AIM Admission Document

March 2021

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or the action you should take, you should immediately seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent adviser who is authorised under the FSMA if you are in the United Kingdom, or, if outside the United Kingdom, from another appropriately authorised independent adviser.

This Document, which comprises an AIM admission document drawn up in accordance with the AIM Rules for Companies, has been issued in connection with an application for admission to trading on AIM of the entire issued and to be issued share capital of tinyBuild, Inc.

This Document does not constitute an offer or any part of any offer of transferable securities to the public within the meaning of section 102B of the FSMA or otherwise. Accordingly, this Document does not constitute a prospectus for the purposes of section 85 of the FSMA or otherwise, and has not been drawn up in accordance with the Prospectus Rules or filed with or approved by the FCA or any other competent authority.

Application has been made for the Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that trading in the Shares will commence on AIM on 9 March 2021. The Shares are not dealt on any other recognised investment exchange and no application is being made for admission of the Shares to the Official List of the FCA.

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

The Company and the Directors, whose names appear on page 11 of this Document, accept responsibility both individually and collectively for the information contained in this Document. To the best of the knowledge of the Company and the Directors (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and contains no omission likely to affect the import of such information.

The whole of this Document should be read. Investment in the Company is speculative and involves a high degree of risk. Your attention is drawn in particular to Part II of this Document entitled "Risk Factors", which describes certain risks associated with an investment in tinyBuild, Inc.

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tinyBuild, Inc

(incorporated and registered in the State of Delaware, US under the General Corporation Law of the State of Delaware registered number 6522473)

Placing of 21,438,985 New Shares and 69,938,682 Sale Shares at 169 pence per share and Admission to trading on AIM

Zeus Capital

Nominated Adviser and Joint Broker

BERENBERG
PARTNERSHIP SINCE 1590

Joint Broker

Enlarged Share Capital immediately following Admission

Number	*Issued and fully paid*	*Amount $*
201,526,460	common shares of $0.001 par value each	$201,526

Zeus Capital Limited ("**Zeus Capital**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting for the Company as nominated adviser and joint broker in connection with the Placing and Admission, and will not be responsible to any other person for providing the protections afforded to customers of Zeus Capital or advising any other person in connection with the Placing and Admission. Zeus Capital's responsibilities as the Company's nominated adviser under the AIM Rules for Companies and the AIM Rules for Nominated Advisers will be owed solely to London Stock Exchange and not to the Company, the Directors or to any other person in respect of such person's decision to acquire Placing Shares in reliance on any part of this Document. Apart from the responsibilities and liabilities, if any, which may be imposed on Zeus Capital by the FSMA or the regulatory regime established under it, Zeus Capital does not accept any responsibility whatsoever for the contents of this Document, and no representation or warranty, express or implied, is made by Zeus Capital with respect to the accuracy or completeness of this Document or any part of it.

Joh. Berenberg, Gossler & Co. KG, London Branch ("**Berenberg**"), a firm which is authorised by the German Federal Financial Supervisory Authority and subject to limited regulation in the United Kingdom by the Financial Conduct Authority, is acting exclusively for the Company as joint broker in connection with the Placing and Admission, is advising no one else in relation to the Placing or Admission and will not be responsible to any other person for providing the protections afforded to its clients or for advising any other person in relation to the Placing, the Admission or otherwise. Apart from the responsibilities and liabilities, if any, which may be imposed on Berenberg by the FSMA or the regulatory regime established under it, Berenberg does not accept any responsibility whatsoever for the contents of this Document, and no representation or warranty, express or implied, is made by Berenberg with respect to the accuracy or completeness of this Document or any part of it.

This document is not for release, publication or distribution, directly or indirectly, in whole or in part, in or into the United States or to, or for the account or benefit of, any US Person (as defined in Regulation S under the United States Securities Act of 1933, as amended (the "**US Securities Act**") ("**US Person**").

This Document does not constitute an offer of, or the solicitation of an offer to subscribe for, or to purchase, the Placing Shares in the United States or to, or for the account or benefit of, US Persons, or to any other person to whom it is unlawful to make such offer or solicitation or which may result in the requirement to register the Placing Shares under the US Securities Act. Securities may not be offered or sold in the United States absent registration under the US Securities Act or in reliance upon an available exemption from registration under the US Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. No public offering of the Placing Shares is being made in the United States.

The Placing Shares have not been and will not be registered under the US Securities Act, or under the securities laws of any state or other jurisdiction of the United States. The Placing Shares are being offered and sold only outside of the United States to persons who are not US Persons or acting for the account or benefit of US Persons in "offshore transactions" (as defined in Regulation S under the US Securities Act) in accordance with, and in reliance on, the safe harbour from registration provided by Section 903(b)(3) of Regulation S, or Category 3, of Regulation S.

The Placing Shares are subject to the conditions listed under Rule 903(b)(3), or Category 3, of Regulation S. Under Category 3, offering restrictions (as defined under Regulation S) must be in place in connection with the Placing and additional restrictions are imposed on resales of the Shares. Further details of these restrictions are set out in Part VII of this Document. Further, hedging transactions in the Placing Shares may not be conducted unless in compliance with the US Securities Act.

The Placing Shares are "restricted securities" as defined in Rule 144 under the US Securities Act. Purchasers of the Placing Shares may not offer, sell, pledge or otherwise transfer the Placing Shares, directly or indirectly, in or into the United States or to, or for the account or benefit of, any US Person, except pursuant to a transaction meeting the requirements of Rules 901 to 905 (including the Preliminary Notes) of Regulation S, pursuant to an effective registration statement under the US Securities Act, or pursuant to an exemption from the registration requirements of the US Securities Act. The Placing Shares are subject to these restrictions until at least the expiry of one year after the later of (i) the time when the Placing Shares are first offered to persons other than distributors in reliance upon Regulation S and (ii) the date of the closing of the Placing, or such longer period as may be required under applicable law or as determined by the Company (the "**Distribution Compliance Period**"). The Company currently intends that these restrictions will remain in place indefinitely.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "**SEC**"), any state securities commission in the United States or any US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of any proposed offering of the Placing Shares, or the accuracy or adequacy of this Document. Any representation to the contrary is a criminal offence in the United States.

This Document does not constitute an offer to sell, or the solicitation of an offer to buy or subscribe for, securities in any jurisdiction in which such offer or solicitation is unlawful and is not for publication or distribution in or into Canada, Australia, New Zealand, the Republic of South Africa or Japan. The Shares have not been and will not be registered under any province or territory of Canada, Australia, New Zealand, the Republic of South Africa or Japan, nor in any country or territory where to do so may contravene local securities laws or regulations. Accordingly, the Shares may not be offered or sold directly or indirectly in or into Canada, Australia, New Zealand, the Republic of South Africa, Japan or to any national, resident or citizen of Canada, Australia, New Zealand, the Republic of South Africa or Japan. The distribution of this Document in other jurisdictions may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities law of any such jurisdictions.

Copies of this Document will be available free of charge to the public during normal business hours on any day (except Saturdays, Sundays and public holidays in the United Kingdom and the United States) at the registered offices of the Company and, for one month from Admission, at the offices of Zeus Capital at 10 Old Burlington Street, London W1S 3AG. This Document is also available on the Company's website, **www.tinybuild.com**.

IMPORTANT INFORMATION

This Document should be read in its entirety before making any decision to subscribe for or purchase Shares. Prospective investors should rely only on the information contained in this Document. No person has been authorised to give any information or make any representations other than as contained in this Document and, if given or made, such information or representations must not be relied on as having been authorised by the Company, Zeus Capital, Berenberg, or any of their respective affiliates, officers, directors, employees or agents. Without prejudice to the Company's obligations under the AIM Rules for Companies, neither the delivery of this Document nor any acquisition of Shares made under this Document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company or the Group since the date of this Document or that the information contained herein is correct as at any time subsequent to its date.

Prospective investors in the Company must not treat the contents of this Document or any subsequent communications from the Company, Zeus Capital, Berenberg, or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters. Each prospective investor should consult with their own advisers as needed to make its investment decision and to determine whether it is legally permitted to hold Shares under applicable legal investment or similar laws or regulations. Investors should be aware that they may be required to bear the financial risks of an investment in Shares for an indefinite period of time.

The Company will update the information provided in this Document by means of a supplement to it if a significant new factor, material mistake or inaccuracy arises or is noted relating to the information included in this Document before Admission. Any supplementary admission document will be made public in accordance with the AIM Rules.

Investing in and holding the Shares involves financial risk. Prior to investing in the Shares, investors should carefully consider all of the information contained in this Document, paying particular attention to the Risk Factors in Part II of this Document. Investors should consider carefully whether an investment in the Shares is suitable for them in light of the information contained in this Document and their personal circumstances.

In connection with the Placing, the Joint Brokers and any of their affiliates, acting as investors for their own accounts, may acquire Shares, and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Shares and other securities of the Company or related investments in connection with the Placing or otherwise. Accordingly, references in this Document to the Shares being offered, subscribed, acquired, placed or otherwise dealt with should be read as including any offer to, or subscription, acquisition, dealing or placing by, the Joint Brokers and any of their affiliates acting as investors for their own accounts. The Joint Brokers do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

The Joint Brokers and their affiliates may have in the past engaged, and may in the future, from time to time, engage in transactions with, and provided various investment banking, financial advisory and other ancillary activities in the ordinary course of their business with the Company, in respect of which they have received, and may in the future receive, customary fees and commissions. As a result of these transactions, these parties may have interest that may not be aligned, or could possibly conflict, with the interests of investors.

Notice to prospective investors in the United Kingdom

This Document is being distributed to, and is directed only at, persons in the United Kingdom who are qualified investors within the meaning of Article 2 of the UK Prospectus Regulation: (i) who have professional experience in matters relating to investments falling within Article 19(5) of the FPO; and/or (ii) high net worth entities, unincorporated associations and other bodies falling within Article 49 of the FPO; and (iii) other persons to whom it may otherwise be lawfully be distributed without an obligation to issue a prospectus or other offering Document approved a regulatory (each a "relevant person"). Any investment or investment activity to which this Document relates is available only to relevant persons and will be engaged in only with such persons. Persons who are not relevant persons should not rely on or act upon this Document.

Notice to prospective investors in the EEA

In relation to each member state of the EEA which has implemented the Prospectus Regulation other than the United Kingdom (each, a "**Relevant Member State**"), no Shares have been offered or will be offered pursuant to the Placing to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Shares which has been approved by the competent authority in that Relevant Member State, all in accordance with the Prospectus Regulation, except that offers of Shares to the public may be made at any time under the following exemptions under the Prospectus Regulation, if they have been implemented in that Relevant Member State:

(1) to any legal entity which is a qualified investor as defined in Article 2 of the Prospectus Regulation;

(2) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) in such Relevant Member State; or

(3) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Regulation or any measure implementing the Prospectus Regulation in a Relevant Member State and each person who initially acquires any Shares or to whom any offer is made under the Placing will be deemed to have represented, acknowledged and agreed that it is a "qualified investor" within the meaning of the law of the Relevant Member state implementing Article 2(e) of the Prospectus Regulation.

For the purposes of this provision, the expression "an offer to the public" in relation to any offer of Shares in any Relevant Member State means a communication in any form and by any means presenting sufficient information on the terms of the Placing and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Regulation in that Relevant Member State and the expression the "Prospectus Regulation" means Directive 2017/1129/EC (as amended), to the extent implemented in the Relevant Member State and includes any relevant implementing measure in each Relevant Member State.

Notice to prospective investors in Ukraine

The Placing Shares shall not be offered for participation, circulation, distribution, placement, sale, purchase or other transfer either directly or indirectly on the territory of Ukraine, except pursuant to a decision of the National Securities and Stock Market Commission of Ukraine (in Ukrainian "Національна комісія з цінних паперів та фондового ринку") on admission of the Placing Shares to circulation on the territory of Ukraine or any other available authorisation or consent as may be required by applicable Ukrainian law.

Accordingly, nothing in this Admission Document or any other documents, information or communications related to the Placing Shares shall be interpreted as containing any offer or invitation to, or solicitation of, any such participation, circulation, distribution, placement, sale, purchase or other transfer either direct or indirect on the territory of Ukraine. Neither this Admission Document, which has not been submitted to the National Securities and Stock Market Commission of Ukraine, nor any information contained herein nor any offering material relating to the Placing Shares may be distributed or caused to be distributed in Ukraine.

Notice to prospective investors in Hong Kong

This Admission Document may not be used for the purpose of, and does not constitute an offer or invitation, to the public in Hong Kong (in which such an offer or invitation is not authorised) to subscribe for or purchase any of the Placing Shares or to any person to whom it is unlawful to make such an offer or invitation.

The arrangements for the issue or sale of the Placing Shares and the contents of this Admission Document have not been reviewed, authorised by or registered with any regulatory authority in Hong Kong, pursuant to section 105(1) of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO") and section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) ("CWUMPO"). Accordingly, no advertisement, invitation or document relating to the Placing Shares, whether in Hong Kong or elsewhere, shall be issued, circulated or distributed which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong). This Admission Document is confidential to the person to whom it is distributed and addressed and must not be used, shown, copied, reproduced,

further issued, passed on, circulated or distributed in any other way to any other person (except if permitted to do so under the securities laws of Hong Kong). A subscription application is not invited from any person in Hong Kong other than a person to whom a numbered copy of this Admission Document has been issued and, if made, will not be accepted.

The content and use of this Admission Document must comply with each of the following SFO and CWUMPO restrictions, namely:

(1) SFO: this Admission Document is not and does not contain, contrary to section 103 of SFO, an invitation to the public of Hong Kong to acquire, dispose of, subscribe for or underwrite the Placing Shares, other than (i) an invitation only to professional investors (as defined in SFO) to do so; or (ii) to the extent that this Admission Document is not a prospectus (as defined in the CWUMPO) by virtue of any of the maximum offeree number, maximum or minimum investment amount or other exclusions set out in the 17th Schedule to the CWUMPO ("Prospectus Exclusions"); and

(2) CWUMPO: this Admission Document must not, contrary to sections 342 and 342C of CWUMPO, be issued, circulated or distributed to any person in Hong Kong other than (i) to persons whose ordinary business is to buy or sell shares or debentures, whether as principal or agent; or (ii) to professional investors (as defined in the SFO); or (iii) in circumstances in which this Admission Document is not a prospectus (as defined in the CWUMPO) by virtue of any of the Prospectus Exclusions; or (iv) otherwise in circumstances that do not constitute an offer to the public.

Notice regarding US federal securities laws, settlement and restrictions on transferability

This Document is not for release, publication or distribution, directly or indirectly, in whole or in part, in or into the United States or to, or for the account or benefit of, any US Person. This Document does not constitute an offer of, or the solicitation of an offer to subscribe for, or to purchase, the Placing Shares in the United States or to, or for the account or benefit of, US Persons, or to any other person to whom it is unlawful to make such offer or solicitation or which may result in the requirement to register the Placing Shares under the US Securities Act. Securities may not be offered or sold in the United States absent registration under the US Securities Act or in reliance upon an available exemption from registration under the US Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. No public offering of the Placing Shares is being made in the United States.

The Placing Shares are being offered and sold only outside of the United States to persons who are not US Persons or acting for the account or benefit of US Persons in "offshore transactions" (as defined in Regulation S under the US Securities Act) in accordance with, and in reliance on, the safe harbour from registration provided by Section 903(b)(3) of Regulation S, or Category 3, of Regulation S.

The Placing Shares are subject to the conditions listed under Rule 903(b)(3), or Category 3, of Regulation S. Under Category 3, offering restrictions (as defined under Regulation S) must be in place in connection with the Placing and additional restrictions are imposed on resales of the Shares. Further details of these restrictions are set out in Part VII of this Document. Further, hedging transactions in the Placing Shares may not be conducted unless in compliance with the US Securities Act.

The Placing Shares are "restricted securities" as defined in Rule 144 under the US Securities Act. Purchasers of the Placing Shares may not offer, sell, pledge or otherwise transfer the Placing Shares, directly or indirectly, in or into the United States or to, or for the account or benefit of, any US Person, except pursuant to a transaction meeting the requirements of Rules 901 to 905 (including the Preliminary Notes) of Regulation S, pursuant to an effective registration statement under the US Securities Act or pursuant to an exemption from the registration requirements of the US Securities Act. The Placing Shares are subject to these restrictions until at least the expiry of the Distribution Compliance Period. The Company currently intends that these restrictions will remain in place indefinitely.

The Placing Shares have not been approved or disapproved by the SEC, any state securities commission in the United States or any US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of any proposed offering of the Placing Shares, or the accuracy or adequacy of this Document. Any representation to the contrary is a criminal offence in the United States.

Important information regarding US federal securities laws, settlement and restrictions on transferability of the Shares is set forth in Part VI and Part VII of this Document.

Forward looking statements

Certain statements in this Document are or may constitute "forward looking statements", including statements about current beliefs and expectations. In particular, the words "expect", "anticipate", "estimate", "may", "should", "could", "plans", "intends", "will", "believe" and similar expressions (or in each case their negative and other variations or comparable terminology) can be used to identify forward looking statements. They appear in a number of places throughout this Document and include, but are not limited to, statements regarding intentions, beliefs or current expectations concerning, among other things, the Group's results of operations, financial position, liquidity, prospects, growth, strategies and expectations of the industry in which the Group operates.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the development of the markets and the industry in which the Group operates, may differ materially from those described in, or suggested by, the forward looking statements contained in this Document. In addition, even if the development of the markets and the industry in which the Group operates are consistent with the forward-looking statements contained in this Document, those developments may not be indicative of developments in subsequent periods. A number of factors could cause developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, industry trends, competition, changes in regulation, currency fluctuations, changes in the Group's business strategy, political and economic uncertainty and other factors discussed in Part I and Part II of this Document.

Any forward-looking statements in this Document reflect current views 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 and growth strategy. Investors should specifically consider the factors identified in this Document which could cause results to differ before making an investment decision. Subject to the requirements of applicable law or regulation, the Group undertakes no obligation publicly to release the result 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.

Any forward-looking statement in this Document based on past or current trends and/or activities of the Group should not be taken as a representation or assurance that such trends or activities will continue in the future. No statement in this Document is intended to be a profit forecast or to imply that the earnings of the Group for the current year or future years will match or exceed the historical or published earnings of the Group.

Presentation of financial information

The consolidated historical financial information of the Group for the three years and six months ended 30 June 2020, which is set out in Section B of Part III of this Document, has been prepared in accordance with IFRS.

The Group have historically reported under US Generally Accepted Accounting Practice ("US GAAP"). An explanation of the changes to the Group's financial information on transition from US GAAP to IFRS is presented in note 29 of Section B of Part III of this Document.

Certain non-statutory measures such as EBITDA and Adjusted EBITDA have been included in the financial information contained in this Document as the Directors believe that these present important alternative measures with which to assess the Group's performance. These measures should not be considered as an alternative to revenue and operating profit, which are IFRS measures, or other measures of performance under IFRS. In addition, the Company's calculation of EBITDA and Adjusted EBITDA may be different from the calculation used by other companies and therefore comparability may be limited.

Rounding

The financial information and certain other figures in this Document have been subject to rounding adjustments. Therefore, the sum of numbers in a table (or otherwise) may not conform exactly to the total figure given for that table. In addition, certain percentages presented in this Document reflect calculations

based on the underlying information prior to rounding and accordingly may not conform exactly to the percentages that would be derived if the relevant calculations were based on the rounded numbers.

Market, industry and economic data

Unless the source is otherwise identified, the market, economic and industry data and statistics in this Document constitute management estimates, using underlying data from third parties. The Company obtained market and economic data and certain industry statistics from internal reports, as well as from third-party sources as described in the footnotes to such information. All third-party information set out in this Document has been accurately reproduced and, so far as the Company is aware and has been 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. Such third-party information has not been audited or independently verified and the Company and the Directors accept no responsibility for its accuracy or completeness.

No incorporation of website information

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

CONTENTS

PLACING STATISTICS AND EXPECTED TIMETABLE

Placing Statistics

Placing Price (per Share)	169 pence
Number of Existing Shares in issue immediately prior to Admission	180,087,475
Number of Shares to be issued by the Company in the Placing (the New Shares)	21,438,985
Number of Shares to be sold by the Selling Shareholders in the Placing (the Sale Shares)	69,938,682
New Shares as a percentage of the Existing Shares	11.9 per cent.
Sale Shares as a percentage of the Existing Shares	38.8 per cent.
Number of Shares in issue immediately following Admission	201,526,460
Market capitalisation of the Company at the Placing Price immediately following Admission[(1)]	£340,579,717
Gross proceeds of the Placing receivable by the Company	£36.2 million
Estimated net proceeds of the Placing receivable by the Company[(2)]	£28.6 million
AIM ticker	TBLD
ISIN	USU8884H1033
SEDOL	BN33QG4
LEI	2138002FIMZYDVU3BD12

Notes:

(1) The market capitalisation of the Company at any given time will depend on the market price of the Shares at that time. There can be no assurance that the market price of a Share will equal or exceed the Placing Price.

(2) Net of all transaction costs in connection with Admission including (but not limited to) all commissions, adviser fees and expenses payable by the Company of approximately £7.6 million.

Expected Timetable

Publication of this Document	3 March 2021
Admission and commencement of dealings in the Shares on AIM	8.00 a.m. on 9 March 2021
CREST accounts credited with Depositary Interests (where applicable)	8.00 a.m. on 9 March 2021
Dispatch of definitive share certificates (where applicable)	by 23 March 2021

All times are London, UK times. Each of the times and dates in the above timetable is indicative only and is subject to change without further notice.

COMPANY OFFICERS, REGISTERED OFFICE AND ADVISERS

Directors	**Carlos Henrique ("Henrique") Olifiers** *(Non-Executive Chairman)* **Aleksandrs Ņičiporčiks** *(Chief Executive Officer)* **Luke Robert Burtis** *(Chief Operating Officer)* **Antonio Jose Assenza** *(Chief Financial Officer)* **Neil James Catto** *(Non-Executive Director)*
Company Secretary	Antonio Jose Assenza
Registered office	1209 Orange Street Wilmington New Castle Delaware USA
Website	www.tinybuild.com
Nominated Adviser and Joint Broker	**Zeus Capital Limited** 82 King Street Manchester M2 4WQ and 10 Old Burlington Street London W1S 3AG
Joint Broker	**Joh. Berenberg, Gossler & Co. KG, London Branch** 60 Threadneedle Street London EC2R 8HP
UK legal advisers to the Company	**Memery Crystal LLP** 165 Fleet Street London EC4A 2DY
US legal advisers to the Company	**Perkins Coie LLP** 3150 Porter Drive Palo Alto, California 94304-1212
Legal advisers to the Nominated Adviser and Joint Brokers	**Pinsent Masons LLP** 30 Crown Place London EC2A 4ES
Reporting Accountants	**Grant Thornton UK LLP** 30 Finsbury Square London EC2A 1AG
Auditors	**Clark Nuber PS** 10900 NE 4th St Suite 1400 Bellevue, Washington, 98004
Depositary	**Link Market Services Trustees Limited** The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

Registrars	**Link Market Services (Guernsey) Limited** Mont Crevelt House Bulwer Avenue St Sampson, Guernsey GY2 4LH
PR advisers to the Company	**Yellow Jersey PR Limited** Mappin House Oxford Street London W1W 8HF

DEFINITIONS

Adjusted EBITDA	a non-GAAP measure which is defined as earnings before interest, tax, depreciation, amortisation (excluding amortisation of capitalised software development costs) and share-based payments
Admission	the admission of the Enlarged Share Capital to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules for Companies
AIM	the AIM market of the London Stock Exchange
AIM Rules for Companies	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
Affiliate	has the meaning given in Rule 405 under the US Securities Act
Alex Nichiporchik	Aleksandrs Ņičiporčiks
Audit Committee	the audit committee of the Board, as constituted from time to time
Berenberg	Joh. Berenberg, Gossler & Co. KG, London Branch, joint broker to the Company
Board	the board of directors of the Company
Bylaws	the amended and restated bylaws of the Company to be effective at Admission, a summary of which is set out in paragraph 7 of Part V of this Document
Certificate of Incorporation	the Company's certificate of incorporation, as amended and restated from time to time
Company	tinyBuild, Inc
Companies Act	the Companies Act 2006 (as amended)
Concert Party	Alex Nichiporchik, Luke Burtis and Iuliia Burtis
CREST	the computer-based system and procedures which enable title to securities to be evidenced and transferred without a written instrument, administered by Euroclear UK & Ireland in accordance with the CREST Regulations
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended, including (i) any enactment or subordinate legislation which amends those regulations; and (ii) any applicable rules made under those regulations or such enactment or subordinate legislation for the time being in force
Dealing Day	a day on which the London Stock Exchange is open for the transaction of business
Deed Poll	the deed poll dated 3 March 2021 entered into by the Depositary in favour of the holders of Depositary Interests
Depositary	Link Market Services Trustees Limited

Depositary Interests	dematerialised depositary interests representing underlying Shares that can be settled electronically through and held in CREST, as issued by the Depositary or its nominees who hold the underlying securities on trust
DGCL	General Corporation Law of the State of Delaware
Directors	the directors of the Company as at the date of this Document, whose names appear on page 10 of this Document
Distribution Compliance Period	the period during which the Placing Shares are subject to the conditions listed under Section 903(b)(3) of Regulation S, being until at least the expiry of one year after the later of (i) the time when the Shares are first offered to persons other than distributors in reliance upon Regulation S and (ii) the date of closing of the Placing, or such longer period as may be required under applicable law or as determined by the Company
EBITDA	earnings before interest, tax, depreciation and amortisation (excluding amortisation of capitalised software development costs)
EEA	the European Economic Area
Enlarged Share Capital	the issued share capital of the Company immediately following Admission, comprising the Existing Shares and the New Shares
EU	European Union
Euroclear UK & Ireland	Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales with registered number 2878738 and the operator of CREST
Executive Directors	the executive Directors of the Company as at the date of this Document, being Alex Nichiporchik, Luke Burtis and Antonio Assenza
Existing Shares or **Existing Share Capital**	the 180,087,475 Shares in issue immediately after the Pre-IPO Reorganisation and immediately prior to completion of the Placing and Admission
FCA or **Financial Conduct Authority**	the Financial Conduct Authority of the United Kingdom
FPO	Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended
FSMA	the Financial Services and Markets Act 2000, as amended
Group	the Company and its subsidiaries and subsidiary undertakings
HMRC	HM Revenue and Customs
Historical Financial Information	the consolidated financial information of the Group for the three years ended 31 December 2019, and the six months ended 30 June 2020, as set out in Section B of Part III of this Document
IFRS	International Financial Reporting Standards as endorsed by the European Union
Joint Brokers	Berenberg and Zeus Capital

Lock-In and Orderly Market Agreements	the lock-in agreements entered into by the Locked-In Shareholders, the Company and the Joint Brokers, details of which are set out in paragraph 13.4 of Part V of this Document
Locked-In Shareholders	Alex Nichiporchik, Luke Burtis, Makers Fund and NetEase
London Stock Exchange	London Stock Exchange plc
Makers Fund	Makers Fund LP, an exempted limited partnership registered in the Cayman Islands with registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104
Member State	a member state of the EEA
NetEase	Hong Kong NetEase Interactive Entertainment Limited of 1/F, Xiu Ping Commercial Building , 104 Jervois Street, Sheung Wan, Hong Kong
New Shares	the 21,438,985 new Shares to be issued by the Company pursuant to the Placing
Nomination Committee	the nomination committee of the Board, as constituted from time to time
Non-Executive Directors	the non-executive directors of the Company as at the date of this Document, being Henrique Olifiers and Neil Catto
Official List	the official list of the FCA
Options	options to purchase for Shares granted under the Plan detailed in paragraph 6 of Part V of this Document
Panel	the Panel on Takeovers and Mergers
Placees	the subscribers for New Shares and purchasers of Sale Shares pursuant to the Placing
Placing	the conditional placing of the Placing Shares at the Placing Price pursuant to the Placing Agreement
Placing Agreement	the conditional agreement entered into on or about the date of this Document between the Company, the Selling Shareholders, the Joint Brokers, and the Directors in relation to the Placing and Admission, summary details of which are set out in paragraph 13.1 of Part V of this Document
Placing Price	169 pence per Placing Share
Placing Shares	the New Shares and the Sale Shares
Plan	the Company's 2017 equity incentive plan as summarised in paragraph 6 of Part V of this Document
Preferred Holders	Makers Fund and NetEase
Preferred Shares	Series Seed Preferred Stock and Series A Preferred Stock
Pre-IPO Reorganisation	the share capital reorganisation of the Company to take effect immediately prior to Admission, involving, among other things, the

	conversion of outstanding Preferred Shares into Shares, details of which are in paragraphs 13.10 to 13.15 of Part V of this Document
Prospectus Regulation	Prospectus Regulation (EU) 2017/1129 of the European Parliament and of the Council of the European Union
Prospectus Rules	the prospectus regulation rules made by the FCA under Part VI of the FSMA, as amended
QCA	the Quoted Companies Alliance
QCA Code	the Corporate Governance Code 2018 published by the QCA
Registrars	the Company's registrars, being Link Market Services (Guernsey) Limited
Regulation S	Regulation S, promulgated under the US Securities Act
Relationship Agreement	the relationship agreement entered into between the Company, Zeus Capital, Alex Nichiporchik and Luke Burtis, as set out in paragraph 13.5 of Part V of this Document
Remuneration Committee	the remuneration committee of the Board, as constituted from time to time
RIS	Regulatory Information Service
Rule 144	Rule 144, promulgated under the US Securities Act
Sale Shares	the 69,938,682 Shares (being part of the Existing Shares) to be sold by the Selling Shareholders pursuant to the Placing
SARs	stock appreciation rights
SEC	the US Securities and Exchange Commission
Selling Shareholders	Alex Nichiporchik, Luke Burtis, Makers Fund and NetEase
Senior Manager	a certain member of the Company's management team (other than the Executive Directors), details of whom are set out in paragraph 7.2 of Part I of this Document
Series A Preferred Stock	shares of series A preferred stock of the Company with par value of $0.001 per share (subject to conversion on completion of the Pre-IPO Reorganisation)
Series Seed Preferred Stock	shares of series seed preferred stock of the Company with par value of $0.001 per share (subject to conversion on completion of the Pre-IPO Reorganisation)
Shares	common shares of $0.001 each in the capital of the Company
Shareholder	a holder of Shares or, as applicable, a holder of Depositary Interests
Takeover Code	the UK City Code on Takeovers and Mergers published by the Panel
tinyBuild	as the context shall so admit, means the Company and/or all or some of the members of its Group and/or any of their respective businesses from time to time

UK or **United Kingdom**	the United Kingdom of Great Britain and Northern Ireland
UK Prospectus Regulation	Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018
uncertificated or **uncertificated form**	recorded on the relevant register of the share or security 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
US or **United States**	means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
US Exchange Act	the United States Securities Exchange Act of 1934, as amended
US Persons	has the meaning given in Regulation S
US Securities Act	the United States Securities Act of 1933, as amended
VAT	value added tax
Zeus Capital	Zeus Capital Limited, nominated adviser and joint broker to the Company
Zeus Capital Warrants	the right for Zeus Capital to subscribe for Shares pursuant to the terms of a warrant instrument, details of which are set out in paragraph 13.6 of Part V of this Document
£ and **p**	United Kingdom pounds sterling and pence respectively
€ or **Euro**	the single European currency
$ and **c**	United States dollars and cents respectively

GLOSSARY

AA or **AA-rated game**	an informal classification given to video games, defined by the Company through subjective measures. AA-rated games being higher quality than indie games, but lower quality than AAA-rated games
acquihire	an informal term used in connection with the process of acquiring a developer via a transfer or an engagement as independent contractors of the employees of an external developer, and selectively acquiring relevant target IP via an asset purchase, rather than a corporate acquisition
alpha release	the first version of a game that contains the major features of the game but is only partially complete
back catalogue	titles released by tinyBuild in periods prior to the current financial year
beta release	an early version of the game version that contains all major features and assets but could still contain bugs and performance issues. Beta versions are often released to gather critical feedback and identify bugs
CAGR	compound annual growth rate, being the average annual growth rate of an investment or metric over a specified period of time longer than one year
cloud gaming	a type of game or platform which runs games on a remote server and streams the game directly to the user's device
digital distribution	electronic distribution and sale of video games and related content
DLCs	downloadable content, being digitally distributed additional content for already released video games. It can be downloaded for no additional cost or it may be a form of video game monetisation.
first-party IP	IP that is owned and developed by tinyBuild
franchise	a collection of related games in which several derivative works have been produced following an original game
games-as-a-service or **GaaS**	a business model whereby games receive significant developer post release support, including multiplayer hosting, community management, post-release patching, game fixes, downloadable content and expansions
indie	an informal classification typically given to games developed by smaller development teams. The indie game style is considered to be accessible to a wider audience due to its lower price-point and simpler gameplay compared to AA-rated games
IP	intellectual property
own-IP	includes first- and second-party IP
PAX	a series of video gaming conferences held in the United States and Australia
person-month rate	the monetary cost to employ one person per month

physical or **retail distribution**	physical distribution and sale of video games and related content
physics comedy	a form of comedy focused on the manipulation of the human body and environmental physics for a humorous effect which has become a popular gaming genre
pipeline	future titles in the Company's pipeline as at the date of this Document
premium game	games which are not free to play
released portfolio	titles released by tinyBuild, including those in the current financial year
return on investment	a financial metric based on an investment's lifetime total revenues as a percentage of its total costs (comprising development costs, royalties and other publishing costs such as porting, localisation, quality assurance and engine licensing)
sandbox	a game whereby there are fewer limitations on characters, environments and/or actions allowing the player a greater degree of flexibility to complete a goal within the game, if such a goal exists
second-party IP	IP that is owned, but not developed in-house by tinyBuild
Stadia or **Google Stadia**	a cloud gaming service developed and operated by Google
staff	both employees and independent contractors together
Steam	a video game digital distribution service
third-party IP	IP that is not owned or developed by tinyBuild. The Company typically enters into a commercial contract to publish third-party IP on behalf of developers

INVESTMENT SUMMARY

The following information is derived from, and should be read in conjunction with, the whole of this Document including, in particular, the section headed Risk Factors in Part II of this Document. Shareholders should read the whole of this Document and not rely on this Investment Summary section.

tinyBuild is a leading video game publisher and developer primarily focused on premium AA and premium indie games. The Company has major operations in the United States and Europe. Founded in 2013 by Alex Nichiporchik (CEO) and Luke Burtis (COO), tinyBuild has since grown to a team of 147 staff and has published 40 games.

Key strengths and advantages

The Directors believe that tinyBuild has a number of key strengths and advantages that are important to the success of the business:

- **Own-IP focused strategy**

  tinyBuild's own-IP focused model creates long-term partnerships with developers and supports them in seeking to create long-lasting IP which can be built into multi-game and multimedia franchises. tinyBuild leverages its roots as a developer and ability to add value during the development process by working with developers from an early stage. The Company's default approach to partnering with developers results in IP ownership related to its games. This allows tinyBuild and partnering developers to focus on long-term value creation through franchises and also results in improved profit margins for the Company.

- **Strong pipeline**

  It is the Director's view that the Company's current games pipeline is the largest and the highest quality it has ever had, with a total of 23 titles scheduled for release during 2021 and 2022. The Company also expects that 59.6 per cent. of the allocated budget to release all pipeline titles will have been invested at the time of Admission.

- **Robust back catalogue**

  tinyBuild's back catalogue of 28 titles contributed 79.2 per cent. of revenue in the twelve months ended 31 December 2019. tinyBuild has successfully extended the lifecycle of its key titles over several years. This is achieved by creating long-lasting content, regularly releasing DLCs, expanding games across various platforms and generating additional revenue through licensing agreements.

- **Differentiated positioning in the video gaming market**

  tinyBuild has a multimedia strategy for its leading games, expanding game-based IP into books, TV, film, merchandise and more. Multimedia products act as marketing and customer engagement tools that extend franchises' longevity while generating revenue themselves. tinyBuild has successfully proven this strategy with its Hello Neighbor franchise which has sold over 1.6 million books; has a pilot animation with over 40 million YouTube views; and has released merchandise such as toys and clothing through licensing agreements.

- **Compelling benefits to developers**

  For developers, tinyBuild's differentiated offering is attractive. The Company's creative, technical, marketing and HR support empowers its partners to develop popular games and attract valuable talent. tinyBuild's background as a developer ensures that developers' needs are met and trusted long-term relationships will endure to deliver multi-year, multi-game franchises.

- **Innovative marketing and tracking tools**

  Over time, tinyBuild has built a platform on which to execute innovative, low cost yet high impact marketing campaigns, delivering strong engagement prior to a game's release. As a result, tinyBuild has accumulated over 5 billion content views on YouTube alone, and has built relationships with over 10,000 verified influencers and a global following of 780,000 followers on social media.

- **Strategically positioned to capture market growth**

  tinyBuild's geographical footprint, through its 44 development partners across five continents, ensures that it is poised to continue to take advantage of the growing global video games industry. With a particular focus on emerging markets, the Company has access to high-quality talent and benefits from lower developer costs, while maintaining hubs in major developed market cities, facilitating relationships with key industry participants.

- **Digital-led with focus on premium gaming platforms**

  tinyBuild publishes games on all key PC, mobile, console and streaming platforms including Steam, Xbox, PlayStation, Nintendo, Apple, Epic Games and Google Stadia. Games are typically released first on PC and are launched on other channels dependent on their critical success on PC. This two-stage release model ensures lower upfront development risk. tinyBuild has long-standing relationships with each major platform and digital storefront and is independent of any one of them.

- **Highly experienced Board and well-connected leadership team**

  tinyBuild's founders, both of whom are Executive Directors, are well-connected and prominent figures in the industry, ensuring strong game origination, enabling tinyBuild to negotiate partnerships with industry leaders. The Board is highly experienced with extensive industry knowledge and public company experience.

- **Strong financial record**

  In the twelve-month period ended 31 December 2019, tinyBuild generated revenue of $28.0 million and Adjusted EBITDA of $7.7 million, with a two-year CAGR of 53.1 per cent. and 97.4 per cent. respectively. In the six-month period ended 30 June 2020, tinyBuild generated revenue of $18.5 million and Adjusted EBITDA of $6.7 million.

- **Proven M&A origination, execution and integration**

  Since 2013, tinyBuild has acquihired six development teams. It has also made two strategic investments to further enhance its industry reach. The ability to successfully execute M&A is highly relevant given the industry's fragmented nature and tinyBuild's industry reputation.

PART I

INFORMATION ON THE GROUP

1. Introduction

tinyBuild is a leading video games publisher and developer with global operations, primarily focused on premium AA and indie games. tinyBuild's strategic focus is in creating long-lasting IP by partnering with developers globally, establishing a stable platform on which to build multi-game and multimedia franchises. tinyBuild's geographic diversity enables it to source high-potential IP and cost effective-development resource. The Company's innovative grassroots marketing, which involves stakeholders in the development of franchises and the wider brand, has enabled tinyBuild to build a loyal customer base.

Founded by Alex Nichiporchik (CEO) and Luke Burtis (COO) in 2013, tinyBuild has grown to a team of 147 staff. Headquartered in Seattle USA, the Company has key operations worldwide, with employees in the USA, Latvia, and the Netherlands, and with independent contractors and partners in multiple locations across five continents.

The Company has demonstrated a track record of identifying new or underdeveloped games and adding creative and technical value to them. Since 2013, tinyBuild has published 40 games and has a strong pipeline of 23 titles to be released in 2021 and 2022. Of note is tinyBuild's Hello Neighbor franchise, which has over 60 million downloads across the franchise with over 4.5 billion content views on YouTube. tinyBuild's next anticipated franchise, Totally Reliable, is rapidly gaining momentum and to date has a higher number of downloads than the original Hello Neighbor title over the equivalent period since launch.

In the twelve-month period ended 31 December 2019, tinyBuild generated revenue of $28.0 million and Adjusted EBITDA of $7.7 million, with a two-year CAGR of 53.1 per cent. and 97.4 per cent. respectively. In the six-month period ended 30 June 2020, tinyBuild generated revenue of $18.5 million and Adjusted EBITDA of $6.7 million.

Since 2013, tinyBuild has invested in two businesses and acquihired six development studios across five countries. Through deep integration with developers, tinyBuild creates long-lasting partnerships, whilst improving tinyBuild's gross margin and bringing valuable talent into the Group. The two investments were strategic and focused on enhancing tinyBuild's platform, including DevGAMM, an Eastern European-centric video games conference operation that provides the Company with access to a growing talent pool of game developers and marketing opportunities.

The video games industry is the fastest-growing entertainment market globally, valued at $174.9 billion in 2020, with a forecast compound annual growth rate of 7.6 per cent. to 2023. Growth is forecast across all regions and major platforms. Due to its global geographic presence and platform independence, tinyBuild is well-positioned to take advantage of the sector's growth.

The Directors believe that Admission will, *inter alia*, provide access to capital on an ongoing basis to fund the Group's organic growth and M&A strategy; further enhance the Group's public profile; and improve the attractiveness of share-based employee incentivisation programmes and equity consideration on transactions.

2. History and background

tinyBuild began as an indie game developer and quickly transitioned into publishing in its first year of operations. As a publisher, tinyBuild initially focused on publishing third-party IP, but it has since transitioned to an own-IP (being second- and first-party IP) centred model. This own-IP focused model provides margin enhancement and the opportunity to grow individual titles into multi-game, and even multimedia (such as books and TV), franchises.

In 2013, tinyBuild released the initial iteration of its first hit title, *No Time to Explain*, which established it with influencers before influencer-marketing became mainstream. The game was a commercial success, inspiring

tinyBuild to help other developers publish their games. In August 2016, tinyBuild co-developed and published *SpeedRunners*, which became a multiplayer hit that still has a strong community with over 17,000 reviews on Steam, c.94 per cent. of which are positive.

Between 2016 and 2018, tinyBuild began its transition to an own-IP focused model, having recognised the benefits of IP ownership, as demonstrated in 2017 with the success of Hello Neighbor. In the same period, tinyBuild also began to publish AA-rated games and invested in both Pine Events (an events management software provider) and DevGAMM.

In 2019, tinyBuild established tinyBuild SIA, a development studio based in Riga, Latvia. The studio consists of a specialist Google Stadia team that manages porting of the Group's titles to Google Stadia. The team are currently developing *Hello Engineer*, a Hello Neighbor franchise title scheduled for release in 2021, initially as a time limited Stadia exclusive. The studio was formed with four employees, and has now grown to 32 staff.

In 2020, tinyBuild launched a new indie, games-as-a-service title, *Totally Reliable Delivery Service*. The game was released on all major platforms with over 14 million downloads to date and has accumulated over 100 million content views on YouTube. *Totally Reliable Delivery Service* will launch on Steam later this year.

