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**FOR IMMEDIATE RELEASE**

**21 October 2021**

**MESH HOLDINGS PLC ('MESH')**

**and**

**ALL ACTIVE ASSET CAPITAL LIMITED ('AAA')**

**Recommended all share combination by means of a Scheme of Arrangement under Part 26 of the Companies Act 2006**

**1. INTRODUCTION**

The Boards of Directors of MESH and AAA are pleased to announce they have reached an agreement on the terms of a recommended all-share combination of AAA and MESH (the '**Combination**' to form the '**Combined Group**'). It is intended that this new corporate structure will be implemented by means of a scheme of arrangement under Part 26 of the Companies Act 2006 (the '**Scheme**').

A circular setting out the Scheme and notices of the Court Meeting and the Scheme General Meeting (as defined therein) (the '**Scheme Document**') will be posted to MESH shareholders today. A copy of the Scheme Document is available on MESH's website at <https://www.meshholdings.net/>.

If the Scheme becomes effective, each MESH shareholder will be entitled to receive:

**1 New AAA Share in exchange for each 1 MESH Share**

Neither MESH Shares nor AAA Shares are listed or traded on any recognised stock exchange or trading platform. AAA raised capital by issuing AAA Shares in a share for share placing on 2 August 2021 at a price of 80p per AAA Share.

AAA is currently actively seeking to re-list on an internationally recognised stock exchange. Should it be successful in re-listing and the Combination be agreed by MESH shareholders, the AAA Shares that would be received by MESH shareholders would be significantly more liquid and tradable than their currently unlisted MESH Shares.

Immediately following the Scheme becoming effective (the '**Scheme Effective Date**'), MESH shareholders will own 21.61% (or 17.43% when fully diluted by the exercise of outstanding warrants) of AAA's enlarged share capital.

The New AAA Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the AAA Shares in issue at the time the New AAA Shares are issued pursuant to the Combination, including the right to receive and retain dividends and other distributions declared, made or paid by reference to a record date falling after the Scheme Effective Date.

**A summary of the recommended action is set out on paragraph 9 of Part I of the Scheme Document and on the forms of proxy accompanying the Scheme Document.**

## 2. EXPECTED TIMETABLE OF PRINCIPAL EVENTS

EVENT	Expected time/date
Latest time for receipt by MESH's Registrars of Blue Forms of Proxy from MESH shareholders for the Court Meeting <sup>1</sup>	11:00 a.m. on 3 November 2021
Latest time for receipt by MESH's Registrars of Yellow Forms of Proxy from MESH shareholders for the Scheme General Meeting <sup>2</sup>	11:15 a.m. on 3 November 2021
Voting Record Time for the Court Meeting and the Scheme General Meeting <sup>3</sup>	Close of business on 3 November 2021
Court Meeting	11:00 a.m. on 5 November 2021
Scheme General Meeting <sup>4</sup>	11:15 a.m. on 5 November 2021
<i>The following dates are subject to change:</i>	
Scheme Record Time	Close of business on 15 November 2021
Scheme Effective Date	18 November 2021

*Unless otherwise stated, all references to times in this document are to London time. The times and dates given are based on the Directors' expectations and may be subject to change. These times and dates are indicative only and will depend, amongst other things, on the date on which the High Court sanctions the Scheme. In particular, certain Court dates are subject to confirmation by the High Court. If the scheduled date of the Court Hearing is changed, MESH will give adequate notice of the change by issuing an announcement through an RIS. Any changes to other times or dates indicated above may, in MESH's discretion, be notified in the same manner. All UK MESH shareholders have the right to attend the Court Hearing. In light of the ongoing COVID-19 pandemic, the Court Hearing is likely to be conducted via Microsoft Teams. If MESH shareholders are interested in attending the Court Hearing via Microsoft Teams, they are directed to the Business and Property Courts Rolls Building Cause List at justice.gov.uk for details of how to do so. The time of the Court Hearing and information on how to attend will be updated on the Court's website after 4.30 p.m. on the Business Day before the Court Hearing.*

## 3. BACKGROUND TO AND REASONS FOR THE PROPOSALS

- 3.1 MESH has shared a common investment in Sentiance NV with AAA for some time. AAA also has investments in Asimilar Group plc, which in turn holds 24,000,000 MESH Shares and an investment in AAQUA B.V. After lengthy discussions and in light of the common assets and investing strategies of the two entities, it was agreed that a combination of the two entities would be a sensible and advantageous proposition for both MESH shareholders and AAA shareholders.
- 3.2 AAA is currently actively seeking to re-list on an internationally recognised stock exchange. Should it be successful in re-listing and the Combination be agreed by MESH shareholders, the AAA Shares that would be received by MESH shareholders would be significantly more liquid and tradable than their currently unlisted MESH Shares.

## 4. IMPACT OF THE PROPOSALS

### 4.1 Business and operations

It is expected that MESH will have the same business and operations after the Scheme Effective Date as it had before the Scheme Effective Date.

The proposals will not result in any changes to the day-to-day operation of the business of MESH or its strategy.

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<sup>1</sup> Blue Forms of Proxy for the Court Meeting not returned by this time may be emailed to [info@meshholdings.net](mailto:info@meshholdings.net) any time prior to the commencement of the Court Meeting. However, if possible, MESH Shareholders are requested to lodge the Blue Forms of Proxy by 11:00 a.m. (London time) on 3 November 2021 in order for it to be valid.

<sup>2</sup> To be valid Yellow Forms of Proxy for the Scheme General Meeting must be lodged by 11:15 a.m. on 3 November 2021. Yellow Forms of Proxy cannot be accepted after this time.

<sup>3</sup> If either the Court Meeting or the Scheme General Meeting is adjourned, the voting record time for the adjourned meeting will be close of business on the date falling two days before the adjourned meeting.

<sup>4</sup> To commence at the time fixed or as soon thereafter as the Court Meeting concludes or is adjourned, whichever is the later.

#### **4.2 Corporate governance and Board of Directors**

The proposals are not expected to have any adverse impact on MESH shareholders as a whole. The Combined Board will draw on the significant experience in both companies to optimise the benefits of the Combination for customers, shareholders and other stakeholders.

Further details on the specific effects of the proposals on the Directors are set out in Part V of the Scheme Document.

#### **4.3 Dividends**

- 4.4 The New AAA Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the AAA Shares in issue at the time the New AAA Shares are issued pursuant to the Combination, including the right to receive and retain dividends and other distributions declared, made or paid by reference to a record date falling after the Scheme Effective Date.
- 4.5 If any dividend or other distribution or return of capital is proposed, declared, made, paid or becomes payable by MESH in respect of a MESH Share on or after the date of this document and with a record date on or before the Scheme Record Time, AAA reserves the right to pay an equalising dividend to its shareholders ('**AAA Equalising Dividend**'). Any exercise by AAA of its right to pay an AAA Equalising Dividend shall be the subject of an announcement and shall not be regarded as constituting any revision or variation of the terms of the Scheme.
- 4.6 If AAA announces, declares, makes or pays any dividend or other distribution or return of capital (other than, or in excess of, an AAA Equalising Dividend) on or after the date of this document and prior to completion of the Combination, there will be no change to the exchange ratio. However, MESH reserves the right to pay an equalising dividend to its shareholders in this event.

### **5. MESH SHARE OPTIONS AND MESH WARRANTS**

It is the Combined Board's intention that options and awards will continue on the same basis, other than that they will ultimately deliver AAA Shares rather than MESH Shares. Details of the impact of the Scheme on participation in the MESH Share Option Scheme will be sent separately to the sole participant.

#### **5.1 Taxation**

##### ***UK and US taxation***

The attention of MESH shareholders is drawn to paragraph 6 of Part V of the Scheme Document for further information about the taxation consequences of the Scheme.

**The summary information on taxation in the Scheme Document is intended as a guide only and holders of MESH Shares who are in any doubt about their tax position, or who are resident for tax purposes outside the UK or the US, are strongly advised to contact an appropriate professional independent adviser without delay.**

### **6. ACTION TO BE TAKEN**

The Scheme is conditional upon a number of matters which are set out in full in the Explanatory Statement contained in Part II of the Scheme Document, including approval of the Scheme by the MESH shareholders at the Court Meeting and the Resolutions at the Scheme General Meeting (each as defined in the Scheme Document). Full particulars of the Court Meeting and the Scheme General Meeting are also contained in Part II of the Scheme Document, including the action to be taken by MESH shareholders.

**In order that the High Court can be satisfied that the votes cast fairly represent the views of MESH shareholders, it is important that as many votes as possible are cast at the Court Meeting. MESH shareholders are therefore urged to attend the Court Meeting remotely via the virtual satellite meeting platform or by proxy. Separate Forms of Proxy for use at the Court Meeting (blue) and the Scheme General Meeting (yellow) are enclosed. Whether or not MESH shareholders propose to attend remotely via the virtual satellite meeting platform at the meeting in question, MESH shareholders are encouraged to complete, sign and return the appropriate Forms of Proxy, as explained in paragraph 11 of the Explanatory Statement contained in Part II of the Scheme Document.**

If MESH shareholders have any queries, please contact Link Group on +44 (0)371 664 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. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

## **7. OVERSEAS SHAREHOLDERS**

The attention of MESH shareholders who are citizens, residents or nationals of a jurisdiction outside the United Kingdom is drawn to paragraph 9 of Part II of the Scheme Document.

## **8. RECOMMENDATION**

**The Board considers the Proposals and their terms to be fair and reasonable and in the best interests of MESH and MESH shareholders as a whole.**

**Accordingly, the Board unanimously recommends MESH shareholders to vote in favour of the Scheme at the Court Meeting and to vote in favour of all the Resolutions proposed at the Scheme General Meeting as the Directors who hold Scheme Shares (being Michael Power and Robert Bonnier) have irrevocably undertaken to do in respect of their own beneficial holdings, amounting in aggregate to 32,327,500 MESH Shares and representing approximately 11.4 per cent. of the issued share capital of MESH at the Latest Practicable Date.**

### **Mike Power, Chairman of MESH commented:**

*"We are pleased to be posting the Scheme documents to our shareholders today. We believe AAA's portfolio of technology investments has the potential to generate significant shareholder value and this proposed share for share acquisition allows MESH shareholders to share in this upside. Once AAA has successfully re-listed, the AAA consideration shares received by MESH shareholders will be significantly more liquid than the current unlisted MESH shares."*

### **Rodger Sargent, AAA Executive Director, commented:**

*"The acquisition of MESH is an important element in AAA's asset consolidation. We continue to make rapid progress across the board and will further update shareholders in the coming weeks regarding Sentiance, MESH, AAQUA as well as our new cornerstone investors and, of course, our future re-listing plans."*

**For further enquiries:**

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