10 9NE

By order of the Board:
Mike Briant
Company Secretary

Registered in England and Wales No. 03587944

Explanatory Notes:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), only those members registered in the register of members of the Company at 6.30 p.m. on 2 July 2020 (or if the Meeting is adjourned, 48 hours before the time fixed for the adjourned Meeting) shall be entitled to attend and vote at the Meeting in respect of the number of shares registered in their name at that time. In each case, changes to the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the Meeting.
2. A member who is entitled to attend, speak and vote at the Meeting may appoint a proxy to attend, speak and vote instead of him. Due to the COVID-19 Stay at Home measures, a member seeking to appoint a proxy should name the Chairman of the General Meeting as their proxy. A proxy must vote in accordance with any instructions given by the member by whom the proxy is appointed. In accordance with the Company's articles of association, whilst nominating a proxy would not ordinarily preclude Shareholders from attending, speaking and voting in person at the General Meeting should they so wish, Shareholders are reminded that to do so would breach the Government's Stay at Home Measures in relation to the containment and control of COVID-19. Should any Shareholder attempt to attend the General Meeting in person, they will be denied entry. A proxy form is enclosed. The notes to the proxy form include instructions on how to appoint the Chairman of the Meeting as a proxy. You can only appoint a proxy using the procedures set out in these notes and in the notes to the proxy form.
3. To be valid, a proxy form, and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated, should reach the Company's registrar, Link Asset Services, 34 Beckenham Road, Beckenham, Kent BR3 4TU, by no later than 11.00 a.m. on 2 July 2020. Alternatively, you can vote online at www.signalshares.com (the "Website") by following the on-screen instructions, in particular at the "Proxy Voting" link. In order to appoint a proxy using the Website, members will need to log into their Signal Shares account, or register if they have not previously done so. To register members will need to identify themselves with their Investor Code which is detailed on their share certificate or available from the Registrars, Link Asset Services, on Tel: 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. – 17.30 p.m., Monday to Friday excluding public holidays in England and Wales.
4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting (and any adjournment thereof) by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf.
5. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it relates to the appointment of a proxy, the revocation of a proxy appointment or to an amendment to the instruction given to a previously appointed proxy) must be transmitted so as to be received by the Company's agent, Link Asset Services (CREST Participant ID: RA10), no later than 48 hours before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
6. CREST members and, where applicable, their CREST sponsor or voting service provider, should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider are referred in particular to those sections of the CREST Manual (available at www.euroclear.com/CREST) concerning practical limitations of the CREST system and timings.
7. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
8. In the case of joint holders of shares, the vote of the first named in the register of members who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
9. A member that is a company or other organisation not having a physical presence cannot attend in person but can appoint someone to represent it. This can be done in one of two ways: either by the appointment of a proxy (described in notes 2 to 4 above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Company's articles of association and the relevant provision of the Companies Act 2006.

All Correspondence to:

Link Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU