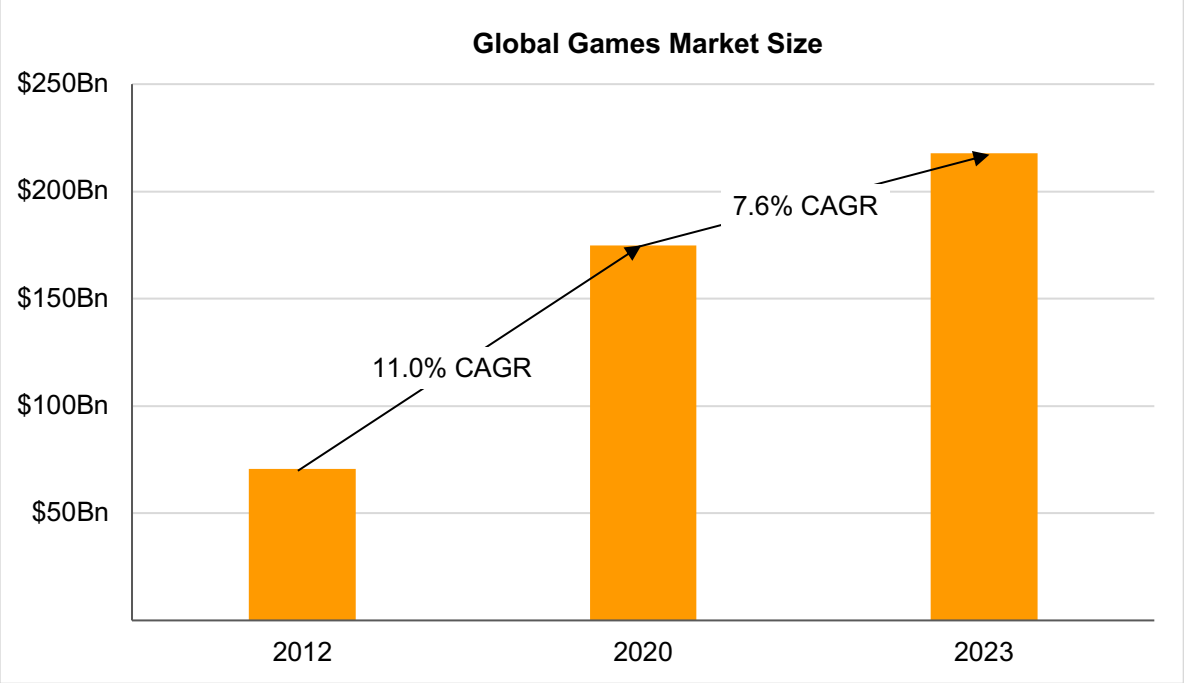
tinyBuild has raised external capital on two occasions: in October 2017 from Makers Fund and in January 2019 from NetEase. tinyBuild successfully used the proceeds from both capital raises to accelerate growth.

3. Video games market

3.1 *Market overview*

The video games market is the fastest-growing entertainment market in the world. It was valued at $174.9 billion in 2020 and is forecast to grow to a value of $217.9 billion by 2023, representing a 7.6 per cent. CAGR from 2020.

As an independent publisher and developer, tinyBuild publishes games on every major platform, including PC, console and mobile, each of which has grown consistently and are forecast to continue to grow.



Source: NewZoo

3.2 ***Sector digitalisation***

The transition from physical to digital distribution has removed a number of complexities from the video games publishing process and accelerated the growth of the market.

tinyBuild was formed as a pure-play digital distribution publisher and distributes games via all the major digital storefronts, on console, PC and mobile. As a result, tinyBuild has not experienced the difficulties of transitioning from a physical distribution to a digital-first model. In the six months ended 30 June 2020, digital sales represented 95.7 per cent. of tinyBuild's total revenue.

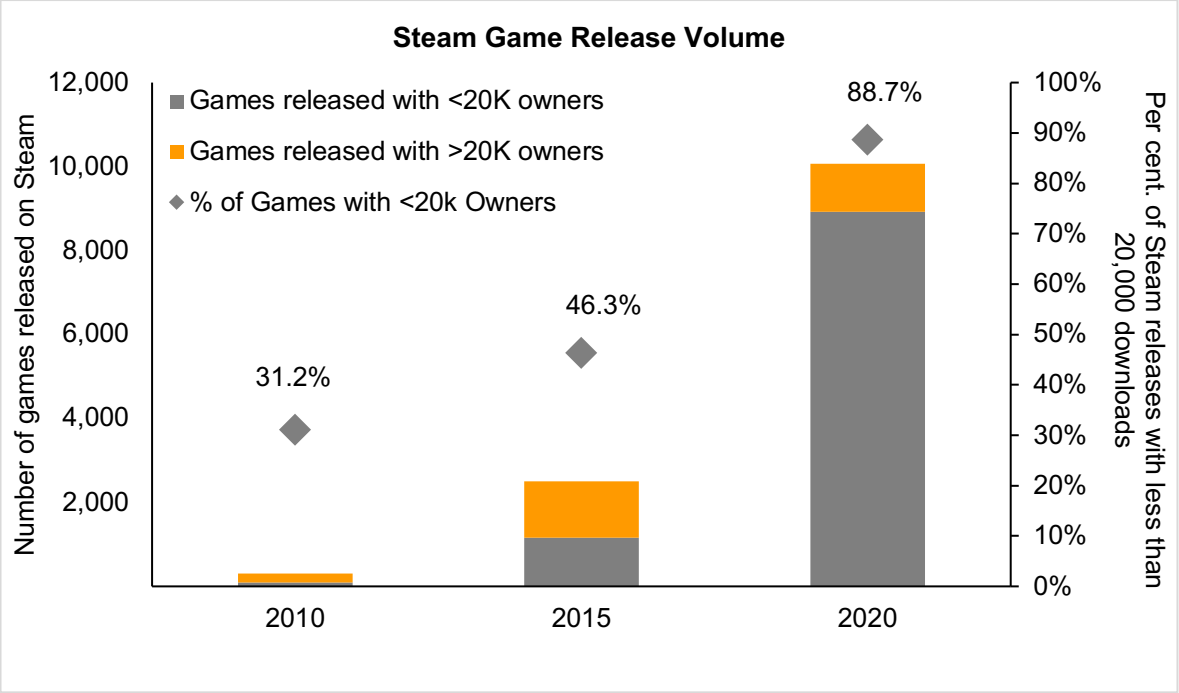
Digitalisation of the industry has also provided the infrastructure for a games-as-a-service model and downloadable content, both of which are essential drivers in increasing a game's life cycle and overall monetisation opportunity. tinyBuild has successfully released multiple games-as-a-service titles, including *Secret Neighbor*, released in 2019 and *Totally Reliable Delivery Service*, released in 2020.

Cloud gaming is another development driven by continued digitalisation. Google, Microsoft and Amazon have all invested in and launched cloud gaming platforms. The cloud gaming market is forecast to grow from $584.7 million in 2020 to $4.8 billion in 2023, representing a compound annual growth rate of 101.7 per cent. (Source: NEWZOO). tinyBuild is well-positioned to benefit from this growth as it has relationships with the major cloud gaming platforms. For example, tinyBuild was one of the first development partners for Google Stadia, which has exclusively signed *Hello Engineer* for a limited period.

3.3 ***Video game release volume***

Game release volumes have grown due to the increasingly digital nature of video games sales and distribution. In 2010, 311 games were released on Steam, versus 10,059 in 2020.

Consumers today have considerable choice and so the number of games achieving more than 20,000 downloads has significantly decreased from 68.8 per cent. to 11.3 per cent. As a consequence, the publisher's role in the success of a game has become increasingly important. tinyBuild has a track record of identifying and publishing successful titles and has achieved an average of c.329,000 downloads per game on Steam alone.



Source: SteamSpy

4. Business description

4.1 *tinyBuild's core proposition*

tinyBuild's goals and the developer's goals are aligned through revenue-sharing incentive programmes, ensuring long-term value creation. By partnering with developers through the Company's own-IP focused strategy, tinyBuild supports developers in seeking to create long-lasting IP which can be developed into multi-game and multimedia franchises. tinyBuild supports its development partners to ensure that games reach their full potential and the developers participate in the games' success through the royalty-based incentive programmes.

tinyBuild's own-IP model ensures that the most successful games can be expanded into multi-game and multimedia franchises. This strategy allows tinyBuild and the developer to extend the IP's lifespan, increasing its monetisation potential for both parties. tinyBuild's own-IP strategy is demonstrated by its future game pipeline, in which 21 out of 23 of titles are own-IP, versus 11 out of 40 titles being own-IP titles in its released portfolio.

4.2 *Locations and partners*

tinyBuild has offices in the US, the Netherlands and Latvia, with partners across five continents, including 44 development partners in over 15 countries and seven development studios across five countries.

tinyBuild is particularly focused on faster growing emerging markets with lower publisher coverage, such as Eastern Europe and South America. Due to the continued importance of reputation within local developer networks, the Company is well-positioned to continue identifying and acquiring IP originating from these regions.

Emerging markets are also attractive due to the lower development costs versus in the developed world: the average developer gross person-month rate of c. $3k – $4k in Eastern Europe and c. $1k – $4k in South America is lower than the c.$12k – $15k in the US and c. $7k – $9k in the UK. Through partnerships and acquisitions in Eastern Europe and South America, tinyBuild can continue developing and publishing high-quality games with lower development costs.

tinyBuild's office locations, particularly in the US, facilitate the Company building closer ties with the major entertainment companies (such as Steam, Xbox, Nintendo and Epic). tinyBuild's geographical footprint enables it to capitalise on all key commercial areas.

4.3 *IP origination, selection and developer benefits*

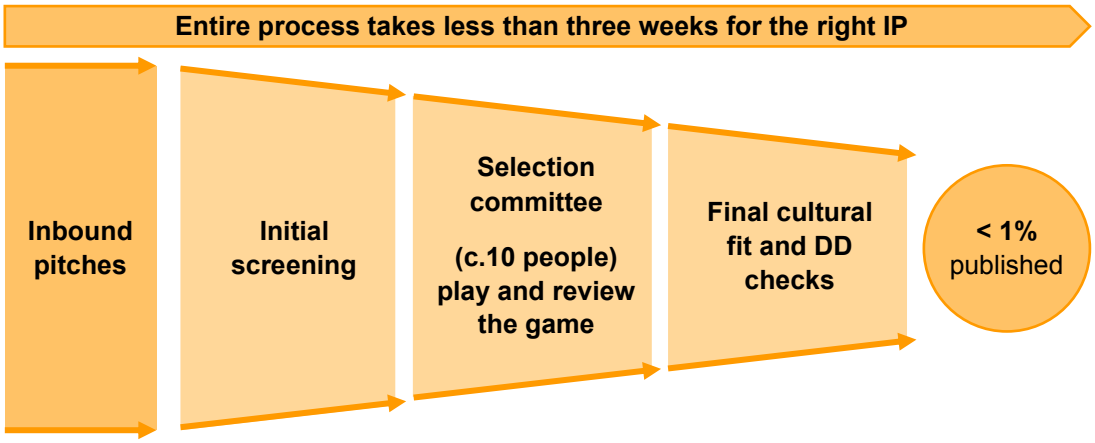
IP origination

tinyBuild originates new IP by actively scouting for new games (for example, *Cluster Truck* was discovered on social news site Reddit) through its existing relationships with developers and its extended networks, and it also receives over 1,000 unsolicited pitches per year. tinyBuild's approach, influenced by its transition from indie game developer to publisher, its community interactions and its attendance at gaming conferences worldwide, accelerates the formation of relationships with developers and enhances brand recognition.

Recognising the importance of industry reputation and relationships, in 2018, tinyBuild completed a strategic investment in DevGAMM, an Eastern European-focused video games conference. DevGAMM provides tinyBuild with a critical entry point into Eastern Europe and has provided a pillar for expanding operations and partnerships in the region. In 2020, DevGAMM was held online over ten days and had over 1,100 attendees from 580 companies and 46 countries. When attending industry conferences, tinyBuild often engages attendees in differentiated and stand-out ways. For example, the images below show tinyBuild's "indoor carnival" for attendees at PAX South in 2020.

IP selection

tinyBuild has a stringent yet agile IP selection process for both inbound and actively sourced IP which can be completed within three weeks. Initial sessions with developers are highly interactive, exploring everything from the core concept of the game through to title marketing. The diagram below illustrates the process:



Through its efficient selection process, the Company can evaluate a large volume of opportunities quickly, and can secure high quality IP faster than less nimble competitors.

Developer benefits

tinyBuild's differentiated offering is attractive for developers. tinyBuild typically adds substantial creative and technical value to each title it publishes, with tinyBuild's novel marketing techniques employed throughout the development process. The Company usually partners with developers at an earlier stage than many other publishers, meaning it can start to add value to the process early in the game development lifecycle.

Furthermore, tinyBuild began as an indie game developer, and the team are video gamers by background. This resonates with developers and assists in helping tinyBuild's creative producers add significant value to the quality of a game's narrative.

Specifically, tinyBuild's offering includes the following key attributes.

- **Geographical location**. tinyBuild's geographical spread makes it an attractive partner in many strategic locations. An understanding of local cultures and languages as well as a reputation in local markets is critically important to indie and AA video game developers.
- **Expansion of IP into multi-game, multimedia franchises**. tinyBuild can also leverage its development studios and partner network to develop other games within the franchise that the original IP developer would otherwise be unable to deliver alone. tinyBuild has proven its ability to successfully leverage IP into multimedia formats (e.g. books, TV, and merchandise).

- **Development services, including marketing, video production, audio design, porting and localisation**. Most small development studios lack the technical expertise or resources to professionally develop and market games. tinyBuild has the in-house talent to supplement partner developers to ensure each game is of the highest calibre and is marketed in a way which is likely to resonate with its target audience.
- **Talent sourcing assistance**. In addition to creative and technical support, tinyBuild's team regularly assists development studios to ensure they can attract any additional staff required. The team use tinyBuild's brand power to ensure they can attract quality applicants.

An example of tinyBuild's ability to add value can be shown with *Totally Reliable Delivery Service*. First pitched as "Welcome Home Dad" in 2018, tinyBuild worked with developer We're Five Games, a studio which it has since acquihired in 2021, to improve the game's narrative, mechanics and aesthetics. It is now a physics comedy-based games-as-a-service title about terrible delivery drivers. The screenshot comparison below shows the title's evolution.

Gameplay screen shot from the game originally pitched to tinyBuild, "Welcome Home Dad".

Gameplay screen shot of the latest *Totally Reliable Delivery Service* iteration ahead of the scheduled Steam release in 2021

4.4 ***Marketing & community engagement***

tinyBuild's marketing and community engagement is highly efficient and effective. Despite typically spending less than seven per cent. of annual revenue on marketing, tinyBuild's strong relationships with influential streamers and notable figures in the video games industry have assisted tinyBuild to achieve over 5 billion content related views on YouTube, which is equivalent to an average of 1.8 million views per day from 1 January 2013 to 30 June 2020.

Video game streaming has substantially grown in popularity. Twitch, one of the major streaming platforms, experienced an average concurrent viewer growth rate of 46.1 per cent. annually from 2013 to 2020. tinyBuild develops games and uses tools which result in high viewer numbers for influencers, allowing them to monetise their channels more efficiently, whilst marketing the game on tinyBuild's behalf. As a result, tinyBuild has become a staple name amongst influencers, as demonstrated by its relationships with over 10,000 verified influencers.

An example of tinyBuild's approach to marketing is its YouTube influencer character campaign for *SpeedRunners*, a second-party IP game released in 2016. In 2015, tinyBuild created in-game characters for PewDiePie. PewDiePie is the world's second largest YouTuber with over 100 million YouTube subscribers and is known for being one of the most influential video games streamers. Through tinyBuild's innovative marketing strategy, PewDiePie has accumulated over 53 million *SpeedRunners*-related video views, including over 8 million on two videos specifically covering his character. Images of the characters are shown below.

Left: Furthest on the right, PewDiePie as an in-game character

Right: PewDiePie's own character, "Duck in a Barrel", which only he can play as

tinyBuild also engages with influencers on a longer-term basis, creating long-standing symbiotic influencer relationships to market games and products. For example, tinyBuild has a long-standing relationship with popular family streaming channel FGTeeV, a well-established YouTube channel with over 17 million subscribers. As a partner, FGTeeV receives exclusive previews and early access to game builds and merchandise. Hello Neighbor-related content on the channel has over 1.5 billion views.

The Company communicates directly to consumers through a variety of mediums, such as Discord, a curated social networking platform commonly used by video game players, as well as through industry conferences and events. This direct engagement allows tinyBuild to maintain a constant link to gamers, building on their knowledge of current and emerging themes in the sector. Furthermore, Company staff co-host one of the most popular Russian-speaking game development podcast alongside the founder of the popular video gaming data website SteamSpy.

tinyBuild also engages with consumers throughout the development process, ensuring that titles reflect consumer trends on launch. Through working with developers from an early concept stage, tinyBuild integrates feedback from alpha and beta testing into game development, allowing tinyBuild to focus on well received game characteristics in response to consumer feedback. This testing process also creates mystery, intrigue, and suspense for fans in advance of the full launch by providing exposure to insider insights on the development process, creating a loyal core following pre-release.

Besides cultivating distinct sub-brands for each game, the Company has developed into a consumer brand in its own right, with over 780,000 followers on social media platforms. tinyBuild leverages existing interest across its titles to promote itself as a brand, which then can used to build interest in new titles. This allows tinyBuild to involve consumers in the creation of new titles and franchises from an early stage using innovative marketing techniques across an established audience.

tinyBuild is heavily focused on tracking social media engagement and sentiment, as well as undertaking surveys to reinforce key creative and technical decisions. Over time, tinyBuild has built up a valuable social media tracking toolkit, including AI-supplemented sentiment tracking.

4.5 *Hello Neighbor: a template for future franchises*

Hello Neighbor is tinyBuild's first multimedia franchise. It has grown organically and through M&A, and provides a proven and repeatable framework for successful games to branch out into multi-game and multimedia franchises.

tinyBuild originally discovered Hello Neighbor through desktop research in 2015. The developer, Dynamic Pixels, had previously tried to launch the game and had not succeeded. tinyBuild's creative team saw the game's potential and recognised that it could be a success with further creative and technical input. In 2016, tinyBuild agreed to a publishing contract with Dynamic Pixels, which led to the release of the first game, *Hello Neighbor*, in 2017. This game has since accumulated over 40 million downloads. tinyBuild has since acquihired the Hello Neighbor development team from Dynamic Pixels.

The variety of game formats across the franchise, which can be seen in the table below, ensure that the franchise has something to offer to all types of gamers. Each of these titles has or is being developed by different developers across the world, in a modular approach, enabling them to build specialist expertise in a single format type and specific gameplay features.

Title	Release Year	Developer	Format
	2017	Dynamic Pixels (Team now part of tinyBuild BV, Netherlands)	Linear chapter-based, Single Player
	2018	tinyBuild BV, Netherlands	Linear chapter-based
	2019	Hologryph, Ukraine	GaaS, Social Gaming
	2021/22	tinyBuild SIA, Latvia	Sandbox, GaaS, Social Gaming
	2021/22	tinyBuild BV, Netherlands	Sandbox, Single Player
Aggregate franchise statistics to date:	Over **60 million** downloads	Over **5 billion** YouTube views	Over **40 million** views of the Animated TV Pilot*

* Includes indirect views (i.e. streamer reaction and review videos)

As well as reducing launch risk, the goal of multimedia franchises is to extend the franchise's reach, attracting more fans to the games and extending the franchise's lifespan by providing fans with engaging content between game releases and creating synergies across video game titles and multi-media content. To date, the Hello Neighbor franchise has expanded beyond games into merchandise, books and TV through licensing agreements.

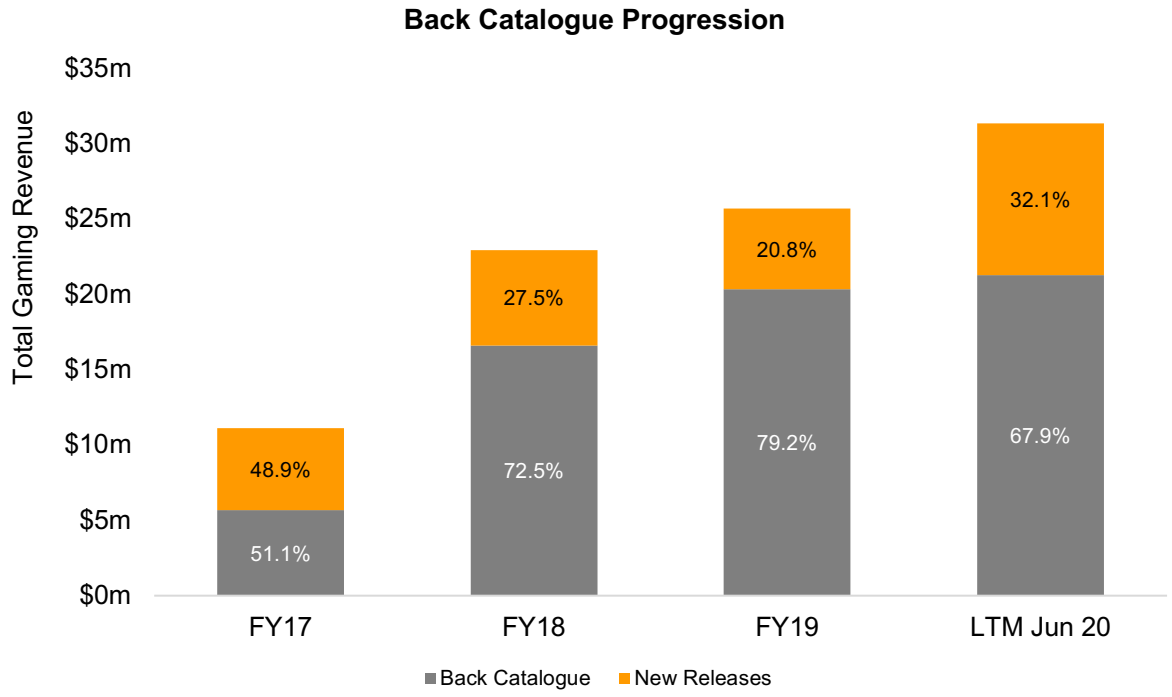
Hello Engineer is the next scheduled game to be released as part of the Hello Neighbor franchise and it will be followed by *Hello Neighbor 2*. To date, the Company has received positive feedback on both *Hello Engineer* and *Hello Neighbor 2*. *Hello Neighbor 2*'s alpha version has been downloaded over 3 million times.

Hello Neighbor multimedia franchise release timeline:

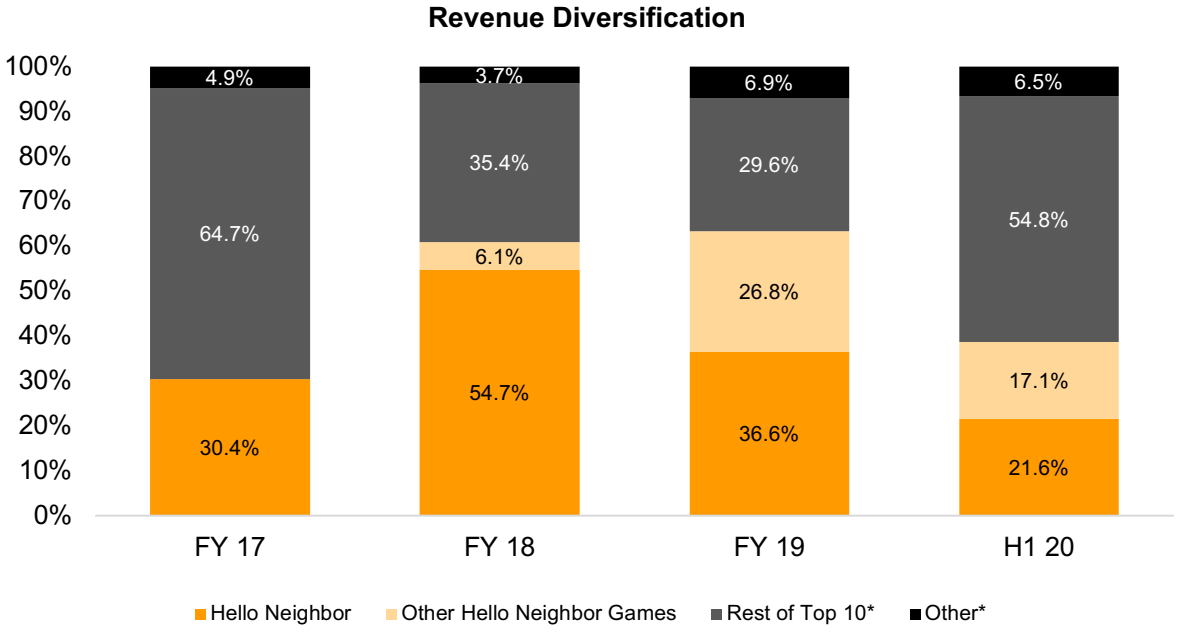
Type	2017	2018	2019	2020	2021/22
Games >60 million downloads					
Books >1.6 million sold		 		 	 Further book releases scheduled
Graphic Novel >100,000 sold					Further graphic novel releases scheduled
TV Episode >40 million views				Animated TV Series Pilot	In early talks to produce an animated TV series

4.6 *Revenue profile*

In the year ended 31 December 2019, 79.2 per cent. of tinyBuild's revenue was generated by back catalogue games (games released in prior financial years). In the unaudited twelve months ended 30 June 2020 back catalogue sales contributed 67.9 per cent. of revenues. The proportion of sales generated by the Company's back catalogue is influenced by both the longevity of titles released in prior years and revenues relating to new titles.

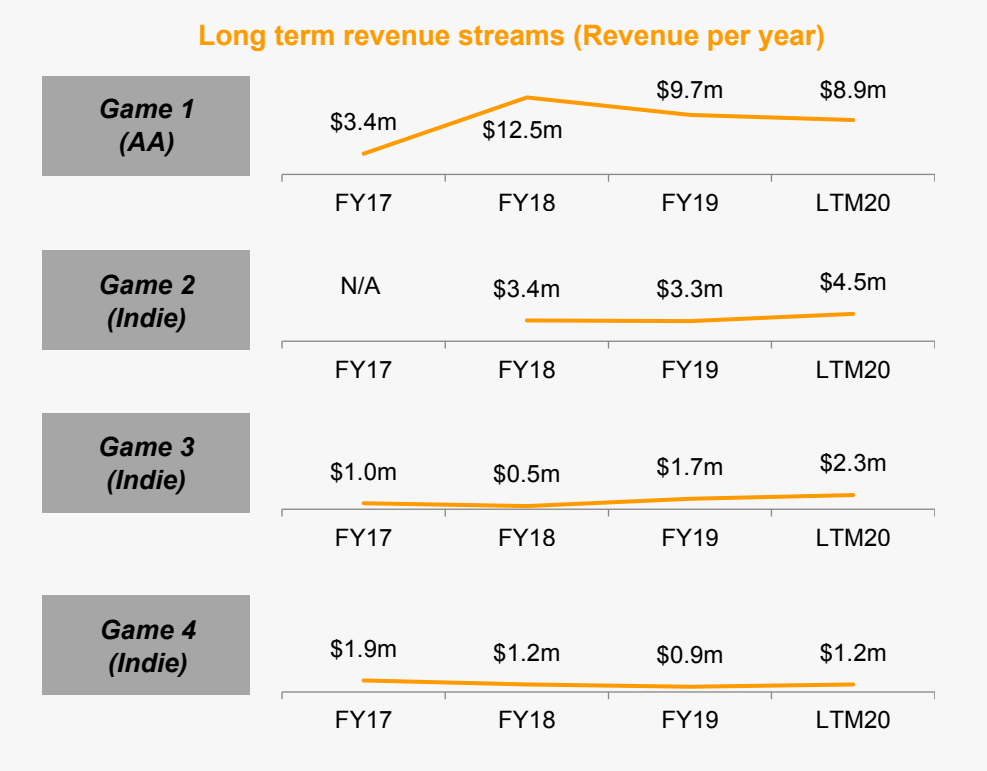


In addition, the Company's revenue has continued to diversify away from Hello Neighbor significantly. In the six months ended 30 June 2020, revenue generated from non-Hello Neighbor franchise games has increased to more than 60 per cent. of total game revenue, and the revenue generated within the Hello Neighbor franchise has also become increasingly diverse.



**Excluding contributions from games in the Hello Neighbor franchise*

Furthermore, the profile of games published (varying between indie and AA titles) places emphasis on aspects of social engagement, artwork, gameplay and feel, and therefore tinyBuild's titles remain relevant despite technological advances over time. This is evidenced in the sales profiles of selected anonymised tinyBuild games as shown below.



Revenues from new releases have typically covered their development and marketing cost within three months post-launch, and although tinyBuild assesses opportunities on a case by case basis, this remains a common yardstick against which opportunities are assessed. Examples of titles breaking even in the first quarter following release include *Totally Reliable Delivery Service*, *Secret Neighbor* and *Hello Neighbor*: *Hide and Seek*.

4.7 ***Existing games portfolio***

tinyBuild currently categorises its games in five core pillars: indie/Retro, AA, physics comedy, games-as-a-service and horror. Each game has a core pillar, but also has attributes related to the other pillars. For example, *Totally Reliable Delivery Service*'s core pillar is physics comedy, but its secondary pillars are AA and games-as-a-service.

Each pillar represents a core strategic genre or format in which tinyBuild will enhance its capabilities by accumulating related IP; building relevant technical skills; attracting pertinent development partners; and establishing a deep understanding of, and relationships with, associated fan bases and influencers. Below is an overview of some of the titles within tinyBuild's released portfolio.

Totally Reliable Delivery Service, a game centred on terrible delivery drivers, has shown indications that it may be the next multi-game, multimedia franchise. A core component of the game is the physics engine that governs how players interact with the landscape, objects and each avatar. Released in April 2020, by 30 June 2020, *Totally Reliable Delivery Service* had generated $3.8 million of revenue.

Graveyard Keeper, a medieval graveyard themed role-playing game, was officially released in August 2018 on PC. The game enjoyed initial success with $1 million of sales within the first 24 hours following release, and was one of tinyBuild's top three for revenue generating titles in both FY18 and FY19, with revenue continuing to grow in the last twelve months, due to DLCs.

tinyBuild also entered into an agreement with Mad Guy Studios in April 2016 to develop ***Streets of Rogue,*** a multiplayer game, which was released in July 2019. The game has been the highest rated tinyBuild game on Steam with an average review score of c.96 per cent. Sales volume in the six months ended 30 June 2020 represented 21% of the cumulative sales volume since launch, demonstrating the longevity of such games.

SpeedRunners, a four-player competitive side-scrolling racing game developed by DoubleDutch Games, was previously released on Xbox with little success. tinyBuild worked with DoubleDutch Games to co-develop the game to include an online multiplayer mode and redesign the game's graphics. In addition to DLCs, releases on new platforms have helped to extend sales of the game. The game has generated over seven million downloads and cumulative revenue to June 2020 of $9.4 million.

tinyBuild's released portfolio overview[*]

Year	First-Party	Second-Party	Third-Party
2013			Not The Robots
2014		Fearless Fantasy	Spoiler Alert Lovely Planet
2015	No Time To Explain		Divide By Sheep Party Hard
2016		SpeedRunners	Dungelot: Shattered Lands BOID Punch Club Road to Ballhalla The Final Station Diaries of a Spaceport Janitor ClusterTruck
2017	Hello Neighbor		Stage Presence Mr Shifty Commun Inc Game Phantom Trigger Party Hard Tycoon
2018	Guts'n'Glory		Garage Graveyard Keeper Party Hard 2 Rapture Rejects
2019	Secret Neighbor Hello Neighbor: Hide and Seek	Pandemic Express	Pathologic 2 Swag and Sorcery Lovely Planet 2: April Skys Streets of Rogue Outpost Zero
2020	Totally Reliable Delivery Service	Kill it with Fire Start Up Panic	Waking Hellpoint

* Hello Neighbor and Totally Reliable Delivery Services were initially developed by third-party developers under a development and publishing agreement with the Company, and have been subsequently acquihired by the Company

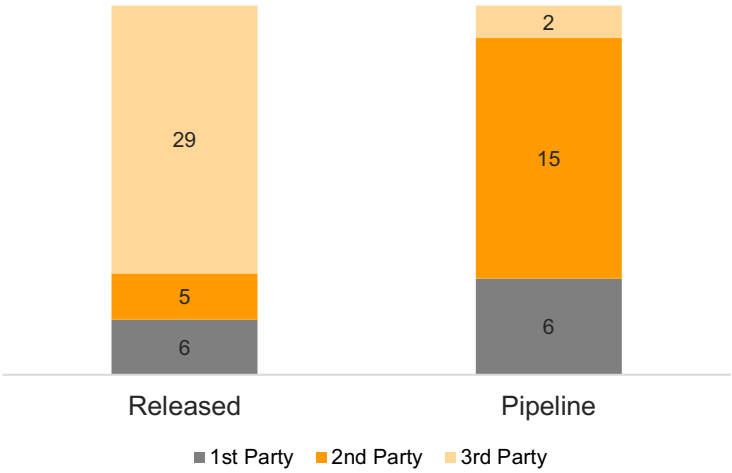
4.8 ***Games pipeline***

tinyBuild has a well invested pipeline of 23 titles which are scheduled for release in 2021 and 2022.

tinyBuild estimates that the base cost to launch all pipeline titles is expected to be $24.6 million, and $14.7 million (59.6 per cent.) of the allocated budget will have been invested at the time of Admission, with $9.9 million of further expenditure required to launch all pipeline titles.

In line with tinyBuild's own-IP model, 91.3 per cent. of new titles in the Company's pipeline are own-IP (65.2 per cent. second-party IP, 26.1 per cent. first-party IP), versus 27.5 per cent. of own-IP in its released portfolio (12.5 per cent. second-party IP, 15.0 per cent. first-party IP). This split can be seen below.

IP Type – Released Games Versus Pipeline



The Company's pipeline will introduce 19 entirely new games to tinyBuild's released portfolio, with the remaining four titles either based on an existing franchise or a sequel to a game previously published by tinyBuild.

The transition to own-IP results in multiple long-term benefits for the Company and the partner developers, including gross margin improvements for the Company. Margin improvements occur when taking on second-party and first-party IP, as tinyBuild has a greater revenue share from these games than it does from third-party IP games. For the unaudited twelve months ended 30 June 2020 the gross margin for gaming and development revenue was 57.2 per cent. compared to 44.9 per cent. for the twelve months ended 31 December 2017.

The Company's pipeline remains focused on AA and indie games. tinyBuild categorises a game as AA-rated based on internal quality measures. 47.8 per cent. of the Company's pipeline titles are AA games versus 12.5 per cent. of the titles in its released portfolio. Notable announced pipeline games include *Hello Neighbor 2*, *Pigeon Simulator*, and *Expedition Zero*. tinyBuild's most recent release announcement, in early February 2021, which announced four new games, has been viewed over 20,000 times. Two of those upcoming releases, *Potion Craft: Alchemist Simulator* and *Despot's Game* were amongst the top trending games on the February Steam Game Festival, which had over 500 game entries. Steam festivals are multi-day events where fans can talk with developers, play game demos and watch live streams of upcoming games.

4.9 *M&A strategy*

Rather than making traditional corporate acquisitions, tinyBuild has often preferred to grow by acquihiring development teams. This is the process of acquiring an external development team and selectively acquiring relevant target IP alongside the team via asset purchases. Acquihire transaction consideration for the developers typically consist of cash, royalty-based benefit programmes and options, aligning tinyBuild and the developers' goals.

tinyBuild has completed six acquihires and two strategic investments since 2013. To date, prior to each transaction, tinyBuild had developed a commercial relationship with each party, de-risking the transaction and ensuring a common culture. The average relationship length before each transaction has been 3.6 years. As IP is transferred to tinyBuild through its standard publishing frameworks, it often already owns the IP associated with the development studios being brought in-house. Each transaction is briefly described below.

Acquisitions

In September 2019, **tinyBuild** acquihired the Russia-based team behind the Hello Neighbor franchise from Dynamic Pixels, together with Hello Neighbor and all associated intellectual property rights. The transaction included a team of eight which has since grown to 17 staff members. The staff operate as part of **tinyBuild BV**, a Netherlands-based video games development studio that operates under the Eerie Guest Studios brand name.

HakJak Productions, acquihired in April 2020, is a video game development studio headquartered in Idaho, USA. tinyBuild published HakJak's *Guts and Glory* title in 2018. Independent to the Guts and Glory IP, HakJak is also developing a pipeline title, *Pigeon Simulator*. The transaction included one individual and all associated *Guts and Glory* IP. The studio has since grown to five staff.

Hologryph LLC, acquihired in October 2020, is a video games development studio based in Ukraine that developed *Secret Neighbor*, a Hello Neighbor franchise title released in 2019. Hologryph is now developing an unannounced new own-IP title, which is unrelated to *Secret Neighbor*. The Hologryph team of four staff was acquihired, together with certain intellectual property and assets. The studio has since grown to ten staff.

Moon Moose, acquihired in November 2020, is a video games development studio based in Russia. Moon Moose is the developer behind *Cartel Tycoon*, which is scheduled for release in 2021. The Moon Moose team of five independent contractors was acquihired along with certain intellectual property and other assets in connection with *Cartel Tycoon*. tinyBuild acquired the Cartel Tycoon IP rights separately in 2019 as part of a development and publishing agreement with the studio.

Hungry Couch, acquihired in February 2021, is a video game development studio based in Russia. Hungry Couch is the developer behind *Black Skylands*, which is scheduled for release in 2021. The Hungry Couch team of eleven independent contractors was acquihired. tinyBuild acquired the Black Skylands IP rights separately in 2019 as part of a development and publishing agreement with the studio.

We're Five Games, acquihired in January 2021, is a US-registered video games development studio based in Minneapolis with nine independent contractors. We're Five Games is the developer behind *Totally Reliable Delivery Service*, released in April 2020. tinyBuild acquired the Totally Reliable Delivery Service IP rights separately in 2018 as part of a development and publishing agreement with the studio.

Investments

DevGAMM, which tinyBuild first partnered with in January 2018 and is now a minority investment, is a video games industry conferencing company which primarily operates in Eastern Europe. DevGAMM hosts conferences for video games professionals, such as developers, publishers, game designers, programmers, artists and business development managers.

tinyBuild invested in **Pine Events** in September 2018. Pine Events is an events management software provider, registered in the USA. Pine Events provides tinyBuild with a platform to build relationships with major conferences when they decide to go partially or fully online.

The Company's M&A strategy is to continue to add new complementary elements to the Group. Transactions will either provide a platform for future growth or facilitate growth within existing areas of the Company. As part of this strategy, tinyBuild will consider opportunities to acquire development studios and complementary service providers. Further details of the transactions set out above are set out in paragraph 13 of Part V.

4.10 ***Strategy***

tinyBuild aims to drive growth organically and inorganically. The Company will continue its low-risk M&A strategy to accelerate growth whilst naturally accumulating IP through working with developers under its standard partnership agreement. tinyBuild focuses on the following four areas to drive growth.

1. *Leveraging existing partnerships and in-house developers*

- Continue to increase the quality of the Company's pipeline, together with successfully commercialising its existing pipeline of 23 games in 2021 and 2022.

- Continue to accumulate IP by working with developers under its standard partnership agreement, enabling investments to be made to increase IP lifespan and generate returns through its franchise and multimedia strategy.

- Invest in acquired studios to develop existing and new IP while seeking new partnerships with high-quality development studios across the world.

- Expand and maintain a symbiotic relationship with streamers and influencers, and remain at the cutting edge of video games marketing whilst capitalising on the momentum of new and existing social media channels.

2. *Franchise model expansion*

- Aim to repeat the success of the Hello Neighbor IP, which serves as a blueprint for expanding a game into a multi-title franchise.

- The Company's franchising model results in longer game lifecycles and monetisation opportunities.

3. *Multimedia model expansion*

- Continue to pursue multimedia licensing which has proved to be a successful means of increasing and maintaining audience numbers within the Hello Neighbor franchise.

- Multimedia products are marketing and customer engagement tools which can also generate revenue themselves.

- All existing multimedia projects involve low levels of capital relative to the Group's scale, ensuring that they remain low risk.

4. *Acquisitions*

- Acquire strategic development studios, with a focus on existing partners where tinyBuild has built a working relationship with the development team. The Directors will also consider opportunities to acquire non-partner studios.

- Acquire additional service providers to bolster tinyBuild's service offering to developers, ensuring tinyBuild continues to be a competitive publishing partner and has the tools to assist developers to produce popular games.

- The acquisition strategy will be centred around a low-risk approach.

5. Selected historical financial information

The following financial information has been derived from the financial information contained in Section B of Part III (Historical Financial Information) of this Document and should be read in conjunction with the full text of this Document. Investors should not rely solely on the summarised information set out below.

	Year ended 31 December 2017 Audited $000	*Year ended 31 December 2018 Audited $000*	*Year ended 31 December 2019 Audited $000*	*Six months ended 30 June 2020 Audited $000*
Turnover	11,937	24,844	27,972	18,510
Cost of Sales	(6,150)	(13,913)	(13,645)	(8,635)
Gross profit	5,787	10,931	14,327	9,875
Administrative expenses	(5,328)	(6,715)	(17,068)	(7,251)
Group operating profit	459	4,216	(2,741)	2,624
Adjusted EBITDA	**1,970**	**6,166**	**7,672**	**6,705**
Other interest receivable	–	14	134	55
Interest payable	(2)	(3)	(16)	(11)
Profit/(Loss) on ordinary activities before tax	457	4,227	(2,623)	2,668

The results for the year ended 31 December 2018 showed an increase in revenue of $12.9 million compared with the year ended 31 December 2017 due to six new releases in the year, and the full year impact following the release of Hello Neighbor. Revenue for the year ended 31 December 2019 increased by $3.1 million due to seven new releases and continued strong back catalogue sales.

Adjusted EBITDA in the year to 31 December 2018 increased $4.2 million to $6.2 million. This is reflective of the higher revenue and the shift towards selling own-IP games, of which tinyBuild has a higher revenue share. For the year ended 31 December 2019, Adjusted EBITDA increased by 24.4 per cent. to $7.7 million, with the acquisition of the Hello Neighbor IP during the year resulting in those games generating a larger revenue share for tinyBuild.

The six months ended 30 June 2020 have continued the growth trend, with its Adjusted EBITDA of $6.7 million being larger than the Adjusted EBITDA achieved in the whole year to 31 December 2018. Revenue for the period was 66.2 per cent. of the total revenue for the year ended 31 December 2019.

Cost of sales includes the royalty payments to developers of the games which tinyBuild publishes. The revenue share for tinyBuild ranges from 30 per cent. to 90 per cent. depending on whether a game is own-IP or third-party IP.

The 154.2 per cent. increase in administrative expenses to $17.1 million in the year ended 31 December 2019 is due to a $10.0 million non-cash IFRS share-based payment charge on restricted shares in the Company. These restricted shares are held by Alex Nichiporchik and Luke Burtis, who, on investment by NetEase in 2019, agreed to have a portion of their issued shares be subjected to a restricted agreement, subject to their continued performance at the Company. The share-based payment charge associated with these shares is substantially larger in 2019 than in future periods due to the graded vesting profile. As at the date of this Document, all shares have vested, which will lead to the outstanding charge being released in full on Admission.

6. Current trading and prospects

Trading for the period from 30 June 2020, being the date to which the audited interim financial information in Section B of Part III of this Document has been prepared, to the date of this Document was in line with the Board's expectations and as at 31 December 2020 the Company had an unaudited cash balance of $26.2 million. tinyBuild has acquihired four new studios in this period, increasing the number of games in the pipeline which are first-party IP. The Company remains on track to deliver its pipeline, which, in the Board's view, is the highest quality and largest it has ever had, with a total of 23 titles to be released during 2021 and 2022. The strength of tinyBuild's growing pipeline, its transition towards own-IP and quality of its back catalogue underpin the Board's expectation of continued revenue growth in the current financial year and its ability to win market share in a rapidly growing market segment.

7. Directors and Senior Management

7.1 ***Directors***

The following table lists the names, ages, positions and dates of appointment as a director for each Director:

Name	*Age*	*Position*	*Date appointed*
Henrique Olifiers	47	Non-Executive Chairman	3 March 2021
Alex Nichiporchik	32	Chief Executive Officer	25 August 2017
Antonio Assenza	30	Chief Financial Officer	3 March 2021
Luke Burtis	39	Chief Operating Officer	25 August 2017
Neil Catto	54	Non-Executive Director	3 March 2021

The business address of all of the Directors is tinyBuild Inc., 127 Bellevue Way SE, Unit 200, Bellevue, Washington, USA.

The Board has also committed to appointing a further Non-Executive Director within six months of Admission, resulting in the Board comprising six members, three of whom shall be Executive Directors and three of whom shall be Non-Executive Directors.

The management expertise and experience of each of the Directors is set out below:

Henrique Olifiers – *Non-Executive Chairman*

Henrique has over 23 years' experience in the gaming sector. Henrique is the co-founder and CEO of Bossa Studios, a London-based video games developer. Prior to founding Bossa Studios, Henrique worked at a number of other companies in the sector including: Finalboss.com, Globo.com, Jagex and Playfish.

Alex Nichiporchik – *Chief Executive Officer*

Alex founded tinyBuild in 2013, with Luke Burtis. Alex has over 18 years of experience working in the video games and marketing sectors. Having started out as pro-gamer at the age of 13, Alex then became a games journalist, followed by a games producer and finally a marketing executive. This combination of experience enabled Alex to kickstart tinyBuild. Prior to, and since founding tinyBuild, Alex has accumulated invaluable expertise in games development and publishing. Alex's proficiency in selecting and enhancing IP has been imperative to tinyBuild's success to date.

Antonio Assenza – *Chief Financial Officer*

Antonio has worked at tinyBuild since December 2018 and was appointed CFO in 2020. Prior to joining tinyBuild, Antonio worked within the financial services sector, covering roles within audit; US GAAP and IFRS accounting; and M&A execution and integration. Antonio holds a dual degree in Economics and International Relations from Florida International University, an Executive MBA from Auburn University and a Lean Six Sigma Green Belt certification from Florida International University (Florida).

Luke Burtis – *Chief Operating Officer*

Luke has substantial sector expertise, having started his career in 2001 as a video game tester, working for companies such as Microsoft. Luke later spent seven years working for the Casual Games Association, a B2B video games events company where he reached the role of Production Director. In total, Luke has worked in the video games industry for over 19 years. Luke is currently COO at tinyBuild and has been since founding it alongside Alex in 2013.

Neil Catto – *Non-Executive Director*

Neil is currently the CFO of Boohoo Group Plc, having held that role over the past ten years, and has significant UK plc experience. Neil qualified as a chartered accountant with EY and was previously Finance Director of dabs.com plc and has held senior financial positions in BT plc and The Carphone Warehouse Group plc. In his early career, Neil was CFO of Elixir Studios, a video games developer in the UK.

7.2 ***Senior management and strategic advisers***

The Company's Senior Manager and strategic adviser, in addition to its Executive Directors listed above, are:

Michael Allen Schauble – *Vice President of Business Development*

Michael has 16 years' experience in business development roles within the video games industry and has a track record of building successful teams and spearheading new initiatives. Prior to joining tinyBuild in August 2019, Michael worked at Microsoft for four years where he helped to spearhead key initiatives such as Game Pass, Microsoft AR/VR, and backwards compatibility programmes.

Nick van Dyk – *Strategic Adviser*

Nick is currently a senior advisor to Boards and CEOs globally. From 2015 to 2019 Nick was the Co-President of Activision Blizzard Studios, where his role was to adapt Activision Blizzard's most popular video game franchises, such as Call of Duty, Skylanders Academy and World of Warcraft, to the big and small screen. Prior to joining Activision, Nick spent nine years at The Walt Disney Company where, as Senior Vice President of Corporate Strategy and Business Development, he helped drive Disney's focus on franchise intellectual property and played a significant role in the Pixar, Marvel and Lucasfilm acquisitions. Nick's entertainment industry experience spans over 20 years, he holds an MBA from Harvard Business School and a BA in Political Science from UCLA.

8. Placing and Placing Agreement

The Placing

The Directors believe that Admission will, *inter alia*, provide access to capital on an ongoing basis to fund the Group's organic growth and M&A strategy; further enhance the Group's public profile; and improve the attractiveness of share-based employee incentivisation programmes and equity consideration relating to transactions.

The Company is proposing to raise a total of approximately £36.2 million (before costs and expenses of approximately £7.6 million) by way of a conditional placing of the New Shares at the Placing Price with new investors procured by the Joint Brokers. The New Shares will represent approximately 10.6 per cent. of the Enlarged Share Capital at Admission.

As part of the Placing, the Selling Shareholders have agreed to sell 69,938,682 Sale Shares at the Placing Price to new investors procured by the Joint Brokers. The Sale Shares will represent approximately 34.7 per cent. of the Enlarged Share Capital at Admission. The Company will not receive any proceeds from the sale of the Sale Shares.

The net proceeds to the Company will be £28.6 million.

The Placing Agreement

Pursuant to the Placing Agreement, Zeus Capital and Berenberg have agreed to use their respective reasonable endeavours to procure subscribers for the New Shares and purchasers for the Sale Shares. The Company, the Directors and the Selling Shareholders have given certain warranties (and the Company has given an indemnity) to Zeus Capital and Berenberg, all of which are customary for this type of agreement.

The Placing, which is not underwritten, is conditional, *inter alia*, on:

- the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms prior to Admission; and
- Admission occurring no later than 9 March 2021 (or such later date as Zeus Capital, Berenberg and the Company may agree, being no later than 30 April 2021).

The New Shares being subscribed for pursuant to the Placing will, on Admission, rank *pari passu* in all respects with the Existing Shares in issue (including the Sale Shares) and will participate in full for all dividends and other distributions thereafter declared, made or paid on the share capital of the Company. Except as noted in Part VII, the Placing Shares will, immediately on and from Admission, be freely transferable.

Zeus Capital and Berenberg have the right under the Placing Agreement to terminate the Placing Agreement and not proceed with the Placing if, prior to Admission, certain events occur including certain force majeure events. If such right is exercised by Zeus Capital or Berenberg, the Placing will lapse and any monies received in respect of the Placing will be returned to investors without interest.

Further details of the Placing Agreement are set out in paragraph 13.1 of Part V of this Document.

9. Lock-in and Orderly Market Agreements

Pursuant to the Lock-in and Orderly Market Agreements, each of Alex Nichiporchik and Luke Burtis has undertaken to the Company and each of the Joint Brokers:

- for a period of 12 months from Admission, not to dispose of any of the Shares in which he is interested at Admission, subject to customary exceptions and/or with the permission of the Joint Brokers; and
- for a further period of 12 months, to comply with certain requirements designed to maintain an orderly market in the Shares

Pursuant to the Lock-in and Orderly Market Agreements, each of Makers Fund and NetEase has undertaken to the Company and each of the Joint Brokers:

- for a period of 6 months from Admission, not to dispose of any of the Shares in which it is interested at Admission, subject to customary exceptions and/or with the permission of the Joint Brokers; and

- for a further period of 6 months, to comply with certain requirements designed to maintain an orderly market in the Shares

Further details of the Lock-in and Orderly Market Agreements are set out in paragraph 13.4 of Part V of this Document.

10. Use of proceeds

The gross proceeds of the Placing of the New Shares will be used by the Company to:

- Strengthen the existing business through investment into people; existing and future titles; and organically grow the Company's global network of development studios
- Acquihire, acquire or make strategic investments in businesses which provide a platform for growth or facilitate growth in the wider group
- Expand further IP into multi-game offerings, with the goal of creating robust, long-life franchises for consumers
- Expand the Company's cross-media offering, with the flexibility to provide complementary multimedia revenue streams to selected franchises

In addition to enabling the Placing, the Directors believe that Admission will, *inter alia*, provide access to capital on an ongoing basis to fund the Group's organic growth and M&A strategy, further enhance the Group's public profile, and improve the attractiveness of share-based employee incentivisation programmes and equity consideration on transactions.

11. Taxation

Information regarding taxation is set out in paragraph 18 of Part V of this Document. These details are intended only as a general guide to the current tax position in the UK and the US.

If an investor is in any doubt as to his or her tax position or is subject to tax in a jurisdiction other than the UK or the US, he or she should consult his or her own independent financial adviser immediately.

12. Admission, Settlement and dealings

Admission and Crest

Application has been made to the London Stock Exchange for the Shares to be admitted to trading on AIM. It is expected that Admission will become effective and dealings in the Shares on AIM will commence at 8.00 a.m. on 9 March 2021.

The Shares will be in registered form and will be capable of being held in either certificated or uncertificated form (i.e. in CREST, where they will be represented by Depositary Interests). Accordingly, following Admission, settlement of transactions in the Shares so represented by Depositary Interests may take place within the CREST system if a Shareholder so wishes. In respect of Shareholders who will receive Shares in uncertificated form, Depositary Interests representing interests in underlying Shares will be credited to their CREST share accounts on 9 March 2021. Shareholders who wish to receive and retain share certificates are able to do so and share certificates representing the Shares to be issued or transferred pursuant to the Placing are expected to be dispatched by post to such Shareholders by no later than 23 March 2021.

CREST is a voluntary, paperless settlement procedure enabling securities (including Depositary Interests) to be evidenced otherwise than by a certificate and transferred otherwise than by way of a written instrument in accordance with the CREST Regulations. The system is designed to reduce the costs of settlement and facilitate the processing of settlements and the updating of registers through the introduction of an electronic settlement system. Shares (and depositary interests representing shares) may be held in electronic form and evidence of title to Shares (represented by Depositary Interests) will be established on an electronic register maintained by a registrar.

The requirements of the AIM Rules for Companies provide that the Company must, on Admission becoming effective, have a facility for the electronic settlement of the Shares. As the Company is incorporated in the United States, its Shares are not eligible to be held directly through CREST and, accordingly, the Company has established, via the Depositary, a Depositary Interest arrangement. The Depositary Interests representing the Shares will be issued to the individual Shareholders' CREST account on a one for one basis and with the Depositary providing the necessary custodial service. It is expected that, where Placees have asked to hold their Shares in uncertificated form, they will have their CREST accounts credited with Depositary Interests on the day of Admission.

Investors who are able to and elect to hold their Shares as Depositary Interests will be bound by a Deed Poll, executed by the Depositary in favour of the investors from time to time, the terms of which are summarised in paragraph 13.8 of Part V below. The rights and obligations pertaining to the Depositary Interests will be governed by English law. Holders of depositary interests will have no rights in respect of the underlying Shares or the Depositary Interests against CREST, the operating company of the CREST system, or its subsidiaries. The Depositary Interests can be traded and settled within the CREST system in the same way as any other CREST security. The Shareholders that are non-US Persons have the choice of whether to hold their Shares in certificated form or in uncertificated form in the form of Depositary Interests. Shareholders who are able to and elect to hold their Shares in uncertificated form through the Depositary Interest facility will be bound by a deed of trust.

The Company's share register, which will be kept by the Registrar, will show the Depositary or its nominated custodian as the holder of the Shares represented by Depositary Interests but the beneficial interest will remain with the Shareholders who will continue to receive all the rights attaching to the Shares as they would have if they had themselves been entered on the Company's share register. Shareholders can withdraw their Shares back into certificated form at any time using standard CREST messages.

In the case of Placees that have requested to receive their Shares in certificated form, share certificates will be dispatched by first-class post within ten Business Days of the date of Admission. No temporary documents of title will be issued. Pending the receipt of definitive share certificates in respect of the Shares (other than in respect of those Shares settled via Depositary Interests through CREST), transfers will be certified against the Company's share register.

CREST: Regulation S Category 3 Settlement Service

The Placing Shares have not been, and will not be, registered under the US Securities Act or under any securities laws of any state or other jurisdiction of the United States. The Placing Shares are being offered and sold only outside the United States to persons who are not US persons or acting for the account or benefit of any US Persons in "offshore transactions" (as defined in Regulation S) in accordance with, and in reliance on, the safe harbour from registration provided by Rule 903(b)(3), or Category 3, of Regulation S. The Placing Shares will be subject to the conditions listed under Rule 903(b)(3), or Category 3, of Regulation S. The Placing Shares are "restricted securities" as defined in Rule 144 under the US Securities Act. Purchasers of the Placing Shares may not offer, sell, pledge or otherwise transfer Placing Shares, directly or indirectly, in or into the United States or to, or for the account or benefit of, any US Person, except pursuant to a transaction meeting the requirements of Rules 901 to 905 (including the Preliminary Notes) of Regulation S, pursuant to an effective registration statement under the US Securities Act or pursuant to an exemption from the registration requirements of the US Securities Act.

Each subscriber for Placing Shares, by subscribing for such Placing Shares, agrees to reoffer or resell the Shares only pursuant to registration under the US Securities Act or in accordance with the provisions of Regulation S or pursuant to another available exemption from registration, and agrees not to engage in hedging transactions with regard to such securities unless in compliance with the US Securities Act. The above restrictions severely restrict subscribers of Placing Shares from reselling the Placing Shares in the United States or to, or for the account or benefit of, any US Person. The Company currently intends that these restrictions will remain in place indefinitely.

Once the Placing Shares are admitted to trading on AIM, the Placing Shares will trade in the Company's restricted line of Shares under the symbol TBLD. The Company will establish a depositary programme. The Shares (represented by the Depository Interests) subscribed for and held by non-Affiliates of the Company will be held in the CREST system and identified with the marker "REG S Cat 3". The "REG S Cat 3" marker indicates that the Shares held in the CREST system will bear the legend set out in Part VII of this Document,

which describes certain transfer restrictions and other information, including that: (a) the Shares may not be taken up, offered, sold, resold, delivered or distributed, directly or indirectly, within, into or from the United States or to, or for the account or benefit of, US Persons except (i) in an offshore transaction meeting the requirements of Regulation S, (ii) pursuant to an available exemption from registration under the US Securities Act, or (iii) pursuant to an effective registration statement under the US Securities Act; and (b) hedging transactions involving the Shares may not be conducted unless in compliance with the US Securities Act.

The certifications, acknowledgements and agreements set out Part VII of this Document must be made through the CREST system by those acquiring or withdrawing the Shares with the "REG S Cat 3" marker. If such certifications, acknowledgements and agreements cannot be made or are not made, settlement through CREST will be rejected. Furthermore, Placing Shares held by US Persons and Affiliates of the Company shall be held in certificated form and accordingly settlement shall not be permitted via CREST until such time as the relevant restrictions are no longer applicable. Affiliates of the Company at the time of the Placing, or investors that become Affiliates at any time after the Placing, should seek advice of independent US legal counsel prior to selling or transferring any Shares. These restrictions, certifications, as well as the legend that will be affixed to the Shares (electronically or otherwise), are set out more fully in Part VI and Part VII of this Document.

13. Effects of US Domicile

The Company is a US corporation organised under the laws of the State of Delaware. There are a number of differences between the corporate structure of the Company and that of a public limited company incorporated in the UK. The Company has included in its Certificate of Incorporation and Bylaws certain provisions which aim to replicate certain provisions of standard UK public company articles of association and appropriate provisions of UK company law and regulation, subject to the constraints and limitations of prevailing Delaware law and practice. Paragraph 20 of Part V of this Document is a description of principal differences and provisions contained in the Company's constitutional documents to incorporate English law principles in relation to, amongst other things, pre-emptive rights, notifiable interests and takeovers. Further information on the applicability of the Takeover Code is set out in paragraph 18 of this Part.

14. Interests in Shares

Upon Admission, the Directors will in aggregate be interested in, directly and indirectly, 91,235,207 Shares representing approximately 45.3 per cent. of the Enlarged Share Capital. Further information is available in paragraph 9.1 of Part V of this Document.

15. Corporate Governance

AIM quoted companies are required to adopt a recognised corporate governance code on Admission, however, there is no prescribed corporate governance regime in the UK for AIM companies. The Directors recognise the importance of sound corporate governance commensurate with the size and nature of the Group and the interests of its Shareholders.

The QCA has published the Corporate Governance Code 2018, a set of corporate governance guidelines, which include a code of best practice comprising principles intended as a minimum standard, and recommendations for reporting corporate governance matters. The Directors have adopted the QCA Code with effect from Admission.

Immediately following Admission, the Board will comprise five directors, the three Executive Directors and the two Non-Executive Directors, reflecting a blend of experience and backgrounds. Henrique Olifiers and Neil Catto are considered independent. Further, the Board has committed to appoint a further non-executive director within six months of Admission, resulting in the Board comprising six directors, being the three Executive Directors and three non-executive directors (including Henrique Olifiers and Neil Catto).

The Board intends to meet regularly to consider strategy, performance and the framework of internal controls. To enable the Board to discharge its duties, all Directors will receive appropriate and timely information. Briefing papers will be distributed to all Directors in advance of Board meetings. All Directors will have access to the advice and services of the Chief Financial Officer, who will be responsible for ensuring that the Board procedures are followed, and that applicable rules and regulations are complied with. In

addition, the procedures will be in place to enable the Directors to obtain independent professional advice in the furtherance of their duties, if necessary, at the Company's expense.

Further details of the Group's compliance with the QCA Code are set out in Part IV of this Document.

Environmental, Social and Corporate Governance Policy

The Company recognises the importance of doing business responsibly and reducing any adverse impacts of its operations on the environment, as well as encouraging the same values with those with whom it does business, in particular its community of developers.

When approaching the conduct of its business and operations, the Company seeks to emphasise its commitment to sustainable resources, eliminating waste, enhancement of employee wellbeing, commitment to people, equal opportunities, supporting initiatives that contribute to charities and operating ethically across the various jurisdictions in which it does business.

Board Committees

The Company will, upon Admission, have established Audit, Nomination and Remuneration Committees.

The Audit Committee will have Neil Catto as chair, and will have primary responsibility for monitoring the quality of internal controls, ensuring that the financial performance of the Group is properly measured and reporting on and reviewing reports from the Group's auditors relating to the Group's accounting and internal controls, in all cases having due regard to the interests of Shareholders. The Audit Committee will meet at least three times a year. Henrique Olifiers will be the other member of the Audit Committee.

The Nomination Committee will have Henrique Olifiers as chair, and will identify and nominate, for the approval of the Board, candidates to fill Board vacancies as and when they arise. The Nomination Committee will meet at least twice a year. Neil Catto will be the other member of the Nomination Committee.

The Remuneration Committee will have Henrique Olifiers as chair, and will review the performance of the executive directors and determine their terms and conditions of service, having due regard to the interests of Shareholders. The Remuneration Committee will meet at least twice a year. Neil Catto will be the other member of the Remuneration Committee.

Following appointment of the third non-executive director within six months of Admission, the Board will review the composition of the Board committees as appropriate.

Relationship Agreement

The Company, Zeus Capital, Alex Nichiporchik and Luke Burtis entered into the Relationship Agreement, such agreement to become effective upon Admission. Under the Relationship Agreement, Alex Nichiporchik and Luke Burtis have given certain undertakings to the Company and Zeus Capital, including to: (i) ensure that transactions entered into between any member of the Group and either Alex Nichiporchik and/or Luke Burtis or their associates, are conducted on an arm's length basis and on normal commercial terms; (ii) that the Group shall be managed for the benefit of the Shareholders and the business of the Group and not solely for the benefit of the Alex Nichiporchik and/or Luke Burtis; and (iii) ensure that neither Alex Nichiporchik and/or Luke Burtis or their associates take any action that would have the effect of preventing the Company from complying with its obligations under the AIM Rules. Further details of the Relationship Agreement are set out in paragraph 13.5 of Part V of this Document.

16. Dividend policy

The Directors intend to re-invest a significant portion of the Company's cash reserves and earnings to facilitate plans for further growth. Accordingly, whilst the Directors do not expect to declare any dividend in respect of the current financial year ending on 31 December 2021, it is the Board's intention, should the Group generate a sustained level of distributable profits, to consider a progressive dividend policy in future years.

Declaration of dividends will always remain subject to all applicable legal and regulatory requirements and recommendations of final dividends and payments of interim dividends will be at the discretion of the Board.

The Board will not exercise such discretion where it is not commercially prudent to do so taking into account the policy set out above.

Whilst the Board considers dividends as the primary method of returning capital to Shareholders, it may, at its discretion, consider share purchases, when advantageous to Shareholders and where permissible.

The Board may revise its dividend policy from time to time.

17. Concert Party

The founding shareholders, Alex Nichiporchik and Luke Burtis, as well as Iuliia Burtis are considered by the Company to be acting in concert with each other in relation to the Company for the purposes of the Rule 9 provisions included in the Certificate of Incorp following Admission (the "**Concert Party**").

Immediately following Admission and assuming the placing of all of the New Shares and the sale of all of the Sale Shares, members of the Concert Party will hold, in aggregate, 91,235,207 Shares, representing approximately 45.3 per cent. of the Enlarged Share Capital. The Concert Party members and their respective holdings are detailed below:

Member of the Concert Party	*Number of Shares held in the Company on Admission*	*Per cent. of Enlarged Share Capital*
Alex Nichiporchik	76,996,100	38.2%
Luke Burtis	13,749,271	6.8%
Iuliia Burtis	489,836	0.2%

18. Applicability of the Takeover Code

The Company is not subject to the Takeover Code because its registered office and its place of central management and control are outside the UK, the Channel Islands and the Isle of Man. As a result, certain protections that are afforded to Shareholders under the UK Takeover Code, for example in relation to a takeover of a company or certain stakebuilding activities by shareholders, do not apply to the Company.

However, the Company has incorporated certain provisions in Certificate of Incorporation which seek to provide Shareholders with certain protections otherwise afforded by the Takeover Code. These include provisions similar to Rule 9 of the Takeover Code and require that any person who acquires, whether by a series of transactions over a period of time or not, an interest in shares which, taken together with shares in which he is already interested or in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of the company, is normally required to make a general offer to all the remaining shareholders to acquire their shares. Similarly, the Certificate of Incorporation also provides that when any person, together with persons acting in concert with him, is interested in shares which, in aggregate, carry more than 30 per cent. of the voting rights of the Company, but does not hold shares carrying 50 per cent. or more of such voting rights, a general offer will normally be required if any further interest in shares is acquired by any such person. These provisions, like others contained in the Certificate of Incorporation, are enforceable by the Company against Shareholders. However, the Company would need to take any action to enforce such provisions in the Courts of the State of Delaware without any guarantee that any such action would be successful or any certainty as to what the costs of doing so would be. Further details of the relevant provisions of the Company's Certificate of Incorporation and Bylaws are set out in paragraph 7 of Part V of this Document.

The Certificate of Incorporation incorporates the definition of "concert party" from the Takeover Code, pursuant to which a concert party arises where persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of a company or to frustrate the successful outcome of an offer for a company. "Control" for these purposes means an interest or interests in shares carrying in aggregate 30 per cent. or more of the voting rights of the company, irrespective of whether the interest or interests give de facto control.

Immediately following Admission and assuming the placing of all of the New Shares and the sale of all of the Sale Shares, the Concert Party will be interested in, in aggregate, 91,235,207 Shares, representing approximately 45.3 per cent. of the Enlarged Share Capital.

19. Risk factors

Your attention is drawn to the risk factors set out in Part II of this Document and to the sub-section entitled "Forward Looking Statements" in the Important Information section above. In addition to all other information set out in this Document, potential investors should carefully consider the risks described in those sections before making a decision to invest in the Company.

20. Additional information

You should read the whole of this Document and not just rely on the information contained in this Part I.

Your attention is drawn to the information set out in Parts II to VII (inclusive) of this Document which contains further information on the Group.

PART II

RISK FACTORS

RISKS RELATING TO THE COMPANY

The Company will need to continue to publish new games in order to maintain growth and expand its offering

The Company may face significant competition from domestic and overseas competitors, and there is no assurance that the Company will be able to compete successfully in such a competitive marketplace. The success of the Company depends on its ability to identify, help create and publish new games. The fast-moving sector in which the Company operates sees a number of new games fail each year and the Company must continue to release new products and franchise existing titles to achieve continued success. The Company is required to adapt to a fast-changing market, including changing consumer preferences and new competitors who may be better resourced, to ensure continued engagement in existing games and to remain competitive in a growing industry. The Company has been able to mitigate this risk by building up a strong back catalogue which supports revenue, however the Company may not be able to rely on the Back Catalogue in the future.

The Company's own-IP model is particularly exposed to a change in consumer preferences. The Company's model has increasingly focused on the ownership of the IP associated with the games it publishes, as it often provides a higher return on investment in comparison to its competitors, as well as long-term stability. However, any change in consumer preference away from those games would have a greater impact on the Company's financial success.

Further, the success of the Company will depend, in part, on the Company's ability to expand, including by completing additional acquihires, expanding further intellectual property into multi-game offerings and expanding its multimedia offering. The Company cannot guarantee the success of this expansion. Further, even if successful, such growth could create significant challenges for the Company's management, and operational and financial resources. Failure to adequately manage the growth of the Company may cause damage to its brand or otherwise negatively impact its business. Further, any failure by these new revenue streams may damage the Company's reputation or otherwise negatively impact its core business.

The Company depends on a relatively small number of games for a significant portion of its revenues and profits

A material portion of the Company's revenues have historically been derived from products based on a relatively small number of popular games. These products are also responsible for a disproportionately high percentage of its profits. For example, in the first half of 2020, revenues associated with the top five games collectively accounted for approximately 70 per cent. of the Company's total revenues. The Directors expect that a relatively limited number of popular games will continue to produce a disproportionately high percentage of the Group's revenues and profits. Due to this dependence on a limited number of games, the failure to achieve anticipated results by products based on a particular title could negatively impact the Company's business. Additionally, if the popularity of a title declines, the Company may have to write off the unrecovered portion of the underlying intellectual property assets, which could negatively impact the Company's business.

Market growth, new developments and technological trends

There is a risk that the growth in the global video games market may slow or reverse, for example, as it is subject to economic fluctuations. The video games market is also competitive, with technological changes requiring significant development investment. For example, developing new games in a games-as-a-service format has required significant investment in new capabilities. In order to remain competitive, the Company will need to continue to innovate and adapt. If the Company is not successful in doing so, this could have a material adverse effect on its financial and trading position.

Digital sales channels are highly competitive

The Company's revenues are derived from Digital Distribution channels, which are increasingly competitive due to the number of new titles being published. These channels are highly competitive as the capital needed to produce and publish a digitally delivered game, particularly a game for a mobile platform, may be significantly less than that needed to produce and publish one that is purchased through retail distribution and is played on a game console or PC. Furthermore, some of the providers of the platforms through which the Company digitally distributes content are also publishers of their own content distributed on those platforms and, therefore, a platform provider may give priority to its own products or those of the Company's competitors.

Reliance on social media marketing

tinyBuild's marketing capabilities are underpinned by its social media reach and ability to generate interesting content that resonates across social media channels. If tinyBuild is unable to maintain this competitive advantage, it would have a significant impact on its ability to launch new titles and therefore to generate revenue going forwards. Also, social media marketing can often be unpredictable, as it relies on adoption and promotion by third-party influencers, as well as reception and onward promotion by the intended audience, which impacts on the popularity of tinyBuild's games. If tinyBuild fails to retain this competitive advantage, then the commercial success of new titles and eventually sales within its back catalogue could be severely impacted. Furthermore, relying on influencers for marketing of products for Internet-based companies brings compliance and regulatory risks from applicable agencies that monitor such activities as well as potential responsibility and liability for any misrepresentations in communications by influencers in relation to the Company's games.

tinyBuild begins working with developers at an early stage

tinyBuild often begins working with developers when their IP may be little more than an idea or a concept. As such, until the final concept is known and tested with the target audience, there is a high degree of risk that the concept may require further refinement, or that the project is abandoned completely. Under these circumstances, developer advances are not repaid and therefore the Company will see no return on its investment.

The pipeline of new titles includes an increasing proportion of AA titles

Development expenditure in relation to AA titles tends to be higher than for indie titles. AA titles may offer a higher return than indie games due to their higher price point, but the extra resource often required to develop the games increases the risk that developer advances will not be recovered if the title is not a commercial success. Therefore, a higher proportion of AA titles in the Company's pipeline increases concentration risk, and therefore that one or more commercial failures could materially reduce forecast revenue for the business. 47.8 per cent. of its 23 pipeline titles are AA games versus 12.5 per cent. of its released portfolio.

The increasing importance of mobile gaming

The Company has seen, and expects to continue to see, new competitors enter the market for mobile games and existing competitors to allocate more resources to developing and marketing mobile games and applications. The Company competes with a vast number of small companies and individuals who are able to create and launch casual games and other content using relatively limited resources and with relatively limited start-up time or expertise. Competition for the attention of consumers on mobile devices is intense, as the number of applications on mobile devices has been increasing dramatically, which, in turn, has required increased marketing to gather consumer awareness and attention. This increased competition could negatively impact the Company's business.

Transition to next-generation consoles

The launch of the next generation of consoles by console manufacturers such as Microsoft, Sony and Nintendo has historically resulted in challenges for developers and publishers within the video games industry, as such a new launch may adversely affect the Company's business because it would have to

adapt its products to technological change due to the new consoles, as well as increasing the number of platforms it produces its titles on during the period of transition to the new generation of consoles. In turn, this may increase the Company's development costs. There may also be a slow uptake of the new consoles by consumers, which could result in reduced sales.

Cannibalisation of game sales

There is a growing trend of subscription-based gaming models, such as Microsoft Game Pass, whereby players pay a monthly fee for access to a range of games. This model is helpful to establish critical mass of games focused on social interaction, as well as securing upfront revenue early in a games' life. However, this trend could reduce outright purchases of tinyBuild's games. While an increase in licensing revenue will at least partially offset this loss of one-off game purchases, it could result in tinyBuild receiving less financial upside for highly successful games until the relevant agreement expires. However, given the Company's ownership or close control of IP, the Company has control of whether it decides to release a game through these subscription-based gaming models.

Large, one-off licensing and development fees recognised on completion of milestones creates uneven revenue and cash flows

The shift towards subscription-based gaming models, together with an increase in the proportion of AA titles, has increased the size and frequency of milestone payments received in relation to exclusivity deals. As such, delays to title launch could result in a significant deferral of revenue, given revenue is recognised in relation to achievement of the relevant milestone rather than in relation to tinyBuild's costs to date and the receipt of cash.

Dependence on a concentrated customer and third-party platform base

The Company is largely dependent on seven third-party platforms, being Apple, Google, Nintendo, Sony, Valve, Epic Games and Microsoft. In the year ended 31 December 2019, these platforms in aggregate contributed at least 70 per cent. of the Company revenue and together serve as a significant online distribution platform for its games.

The third-party platforms also have control over consumer access to the Company's games, and the fee structures and/or retail pricing for products and services for their platforms, and online networks could impact the volume of purchases of the Company's products made over their networks and the Company's profitability. Further, increased competition for limited premium "digital shelf space" has placed the platform providers in an increasingly better position to negotiate favourable terms of sale (see below, "*A number of the Company's third-party platforms contracts contain onerous terms*"). If the platform provider establishes terms that restrict the Company's offerings on its platform, significantly alters the financial terms on which these products or services are offered, or does not approve the inclusion of online capabilities in the Company's console products, the Company's business could be negatively impacted.

The Company also requires the continued success and availability of distribution channels developed by its third-party platforms and exposes the Company to dependence on those distribution channels. If a third-party platform were to deny access to the Company's games, change their terms of service or other policies (such as increasing fees, or removing their platform or distribution channel, for example due to the failure of their business, owing to a security breach or due to general operational issues), this would have an impact on the Company's profitability.

The Company relies on external developers to develop some of its games

The Company relies on external developers to develop some of its games, which makes it subject to the following risks:

- continuing strong demand for top-tier developers' resources, combined with the recognition they receive in connection with their work, may cause developers who worked for the Company in the past either to work for a competitor in the future or to renegotiate agreements with the Company on terms less favourable to it;

- limited financial resources and business expertise or the inability to retain skilled personnel may force developers out of business prior to completing products for the Company or require the Company to fund additional costs;
- a competitor may acquire the business of one or more key developers or sign them to exclusive development arrangements and, in either case, the Company would not be able to continue to engage such developers' services for its products, except for any period for which the developers are contractually obligated to complete development for the Company;
- reliance on external developers reduces the Company's visibility into, and control over, development schedules and operational outcomes compared to those when utilising internal development resources; and
- the Company provides developers advances, which show on the Company's balance sheet as an asset, and are used to provide funding to the developer studios and their intellectual property. There is a risk that such advances cannot be recouped if a game does not generate enough revenue.

Dependence on the skills of the Executive Directors and senior management

The Company relies heavily on the abilities of its Executive Directors and senior management. Their knowledge, expertise and experience in the industry and in relation to the Company are vital contributors to the Company's continued success. The failure to retain the services of any of the Executive Directors could have a material adverse effect on the Company's profitability in the medium- to long-term.

Recruiting and retaining skilled staff members

Given the fast-growing and competitive nature of the video games industry, it may prove increasingly difficult to recruit highly-trained staff at a reasonable cost. Should the Company no longer be able to retain such staff and/or attract new staff, the Company's business, revenues and prospects could suffer significantly.

Overseas operations

The Company currently has overseas operations in USA, Latvia and the Netherlands and contractors and partners in multiple locations across five continents. These jurisdictions have different regulatory, fiscal, legal environments and trading rules, including sanctions regimes that could change in the future and could impact how the Company conducts its business in these countries. If the Company fails to comply with the laws, regulations and trading rules applicable to its overseas operations, it could be subject to reputational and legal risks, including government enforcement action and/or fines. Further, the imposition of sanctions by the United States on contractors in Russia and the Ukraine could interfere with the Company's ability to conduct business in such jurisdictions. Such risks, if realised, could have a material adverse effect on the Company's profits and financial condition.

Employment status of independent contractors

The Group uses independent contractors in the Netherlands, Latvia, Ukraine, USA, Russia, Spain, Brazil, Slovakia, Belarus and Switzerland. The Group typically pays independent contractors, and the contractor is then responsible for paying any associated taxes but does not benefit from any employment rights. The employment status and worker status of the Group's contractors are based on a number of factors, including contractual arrangements and how those arrangements operate in practice. Depending upon the jurisdiction in which the contractor is based, there is a risk that some of these contractors may be deemed to be workers instead of self-employed contractors, and as such, they may gain additional employment rights including, but not limited to, paid annual leave, national minimum wage and sick pay. If these contractors are deemed to be employees, then in addition to the rights for workers, they may gain rights regarding unfair dismissal, amongst other things. Moreover, if contractors are deemed to be employees, then the tax treatment may differ to the tax treatment for independent contractors and workers, and the Group may be liable to pay tax in relation to those persons. If there is a change in that classification, then there is a risk that some or all of these contractors may be classified as workers or employees. Such a change could result in material liabilities including tax liabilities, which may have a material adverse effect on the Group's financial performance and position.

The Company uses open source software in connection with certain of its games and services

The Company uses open source software in connection with some of the games that it offers. Some open source software licenses require users who distribute open source software as part of their software to publicly disclose all or part of the source code to such software or make available any derivative works of the open source code on unfavourable terms or at no cost. The terms of various open source licenses have not been interpreted by courts, and there is a risk that such licenses could be construed in a manner that imposes unanticipated conditions or restrictions on the Company's use of the open source software. Were it determined that the Company's use was not in compliance with a particular license, it may be required to release its proprietary source code, pay damages for breach of contract, re-engineer its games or products, discontinue distribution in the event re-engineering cannot be accomplished on a timely basis, or take other remedial action that may divert resources away from its game development efforts, any of which could negatively impact its business.

IT security breaches

Particularly given the industry in which it operates, the Company is subject to the threat of IT security breaches. The Company is dependent on its IT systems to ensure it can meet its operational needs. In the event that the Company's IT systems significantly fail, there is a disaster recovery policy in place. However, such policies cannot be guaranteed to prevent business interruption and the unavailability of the Company's IT systems may have a significant adverse effect on the Company's ability to deliver new games which may adversely impact the Company's revenue generation.

Protection of intellectual property rights

Failure to protect the Group's intellectual property rights could lead to a competitive disadvantage and result in a material adverse effect on the Group's business, prospects, financial position and results of operations. The Company operates with first-party, second-party and third-party IP rights. The Company seeks to protect its intellectual property rights through copyright, trademarks, and confidentiality and transfer of intellectual property provisions in employment agreements, independent contractor agreements, asset purchase agreements, and development and publishing agreements. The Group owns and licenses-in intellectual property rights and is dependent, in significant part, on retaining ownership to intellectual property rights developed by its employees and contractors. The terms in some of the Company's purchase agreements, developer agreements and licenses, pursuant to which certain intellectual property rights are transferred to the Group from third parties may be unenforceable, in particular where such intellectual property rights are developed outside of the US and the formalities for transfer are subject to local laws. As a result, there is no guarantee that the Company will be able to enforce ownership of the intellectual property rights. In particular, in Russia and Ukraine, it is best practice to enter into an acceptance and transfer agreement, which the Company did not enter into when it acquihired Hologryph, Hungry Couch and Moon Moose. In order to protect intellectual property rights as set out above, the Group may be required to spend significant resources to monitor and protect these rights.

The laws and regulations concerning data privacy are complex and continually evolving. Failure to comply with these laws and regulations could harm the Company's business

Data privacy protection laws are complex, rapidly changing and likely will continue to do so for the foreseeable future and may be inconsistent from jurisdiction to jurisdiction. For example, the E.U. has traditionally taken a broader view than the United States and certain other jurisdictions as to what is considered personal information and has imposed greater obligations under data privacy and protection regulations, including those imposed under the E.U. General Data Protection Regulation (the "GDPR"). The US government, including the Federal Trade Commission and the Department of Commerce, as well as various US state governments, are continuing to review the need for greater regulation over the collection of personal information and information about consumer behaviour on the Internet and on mobile devices. Complying with emerging and changing laws could require the Company to incur substantial costs or impact its approach to operating and marketing its games. Due to the rapidly changing nature of these data privacy protection laws, there is not always clear guidance from the respective governments and regulators regarding the interpretation of the law, which may create the risk of an inadvertent violation. Various government and consumer agencies worldwide have also called for new regulation and changes in industry practices.

The Company is subject to laws from a variety of jurisdictions regarding privacy and the protection of information, including the GDPR and the California Consumer Privacy Act, among others. The Company in the past inadvertently collected limited personal information relating to users who accessed a version of one of the Company's games, which may have violated applicable data privacy laws. An advertising provider for the game may have collected and disclosed some of that data. The Company did not collect or use the data for any purposes and has revised the version of the game and its data privacy policies to restrict future collection of similar data. In addition, the Company's subsidiaries in Latvia and Netherlands collect and process personal data of their respective employees and share this data with the Company, which is based in the US The European subsidiaries do not currently have all the correct procedures in place in order to ensure that such processing and sharing of data is compliant with GDPR.

Failure of the Company to comply with relevant data protection laws and regulations, or its own privacy policies, could result in proceedings or litigation against the Company by governmental authorities or others, which could result in fines or judgments and have a material adverse effect on the Company's revenues, profits, financial condition, reputation and business relationships. Further, if regulators, the media, consumers, employees or contractors raise any concerns about the Company's privacy and data protection or consumer protection practices, even if unfounded, this could also have a material adverse effect on the Company. In some cases, the Company is dependent upon platform providers and external data processors to assist it in ensuring compliance with these various types of regulations, and a violation by one of these third parties may subject the Company to government investigations and result in substantial fines.

Piracy and unauthorised copying

Piracy is a problem in the industry, and policing the unauthorised sale, distribution and use of its products is difficult, expensive, and time-consuming. Further, the laws of some countries in which the Company's products are, or may be, distributed either do not protect its products and intellectual property rights to the same extent as the laws of the United States, or are poorly enforced. In addition, although the Company may take steps to make the unauthorized sale, distribution and use of its products more difficult and to enforce and police its rights, as do the manufacturers of consoles and the operators of other platforms on which many of its games are played, these efforts may not be successful in controlling the piracy of the Company's products in all instances.

The Company could be sued for the infringement of third-party intellectual property rights

The Company's continuing success will depend on its ability to operate without violating the IP rights of others. Whilst the Company takes precautions to minimise the risk of any infringement of third-party IP, there can be no assurance that the products that the Company is currently marketing or the products the Company may market in the future do not currently, and will not in the future, infringe any proprietary rights of others. Thus, the Company may need to engage in litigation to defend itself against any such claims. Litigation is inherently expensive and time consuming and even if the outcome of litigation is ultimately favourable to the Company, litigation can result in the diversion of substantial resources from the Company's other activities as well as exposing the Company to adverse publicity and reputational risk. Disputes relating to contested IP rights and related litigation may therefore have a material adverse effect on the Company's business, financial condition and/or operating results.

Cybersecurity-related attack, significant data breach or disruption of the information technology systems or networks

In the course of the Company's day-to-day business, it and third parties operating on its behalf create, store, and/or use commercially sensitive information, such as the source code and game assets for its games and sensitive and confidential information, including personal data. A malicious cybersecurity-related attack, intrusion, or disruption by hackers (including through spyware, viruses, phishing, denial of service, and similar attacks) or other breach of the systems on which such source code and assets, and other sensitive data is stored could lead to piracy of the Company's software, fraudulent activity, disclosure or misappropriation of, or access to, any personal information it holds (including personally identifiable information), or its own business data. Such incidents could also lead to product code-base and game distribution platform exploitation, should undetected viruses, spyware, or other malware be inserted into the Company's products, services, or networks, or systems used by its consumers. The Company has implemented cybersecurity programs and the tools, technologies, processes, and procedures intended to secure its data and systems,

and prevent and detect unauthorised access to, or loss of, its data, or the data of its customers, consumers, or employees. However, if the Company were subject to cybersecurity breaches, or a security-related incident that materially disrupts the availability of its products and services, it may have a loss in sales or subscriptions or be forced to pay damages or incur other costs, including from the implementation of additional cyber and physical security measures, or suffer reputational damage. Moreover, if there were a public perception that the Company's data protection measures are inadequate, whether or not the case, it could result in reputational damage and potential harm to its business relationships or the public perception of its business model. In addition, such cybersecurity breaches may subject the Company to legal claims or proceedings, including regulatory investigations and actions, especially if there is loss, disclosure, or misappropriation of, or access to, its customers' personal information or other sensitive information, or there is otherwise an intrusion into its customers' privacy.

A number of the Company's third-party platform contracts contain onerous contract terms

A number of the Company's contracts with third-party platforms contain unfavourable terms. Whilst these contracts and terms with third-party platforms are considered the norm in the industry, they do include wide ranging warranties and indemnities, provided in some cases on an uncapped basis (creating a risk that liabilities in the event of a breach could be substantial) and termination clauses that allow in most cases either party to terminate the contract on short notice for convenience and without cause. The enforcement of these clauses would have a significant impact on the Company's profitability.

Defective products/reputation

The Company's quality checks for the games it publishes may not preclude human error and there are no guarantees that defects can be prevented. Notwithstanding the Company's reliance on alpha and beta testing pre-launch, which is often used to shape game design and marketing, if the Company were to release defective products, it could suffer reputational damage which could significantly impact the Company's profits in the short and medium term.

The Company's business may be harmed if its distributors, retailers, development and licensing partners, or other third parties with whom it is affiliated, act in ways that put the Company's brand at risk

In many cases, the Company's business partners, are given access to sensitive and proprietary information or control over its intellectual property to provide services and support to its team. These third parties may misappropriate the Company's information or intellectual property and engage in unauthorised use of it. The failure of these third parties to provide adequate services and technologies, the failure of third parties to adequately maintain or update their services and technologies, or the misappropriation or misuse of this information or intellectual property could result in a disruption to the Company's business operations or an adverse effect on its reputation and may negatively impact its business.

Similarly, actions taken by third parties with whom the Company may be affiliated, may act in a way that places its brand at risk, which could have an adverse effect on its reputation and may negatively impact its business. At the same time, if the media, consumers, or employees raise any concerns about the Company's actions vis-à-vis those third parties, this could also damage its reputation or its business.

Future acquisitions or acquihires may have an adverse effect on the Company's ability to manage its business

If the Company is presented with appropriate opportunities, it may acquire complementary intellectual property, technologies, additional studios, companies or assets. Future acquisitions would expose the Company to potential risks, including risks associated with the assimilation of new technologies and personnel, unforeseen or hidden liabilities, the diversion of management attention and resources from the Company's existing business and the inability to generate sufficient revenues to offset the costs and expenses of acquisitions. Any difficulties encountered in the acquisition and integration process may have an adverse effect on the Company's ability to manage its business.

The Company's games are subject to scrutiny regarding the appropriateness of their content including from industry regulation

The video games industry is subject to a number of laws and regulations, in particular those relating to consumer protection, information given to consumers on the rules of use and content of games, the classification of games in accordance with age-rating, the protection of consumers' personal data when this data is collected, gambling, advertising and the protection of minors.

The Company is also exposed to changes in regulations and standards, such as those relating to data protection and the management of sensitive data. The Company may be required to modify certain product development processes or product or alter its marketing strategies to comply with regulations, which could be costly or delay the release of its products. Further, a breach of any such laws, regulations or standards, and/or a legislative change could have a material adverse effect on the Company's reputation and/or financial performance.

The Company's console and PC games are subject to ratings by the Entertainment Software Rating Board (the "ESRB"), a self-regulatory body based in the US that provides US and Canadian consumers of interactive entertainment software with ratings information, including information on the content in such software, such as violence, nudity, or sexual content, along with an assessment of the suitability of the content for certain age groups. Certain other countries have also established content rating systems as prerequisites for product sales in those countries. In addition, certain stores use other ratings systems, such as Apple's use of its proprietary "App Rating System" and Google Play's use of the International Age Rating Coalition (IARC) rating system. If the Company is unable to obtain the ratings that it has targeted for its products, it could have a negative impact on its titles and therefore its business. In some instances, the Company may be required to modify its products to meet the requirements of the rating systems, which could delay or disrupt the release of any given product, or may prevent its sale altogether in certain territories. Further, if one of the Company's games is "re-rated" for any reason, a ratings organisation could require corrective actions, which could include a recall, retailers could refuse to sell it and demand that the Company accept the return of any unsold or returned copies or consumers could demand a refund for copies previously purchased.

Additionally, retailers may decline to sell interactive entertainment software containing what they judge to be graphic violence or sexually explicit material or other content that they deem inappropriate for their businesses, whether because a product received a certain rating by the ESRB or other content rating system, or otherwise. If retailers decline to sell the Company's products based upon their opinion that they contain objectionable themes, graphic violence or sexually explicit material, or other generally objectionable content, the Company might be required to modify particular titles or forfeit the revenue opportunity of selling such titles with that retailer.

Most US employees do not have notice periods

Save in relation to the Executive Directors, each of the US employees of the Company are employed "at will", as is customary in the US. Consequently, the Company has not imposed any contractual terms that require an "at will" US employee to give to the Company more than nominal notice when the employee voluntarily terminates their employment with the Company. As a result, the Company may be more exposed than non-US companies to the possibility of its employees departing with nominal notice. In addition, although employment agreements with the Executive Directors include advance notice of voluntary resignation, the Executive Directors could refuse to provide such notice.

Change to the taxation regime

The tax rules, including stamp duty provisions and their interpretation relating to an investment in the Company, may change during the life of the Company.

Any change in the Company's tax status or in taxation legislation in any jurisdiction in which the Company operates could affect the Company's financial condition and results and its ability (if any) to provide returns to Shareholders. The Company generates revenue in a high number of geographical locations with distinct tax regimes which are subject to change. Confirmation of adherence to local tax regimes can be difficult to obtain due to the use of third-party digital distribution platforms, who from 2018 onward have historically collected these local taxes, however, there is the risk of non-compliance and demands for unpaid tax

together with associated penalties. Statements in this Document concerning the taxation of investors in Shares are based on current UK and US tax law and practice which is subject to change. The taxation of an investment in the Company depends on the individual circumstances of investors.

Investors should consider carefully whether investment in the Company is suitable for them, in light of the risk factors outlined, their personal circumstances and the financial resources available to them.

Forex risk

The Company has certain contracts priced in foreign currencies and also has employees based overseas paid in foreign currencies. It is therefore exposed to the risk that adverse exchange rate movements could cause its costs to increase (relative to its reporting currency) resulting in reduced profitability.

The Group is global and is subject to the risks and uncertainties of conducting business outside the USA

The Group's end-customers are located throughout the world, and it also partners with development studios around the world. Moving forward, the Directors expect that international end-customers will continue to account for a significant portion of the Group's total revenues and profits and, moreover, that business in emerging markets will continue to be an important part of its strategy. As such, the Group is, and may be increasingly, subject to risks inherent in foreign trade generally, as well as risks inherent in doing business in emerging markets, including increased tariffs and duties, compliance with economic sanctions, fluctuations in currency exchange rates, increases in transportation costs, international political, regulatory and economic developments, unexpected changes to laws, regulatory requirements, and enforcement on the Group and its platform partners and differing local business practices, all of which may impact profit margins or make it more difficult, if not impossible, for the Group to conduct business in foreign markets.

Substantial Shareholders

Following Admission, Alex Nichiporchik and Luke Burtis shall, directly and indirectly, own approximately 45.3 per cent. of the Enlarged Share Capital. As a result, Alex Nichiporchik and Luke Burtis will be able to exercise certain control over a number of matters including the Group's legal and capital structure, matters requiring Shareholder approval, including corporate transactions, as well as to elect and change the Company's directors. Furthermore, the interest of Alex Nichiporchik and Luke Burtis may not be aligned with those of other Shareholders. The Company has, however, entered into a Relationship Agreement which will regulate (in part) the degree of control that Alex Nichiporchik and Luke Burtis may exercise over the management of the Group.

GENERAL RISKS RELATING TO THE SHARES AND PLACING

Current operating results as an indication of future results

The Company's operating results may fluctuate significantly in the future due to a variety of factors, many of which are outside its control. Accordingly, investors should not rely on the Company's results to date as an indication of future performance. Factors that may affect the Company's operating results include increased competition, an increased level of expenses, technological change necessitating additional capital expenditure, the success of its games and changes to the statutory and regulatory regime in which it operates. It is possible that, in the future, the Company's operating results may fall below the expectations of market analysts or investors. If this occurs, the trading price of the Shares may decline significantly.

Quotation on AIM, liquidity and possible price volatility

Following Admission, the market price of the Shares may be subject to significant fluctuations in response to many factors, including variations in the results of the Company, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, general economic conditions, legislative changes in the Company's sector and other events and factors outside of the Company's control.

In addition, stock market prices may be volatile and may go down as well as up. The price at which investors may dispose of their Shares may be influenced by a number of factors, some of which may pertain to the

Company and others which are extraneous. These factors could include the performance of the Company's business, changes in the values of its investments, changes in the amount of distributions or dividends, changes in the Company's operating expenses, variations in and the timing of the recognition of realised and unrealised gains or losses, the degree to which the Company encounters competition, large purchases or sales of Shares, liquidity (or absence of liquidity) in the Shares, legislative or regulatory or taxation changes and general economic conditions. On any disposal of their Shares, investors may realise less than the original amount invested.

The Shares will not be listed on the Official List and, although the Shares will be traded on AIM, this should not be taken as implying that there will always be a liquid market in the Shares. In addition, the market for shares in smaller public companies is less liquid than for larger public companies. Therefore, an investment in the Shares may be difficult to realise and the price of the Shares may be subject to greater fluctuations than might otherwise be the case.

An investment in shares quoted on AIM may carry a higher risk than an investment in shares quoted on the Official List.

There is no guarantee that the Company will maintain its quotation on AIM

The Company cannot assure investors that the Company will always remain admitted to trading on AIM. If the Company fails to do so investors may not have a market for their Shares, which could have an adverse impact on the value of those shares. Additionally, if in the future the Company decides to obtain a listing on another exchange, in addition to AIM or as an alternative, this may affect the liquidity of the Shares traded on AIM.

Dividends

It is not currently the intention for the Company to pay dividends in the short term. The Company's ability to pay dividends in the future will depend on the level of distributions, if any, received from its operating subsidiaries. The Company's subsidiaries may, from time to time, be subject to restrictions on their ability to make distributions, including foreign exchange limitations and regulatory, fiscal and other restrictions. There can be no assurance that such restrictions will not have a material adverse effect on the Company's results or financial condition.

Costs of being a public company

As a public company, the Company will be required to comply with certain additional laws, regulations and requirements, including the requirements of AIM. Complying with these laws, regulations and requirements will occupy a significant amount of the time of the Board and management and will increase the Company's costs and expenses. The Company expects that compliance with these laws, regulations and requirements will increase its legal and financial compliance costs and is likely to require it to hire additional personnel or consultants. The Company cannot predict or estimate the amount of additional costs which it may incur or the timing of such costs.

Potential dilution of Shareholders in the event of equity offerings

In the event that the Company offers Shares for sale in the future, pre-emptive rights may not be available to certain Shareholders and any Shareholders not participating in these equity offerings may become diluted. The Company may also in the future issue Shares, warrants and/or options to subscribe for new Shares, including (without limitation) to certain advisers, employees, directors, senior management and consultants, or in relation to any acquisition or acquihire transactions. The exercise of such warrants and/or options may also result in dilution of other investors.

RISKS RELATING TO INCORPORATION IN THE STATE OF DELAWARE AND CERTAIN PROVISIONS OF THE COMPANY'S CHARTER DOCUMENTS

Enforcement of judgements

The Company is incorporated under the laws of the State of Delaware and its assets are primarily located in the US. There is no convention or treaty between the US and the UK governing the recognition and enforcement of judgments. A US judgment cannot be automatically enforced in the UK or a UK judgment in the US. The only way to enforce a US judgment in the UK is to treat the US judgment as a debt and make a claim in court. A UK judgment may be enforced against a US company in the UK, provided the US company has assets in the UK.

Application of United Kingdom and United States legislation

As the Company is incorporated under the laws of the State of Delaware in the US, a significant amount of the legislation in England and Wales regulating the operation of companies does not apply to the Company, and the laws of Delaware provide for certain mechanisms and procedures that would not otherwise apply to companies incorporated in England and Wales. The rights of Shareholders are governed by Delaware law and by the Company's Certificate of Incorporation and Bylaws, which may differ from the typical rights of shareholders in England and Wales and other jurisdictions. In addition, the Company's Certificate of Incorporation and Bylaws provide that the Delaware Court of Chancery shall be the sole and exclusive forum for any Shareholder bringing specified actions against the Company, its directors, officers and employees. These provisions may limit a Shareholder's ability to bring a claim in a judicial forum that it finds favourable for disputes with directors, officers or other employees, and may discourage lawsuits with respect to such claims.

Restrictions on transfer under the US Securities Act

The Shares have not been, and will not be, registered under the US Securities Act or under any securities laws of any state or other jurisdiction of the United States. The Placing Shares are being offered and sold only outside the United States to persons who are not US Persons or acting for the account or benefit of any US Persons in "offshore transactions" (as defined in Regulation S) in accordance with, and in reliance on, the safe harbour from registration provided by Rule 903(b)(3), or Category 3, of Regulation S. Accordingly, the Shares are "restricted securities" as defined in Rule 144 under the US Securities Act. Purchasers of the Placing Shares may not offer, sell, pledge or otherwise transfer Placing Shares, directly or indirectly, in or into the United States or to, or for the account or benefit of, any US Person, except pursuant to a transaction meeting the requirements of Rules 901 to 905 (including the Preliminary Notes) of Regulation S, pursuant to an effective registration statement under the US Securities Act or pursuant to an exemption from the registration requirements of the US Securities Act. The Company is under no obligation, and does not intend to register or qualify the Placing Shares under the US Securities Act or applicable securities laws of any state or other jurisdiction of the United States.

The Company can give no assurances that an exemption from registration or qualification will be available for any resales or transfers of Placing Shares. In addition, the Placing Shares are subject to the conditions listed under Rule 903(b)(3), or Category 3, of Regulation S. Under Category 3, offering restrictions (as defined under Regulation S) must be in place in connection with the Placing and additional restrictions are imposed on resales of the Shares. All Shares are subject to these restrictions until at least the expiry of the Distribution Compliance Period. The Company currently intends that these restrictions will remain in place indefinitely.

The Shares will bear a legend describing restrictions on offers, resales and transfers to, or for the account or benefit of, US Persons and prohibiting hedging transactions in the Shares unless in compliance with the US Securities Act. Each subscriber for Shares, by subscribing for such Shares, agrees to reoffer or resell the Shares only pursuant to registration under the US Securities Act and qualification under applicable US state securities laws or in accordance with the provisions of Regulation S or pursuant to another available exemption from registration, and agrees not to engage in hedging transactions with regard to such Shares unless in compliance with the US Securities Act. Certifications, acknowledgements and agreements must be made through the CREST system by those acquiring the Shares (represented by the Depositary Interests) or withdrawing the same from CREST. If such Certifications, acknowledgements and agreements cannot be made or are not made, settlement through CREST will be rejected.

Furthermore, Shares held by Affiliates of the Company shall be held in certificated form and, accordingly, settlement shall not be permitted via CREST until such time as the restrictions are no longer applicable. The above restrictions may severely restrict purchasers of Shares from reselling the Shares. The Shares will not be admitted for trading on any US securities exchange in connection with the Placing. For further information regarding the significant restrictions on resale and transfer applicable to the Shares, please see Part VII of this Document.

SEC review of the Euroclear electronic settlement procedures for securities offered and sold pursuant to Category 3 of Regulation S

Following Admission, holders who are not US Persons and are not Affiliates of Placing who are not US Persons (and do not hold Shares for the account or benefit of US Persons) and are not Affiliates of the Company may choose to convert the Shares into Depositary Interests for the purpose of secondary trading on the CREST automated book entry system managed and operated by Euroclear UK & Ireland. Because the Company is a US "domestic issuer" under the US Securities Act, the Placing Shares qualify as Category 3 securities under Rule 903 of Regulation S under the US Securities Act. Category 3 securities are subject to strict transfer restrictions (the "**Transfer Restrictions**") and must bear certain legends so that counterparties in the secondary market for the Shares can determine whether any particular offer and resale complies with the resale safe harbour under Regulation S (see Part VII of this Document). Pursuant to EU regulatory requirements regarding the clearance and settlement of securities traded on regulated markets, Euroclear UK & Ireland established procedures designed to facilitate the trading of dematerialised Category 3 securities in accordance with the Transfer Restrictions applicable to resales of such securities (the "**Procedures**"). To the knowledge of the Directors, the commissioners and staff of the SEC have thus far declined requests to express any view, and have not in fact expressed any view, on the sufficiency of the Procedures for the purpose of complying with the Transfer Restrictions. The SEC may determine the Procedures to be insufficient for the purpose of complying with the Transfer Restrictions. If this were to occur, the SEC could make a determination that the Company did not comply with the requirements of Regulation S. Although the outcome of such a determination is difficult to predict, the secondary market in the Shares could be adversely affected. The Company may be required to register the Shares with the SEC, which would entail significant expense to the Company and a significant amount of time on behalf of the Directors and senior managers. Furthermore, the Company and the Directors could also be subject to criminal, civil or administrative proceedings.

Shareholders in certain jurisdictions may not be able to participate in future equity offerings or exercise pre-emptive rights to acquire additional Shares

Securities laws of certain jurisdictions, including US federal and state securities laws, may restrict the Company's ability to allow the participation of Shareholders in future offerings or in the exercise of pre-emptive rights provided in the Company's Bylaws. In particular, Shareholders in the US may not be entitled to exercise these rights unless either the rights and Shares are registered under the US Securities Act and qualified under applicable US state securities laws, or the rights and Shares are offered pursuant to an exemption from, or in transactions not subject to, the registration requirements of the US Securities Act and the qualification requirements of applicable US state securities laws. Any Shareholder who is unable to participate in future equity offerings or to exercise pre-emptive rights will suffer dilution.

Takeover regulations

The Company is incorporated in and subject to the laws of the State of Delaware, US. Accordingly, the Company and transactions in its Shares are not subject to the provisions of the Takeover Code. Certain provisions of the Company's Certificate of Incorporation adopt similar procedures to the Takeover Code in the event of any party (or parties acting in concert) obtaining 30 per cent. or more of the issued Shares of the Company, but there is no assurance that the courts of the State of Delaware, will uphold or allow the enforcement of these provisions. Further details regarding the Company's mandatory bid conditions contained in its Certificate of Incorporation are set out in paragraph 7.16 of Part V of this Document.

PART III

HISTORICAL FINANCIAL INFORMATION

Section A **Accountant's Report on the Historical Financial Information**

The Directors
tinyBuild Inc
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USA

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3 March 2021

Dear Sir/Madam

tinyBuild Inc (the Company) and its subsidiary undertakings (together, the Group) – Accountant's Report on Historical Financial Information

We report on the historical financial information of the Group set out in Section B of Part III of the Company's AIM admission document dated 3 March 2021 (the **Admission Document**), for the three years ended 31 December 2019 and the six months ended 30 June 2020 (the **Historical Financial Information**).

We have not audited or reviewed the financial information for the six months ended 30 June 2019 which has been included for comparative purposes only, and accordingly do not express an opinion thereon.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the Admission Document, a true and fair view of the state of affairs of the Group as at 31 December 2017, 31 December 2018, 31 December 2019 and 30 June 2020, and of its results, cash flows and changes in equity for the three years ended 31 December 2019 and the six months ended 30 June 2020 in accordance with International Financial Reporting Standards adopted by the European Union.

Responsibilities

The directors of tinyBuild Inc are responsible for preparing the Historical Financial Information in accordance with International Financial Reporting Standards as adopted by the European Union.

It is our responsibility to form an opinion on the Historical Financial Information and to report our opinion to you.

Save for any responsibility arising under Paragraph (a) of Schedule Two of the AIM Rules for Companies to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given

solely for the purposes of complying with Paragraph (a) of Schedule Two of the AIM Rules for Companies, consenting to its inclusion in the Admission Document.

Basis of preparation

The Historical Financial Information has been prepared for inclusion in the Admission Document on the basis of the accounting policies set out in note 2 to the Historical Financial Information.

This report is required by Paragraph (a) of Schedule Two of the AIM Rules for Companies and is given for the purpose of complying with that paragraph and for no other purpose.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of the Group in accordance with relevant ethical requirements, which in the United Kingdom is the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the Historical Financial Information. It also included an assessment of the significant estimates and judgements made by those responsible for the preparation of the Historical Financial Information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

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

Declaration

For the purposes of Paragraph (a) of Schedule Two of the AIM Rules for Companies we are responsible for this report as part of the Admission Document and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules for Companies.

Yours faithfully

GRANT THORNTON UK LLP

Section B Historical Financial Information

Consolidated Statement of Comprehensive Income

	Note	*Year ended 31 December 2017* *$'000*	*Year ended 31 December 2018* *$'000*	*Year ended 31 December 2019* *$'000*	*Six months ended 30 June 2020* *$'000*	*Six months ended 30 June 2019 (unaudited)* *$'000*
Revenue	5	11,937	24,844	27,972	18,510	12,148
Cost of sales		(6,150)	(13,913)	(13,645)	(8,635)	(7,731)
Gross profit		5,787	10,931	14,327	9,875	4,417
Administrative expenses:						
– General administrative expenses		(3,880)	(4,883)	(7,106)	(3,690)	(2,484)
– Share-based payment expenses		(1,448)	(1,832)	(9,962)	(3,561)	(4,970)
Total administrative expenses		(5,328)	(6,715)	(17,068)	(7,251)	(7,454)
Operating profit/(loss)	7	459	4,216	(2,741)	2,624	(3,037)
Finance costs	8	(2)	(3)	(16)	(11)	(3)
Finance income	9	–	14	134	55	26
Profit/(loss) before taxation		457	4,227	(2,623)	2,668	(3,014)
Income tax expense	10	(690)	(1,570)	(1,882)	(1,599)	(500)
(Loss)/profit for the year		(233)	2,657	(4,505)	1,069	(3,514)
Total comprehensive (loss)/income for the year		(233)	2,657	(4,505)	1,069	(3,514)
Attributable to:						
Owners of the parent company		(233)	2,521	(4,525)	1,063	(3,528)
Non-controlling interests		–	136	20	6	14
		(233)	2,657	(4,505)	1,069	(3,514)
Earnings per share ($)	11	(0.60)	2.29	(4.26)	1.00	(3.31)
Diluted earnings per share ($)	11	(0.60)	2.06	(4.26)	0.77	(3.31)
Adjusted EBITDA*	12	1,970	6,166	7,672	6,705	1,950

*Adjusted EBITDA is a non-GAAP measure and is defined as earnings before interest, tax, depreciation, amortisation (excluding amortisation of capitalised software development costs) and share-based payment expenses.

There were no recognised gains and losses during the years ended 31 December 2017, 31 December 2018, 31 December 2019 or the periods ended 30 June 2019 or 30 June 2020 other than those included in the Consolidated Statement of Comprehensive Income.

Consolidated Statement of Financial Position

	Note	*As at 1 January 2017 $'000*	*As at 31 December 2017 $'000*	*As at 31 December 2018 $'000*	*As at 31 December 2019 $'000*	*As at 30 June 2020 $'000*
ASSETS						
Non-current assets						
Intangible assets	13	152	1,831	4,415	13,343	13,386
Property, plant and equipment:						
– owned assets	14	63	106	131	101	88
– right-of-use assets	14	–	99	106	874	774
Trade and other receivables	16	–	11	16	16	16
Total non-current assets		215	2,047	4,668	14,334	14,264
Current assets						
Trade and other receivables	16	909	3,173	6,207	3,701	4,968
Cash and cash equivalents	17	9	2,641	3,933	17,009	21,332
Total current assets		918	5,814	10,140	20,710	26,300
TOTAL ASSETS		1,133	7,861	14,808	35,044	40,564
EQUITY AND LIABILITIES						
Equity						
Share capital	24	–	1	1	1	1
Share premium	24	–	3,750	3,750	18,674	18,674
Retained earnings		628	1,342	5,695	9,132	13,756
Equity attributable to owners of the parent company		628	5,093	9,446	27,807	32,431
Non-controlling interest		–	–	136	156	162
Total equity		628	5,093	9,582	27,963	32,593
Non-current liabilities						
Lease liabilities	20	–	17	67	621	539
Deferred tax liabilities	22	–	690	2,060	2,542	3,392
Total non-current liabilities		–	707	2,127	3,163	3,931
Current liabilities						
Borrowings	18	–	-	-	–	175
Trade and other payables	19	505	1,979	3,064	3,741	3,686
Lease liabilities	20	–	82	35	177	179
Total current liabilities		505	2,061	3,099	3,918	4,040
Total liabilities		505	2,768	5,226	7,081	7,971
TOTAL EQUITY AND LIABILITIES		1,133	7,861	14,808	35,044	40,564

Consolidated Statement of Changes in Equity

	Share capital $'000	*Share premium $'000*	*Retained earnings $'000*	*Total equity attributable to owners of the parent company $'000*	*Non-controlling interest $'000*	*Total equity $'000*
Balance at 1 January 2017	–	–	628	628	–	628
Loss for the year	–	–	(233)	(233)	-	(233)
Transactions with owners in their capacity as owners:						
Distributions[1]	–	–	(500)	(500)	–	(500)
Conversion of LLC to C Corporation	1	–	(1)	–	–	–
Issuance of Series Seed Preferred Stock	–	3,750	–	3,750	–	3,750
Share-based payments	–	–	1,448	1,448	–	1,448
Total transactions with owners	1	3,750	947	4,698	–	4,698
Balance at 31 December 2017	1	3,750	1,342	5,093	–	5,093
Profit for the year	–	–	2,521	2,521	136	2,657
Transactions with owners in their capacity as owners:						
Share-based payments	–	–	1,832	1,832	–	1,832
Total transactions with owners	–	–	1,832	1,832	–	1,832
Balance at 31 December 2018	1	3,750	5,695	9,446	136	9,582
(Loss)/profit for the year	–	–	(4,525)	(4,525)	20	(4,505)
Transactions with owners in their capacity as owners:						
Issuance of Series A Preferred Stock	–	15,000	–	15,000	–	15,000
Direct costs of issuance	–	(76)	–	(76)	–	(76)
Repurchase of common stock	–	–	(2,000)	(2,000)	–	(2,000)
Share-based payments	–	–	9,962	9,962	–	9,962
Total transactions with owners	–	14,924	7,962	22,886	–	22,886
Balance at 31 December 2019	1	18,674	9,132	27,807	156	27,963
Profit for the period	–	–	1,063	1,063	6	1,069
Transactions with owners in their capacity as owners:						
Share-based payments	–	–	3,561	3,561	–	3,561
Total transactions with owners	–	–	3,561	3,561	–	3,561
Balance at 30 June 2020	1	18,674	13,756	32,431	162	32,593

(1) In the year ended 31 December 2017, distributions of $500,000 were authorised to members of tinyBuild LLC, of which $200,000 were paid in the year ended 31 December 2017 and $300,000 were paid in the year ended 31 December 2018.

Share capital

The called up share capital records the par value of shares issued and paid up.

Share premium

Consideration received for shares issued above their par value, net of transaction costs.

Retained earnings

Cumulative profit and loss attributable to the owners of the parent company, net of distributions to owners.

Non-controlling interest

Cumulative profit and loss attributable to the non-controlling interest, net of distributions to the non-controlling interest.

Consolidated Statement of Cash Flows

	Note	*Year ended 31 December 2017* *$'000*	*Year ended 31 December 2018* *$'000*	*Year ended 31 December 2019* *$'000*	*Six months ended 30 June 2020* *$'000*	*Six months ended 30 June 2019 (unaudited)* *$'000*
Cash flows from operating activities						
Cash generated from operations	25	1,075	4,460	11,732	6,883	7,935
Net cash generated by operating activities		1,075	4,460	11,732	6,883	7,935
Cash flows from investing activities						
Software development	13	(1,886)	(2,719)	(5,821)	(2,443)	(2,387)
Purchase of intellectual property	13	–	–	(5,600)	(180)	–
Purchase of property, plant and equipment	14	(66)	(58)	(9)	(5)	(6)
Net cash used in investing activities		(1,952)	(2,777)	(11,430)	(2,628)	(2,393)
Cash flows from financing activities						
Proceeds from borrowings	18	–	–	–	175	–
Proceeds from issuance of preferred stock, net of transaction costs		3,750	–	14,924	–	14,924
Repurchase of common shares		–	–	(2,000)	–	(2,000)
Payment of principal portion of lease liabilities		(41)	(91)	(150)	(107)	(43)
Distributions		(200)	(300)	–	–	–
Net cash generated by/ (used in) financing activities		3,509	(391)	12,774	68	12,881
Cash and cash equivalents						
Net increase in the year		2,632	1,292	13,076	4,323	18,423
At 1 January/1 July		9	2,641	3,933	17,009	3,933
At 31 December/30 June		2,641	3,933	17,009	21,332	22,356

Notes to the Historical Financial Information

1. GENERAL INFORMATION

TinyBuild Inc. ("the Company") is a private company limited by shares, and is registered, domiciled and incorporated in Delaware, USA. The address of the registered office is 1209 Orange Street, Wilmington, New Castle, Delaware, USA.

The Group ("the Group") consists of TinyBuild Inc. and all of its subsidiaries as listed in note 15.

The Group's principal activity is that of an indie video game publisher and developer.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

This Historical Financial Information presents the financial track record of the Group for the three and a half years ended 30 June 2020 and is prepared for the purposes of admission to AIM, a market operated by the London Stock Exchange. This combined financial information has been prepared in accordance with the requirements of the AIM Rules for Companies, in accordance with this basis of preparation summarised below.

The Historical Financial Information has been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRS Interpretations Committee ("IFRIC") interpretations, as adopted by the European Union. The directors of the company are solely responsible for the preparation of this Historical Financial Information.

The Historical Financial Information is prepared in US Dollars, which is the functional currency and presentational currency of the Company and all entities within the Group. Monetary amounts in this Historical Financial Information are rounded to the nearest US Dollar.

First time adoption of IFRS

For all periods up to and including the year ended 31 December 2019, the Group prepared its statutory financial statements in accordance with US GAAP. This Historical Financial Information for the years ended 31 December 2017, 31 December 2018 and 31 December 2019 and six month periods ended 30 June 2019 and 30 June 2020, is the first financial information the Group has prepared in accordance with IFRS and the date of transition was 1 January 2017. In preparing this Historical Financial Information, the Group's opening statement of financial position was prepared as at 1 January 2017. No adjustments have been recognised as at 1 January 2017 on adoption of IFRS, therefore no reconciliation between US GAAP and IFRS is presented at this date. The impact of adopting IFRS on the periods covered by this Historical Financial Information and other prior period adjustments identified during transition to IFRS are detailed within note 29.

The principles and requirements for first time adoption of IFRS are set out in IFRS 1 'First-Time Adoption of International Financial Reporting Standards'. IFRS 1 allows first-time adopters certain exemptions from the retrospective application of certain standards in order to assist companies with the transition process. No exemptions have been applied in the preparation of the Group's first IFRS financial statements.

Basis of accounting

The Historical Financial Information has been prepared under the historical cost convention except for, where disclosed in the accounting policies, certain items show at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods, services and assets.

The preparation of Historical Financial Information in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the Historical Financial Information. If in the future, such estimates and assumptions which are based on management's best judgement at the date of the Historical Financial Information, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. Critical

accounting estimates and key sources of estimation uncertainty in applying the accounting policies are disclosed in note 3.

Basis of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date control ceases. Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. The Group elected to recognise the non-controlling interests at its proportionate share of the acquired net identifiable assets. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

After reviewing the Group's forecasts and projections and taking into account the proceeds of the Placing, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group has therefore adopted the going concern basis in preparing the Historical Financial Information.

Adoption of new and revised standards

With effect from 1 January 2017, the Group has adopted the following new IFRSs (including amendments thereto) and IFRIC interpretations, that became effective for the first time.

Standard/amendment	*Effective date*
Amendments to IAS 7: Disclosure Initiative	1 January 2017
Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
IFRS 9 Financial Instruments	1 January 2018
IFRS 15 Revenue from Contracts with Customers	1 January 2018
IFRIC 22 Foreign Currency Transactions and Advance Consideration	1 January 2018
Amendments to IFRS 2 Classification and Measurement of Share-Based Payment Transactions	1 January 2018
Annual improvements 2015-2017 cycle	1 January 2019
IFRS 16 Leases	1 January 2019
IFRIC 23 Uncertainty over Income Tax Treatments	1 January 2019
Amendments to IAS 28 Long-term Interests in Associates and Joint Ventures	1 January 2019
Conceptual Framework and amendments to references to the Conceptual Framework in IFRS Standards	1 January 2020
Amendments to IFRS 3 Business Combinations	1 January 2020
Amendments to IAS 1 and IAS 8: Definition of Material	1 January 2020
Interest Rate Benchmark Reform: amendments to IFRS 9, IAS 39 and IFRS 7	1 January 2020

The above revised standards/amendments became effective during the period covered by the Historical Financial Information and have been applied to each period presented. The impact of the new reporting standards adopted is disclosed below.

IFRS 9 'Financial Instruments'

IFRS 9 'Financial Instruments' relates to the recognition, classification and measurement of financial assets and financial liabilities. The Group previously applied the provisions of US GAAP Subtopic 326-20, which is significantly converged with IFRS 9, throughout the period covered by the Historical Financial Information.

The Group's assessment of expected credit losses is the same as previously presented, therefore there were no adjustments upon transition from US GAAP to IFRS 9.

IFRS 15 'Revenue from Contracts with Customers'

IFRS 15 introduces a new model for revenue recognition, which is based upon the transfer of control rather than the transfer of risks and rewards. The Group previously applied the provisions of US GAAP Topic 606, which is significantly converged with IFRS 15, throughout the period covered by the Historical Financial Information. On all the Group's engagement types the point at which revenue is recognised has not changed, therefore there were no adjustments upon transition from US GAAP to IFRS 15.

IFRS 16 'Leases'

IFRS 16 specifies how the Group will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. From 1 January 2017, for each lease the Group has recognised an asset reflecting the right to use the leased asset for the remaining lease term and a lease liability reflecting the obligation to make lease payments. Both the asset and the liability have been recognised on-balance sheet where previously they were off balance sheet. There has been no impact on cash flow but there has been an impact on the Statement of Comprehensive Income as the operating lease payments have been replaced with a depreciation charge on the leased asset and an interest expense on the lease liability.

The Group has taken advantage of the exemptions available under IFRS 16 not to apply the recognition and requirements of IFRS 16 to leases with a term of 12 months or less. The recognition of these exempted leases will therefore continue unchanged – a charge will be recognised in the income statement based on straight-line recognition of the lease payments payable on each lease, after adjustment for lease incentives received. These are also recognised in the operating profit note (note 7).

New and revised standards in issue but not yet effective

The following standards and interpretations relevant to the Group are in issue but are not yet effective and have not been applied in the preparation of the Historical Financial Information.

Standard/amendment	*Effective date*
Interest Rate Benchmark Reform: amendments to IFRS 9, IAS 39 and IFRS 7 – Phase 2	1 January 2021

The above standards are not expected to materially impact the Group.

Revenue recognition

IFRS 15 Revenue from Contracts with Customers has been applied for all periods presented within the Historical Financial Information.

Revenue is recognised when control of a service or product provided by the Group is transferred to the customer, in line with the Group's performance obligations in the contract, and at an amount reflecting the consideration the Group expects to receive in exchange for the provision of services.

Revenue recognition is determined in IFRS 15 by:

- identifying the contract, or contracts, with a customer;
- identifying the performance obligations in each contract;
- determining the transaction price;
- allocating the transaction price to the performance obligations in each contract; and
- recognising revenue when, or as, performance obligations are satisfied by transferring the promised goods or services.

The Group recognised revenue from the following activities:

Game and Merchandise Royalties

The Group develops and publishes video games based on its own and third-party intellectual property. The Group grants third-party distributors licences to sell these video games, and these distributors are considered to be the Group's customers when assessing revenue recognition. The majority of the Group's revenue is in the form of royalties received from third-party distributors under the licence agreements. Generally, royalty revenue earned from third-party licensees is recorded in the period earned, being the point at which the distributor sells the content to the end user, in accordance with IFRS 15. The Company occasionally will enter contracts with a fixed amount of royalty revenue in exchange for making a game available to a third-party platform for their customers to download for an agreed period of time, with minimal future performance obligations required by the Group. These contracts are determined as right to use contracts in accordance with IFRS 15 and the fixed fee is recognised upon satisfying the performance obligation of providing the game licence for the specified subscription-based platform, being the date the game is first made available on the third-party platform.

Development Services

Development advances received from distribution partners to assist with the development of game titles are recognised as a contract liability in the statement of financial position and subsequently recognised as income when distinct performance obligations set out in the contract are met. Performance obligations for development service contracts typically include the delivery of video game prototypes at various stages of completion. The transaction price for each performance obligation is generally a fixed amount which is specified in the contract. The Group allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct good or service promised in the contract. The stand-alone selling price is determined to be the price at which the Group would sell the promised good or service separately to a customer. This is not presumed to be the contractually stated price in the contract, but management consider this to be an appropriate estimate as it is the agreed price the customer is willing to pay. Where the stand-alone selling price is not directly observable, the Group estimates it using an adjusted market assessment approach. The Group evaluates the video game market and estimates the price that a customer would be willing to pay for the goods and services.

The Group recognises revenue over time for certain contracts where the Group transfers control of the product over time and one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs it;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Revenue is recognised over time as management consider that the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Management consider that this input method based on a time and materials basis is a faithful depiction of the Group's performance of satisfying the single performance obligation as it is a direct measurement of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract. Payment is typically due upon milestones specified in the contract. When payment from a customer is received in advance of performance obligations being satisfied, a contract liability is recognised within trade and other payables. There is not considered to be a significant financing component in these contracts with customers as the period between the recognition of revenue and the milestone payment is always less than one year.

Event Revenue

Event revenue is recognised at the conclusion of each event.

In cases where the invoices raised exceed the services rendered, a contract liability representing advances or deferred income is recognised.

Foreign currencies

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Research and development expenditure

Expenditure on research activities as defined in IFRS is recognised in the income statement as an expense is incurred.

Expenditure on internally developed software products and substantial enhancements to existing software product is recognised as intangible assets only when the following criteria are met:

1. It is technically feasible to develop the product to be used or sold;
2. There is an intention to complete and use or sell the product;
3. The Group is able to use or sell the product;
4. Use or sale of the product will generate future economic benefits;
5. Adequate resources are available to complete the development; and
6. Expenditure on the development of the product can be measured reliably.

The capitalised expenditure represents costs directly attributable to the development of the asset from the point at which the above criteria are met up to the point at which the product is ready for use. If the qualifying conditions are not met, such development expenditure is recognised as an expense in the period in which it is incurred. No research and development expenditure has been recognised as an expense.

Development costs largely relate to amounts paid to external developers, consultancy costs and the direct payroll costs of the internal development teams. Capitalised development expenditure is reviewed at the end of each accounting period for conditions set out above and indicators of impairment. Intangible assets that are not yet available for use are tested for impairment annually by comparing their carrying amount with their recoverable amount based on cash flow forecasts for the developed products.

Amortisation is charged on a straight-line basis over the useful life of the related asset which management estimate to be two years.

Finance income and costs

Finance costs comprise interest charged on liabilities and finance costs accruing from lease liabilities.

Interest income and interest payable are recognised in the statement of comprehensive income as they accrue, using the effective interest method.

EBITDA and Adjusted EBITDA

Earnings before Interest, Taxation, Depreciation and Amortisation ("EBITDA") and Adjusted EBITDA are non-GAAP measures used by management to assess the operating performance of the Group. EBITDA is defined as profit before finance costs, tax, depreciation and amortisation (excluding amortisation of capitalised software development costs). Share-based payment costs are excluded from EBITDA to calculate Adjusted EBITDA.

The Directors primarily use the Adjusted EBITDA measure when making decisions about the Group's activities. As these are non-GAAP measures, EBITDA and Adjusted EBITDA measures used by other entities may not be calculated in the same way and hence are not directly comparable.

Segmental reporting

The Group reports its business activities in one area: video games development, which is reported in a manner consistent with the internal reporting to the Board of directors, which has been identified as the chief operating decision maker.

Property, plant and equipment

Property, plant and equipment are initially recognised at cost of purchase or construction, which includes any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

After initial recognition, items of property, plant and equipment are carried at cost less any accumulated depreciation and impairment losses.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over its useful economic life as follows:

Fixtures, fittings and equipment	5 – 7 years straight line

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets other than goodwill

The Group has two categories of intangible assets:

Purchased intellectual property

The Group purchases intellectual property related to video games. At the time of purchase, the Group estimates the useful life of the intellectual property for financial reporting purposes and recognises amortisation on a straight-line basis over the useful life of the asset, typically 7 years.

Purchased intellectual property is reviewed for impairment at each reporting date or when events and circumstances indicate an impairment. The Group determined that an impairment charge was not necessary during the period covered by the Historical Financial Information.

Software development costs

The Group incurs software development costs through game studios within the Group's control pursuant to IAS 38. Costs are amortised upon release of the game on a diminishing balance basis over its estimated useful life, typically one to two years.

The Group capitalises external costs for localisation and porting of games as software development costs pursuant to IAS 38. Costs are amortised upon release of the game using the straight-line method over its estimated useful life, typically two years.

Development advances paid to external developers for the development of specified games are capitalised as incurred. Amortisation commences upon release of the specified games on a diminishing balance basis, reflecting the pattern in which the asset's future economic benefits are expected to be consumed.

Impairment of property, plant and equipment and of intangible assets, including right-of-use assets

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

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

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

Financial instruments

Financial assets and liabilities are recognised on the statement of financial position when the Group has become party to the contractual provisions of the instrument. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Trade and other receivables

Trade and other receivables that do not have a significant financing component are initially recognised at transaction price and thereafter are measured at amortised cost using the effective interest method. Other receivables are stated at their transaction price (discounted if material) less any impairment losses.

Platform receivables are stated at the estimated amount management expects to collect from each platform, net of the applicable fees. Management estimates this amount monthly based on preliminary sales reports provided by each platform. Credit terms are typically 30 to 45 days.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Classification and subsequent measurement of financial liabilities

The Group's financial liabilities include borrowings, trade and other payables and lease liabilities.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all its liabilities. Financial liabilities are measured subsequently at amortised cost using the effective interest rate method.

Trade and other payables

Trade and other payables and borrowings are initially recognised at fair value less transaction costs and subsequently measured at amortised cost using the effective interest rate method, with all movements being recognised in the statement of profit and loss. Cost approximates to fair value.

Equity

Equity instruments issued are recorded at fair value on initial recognition net of transaction costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Impairment of financial assets under IFRS 9

The Group assesses, on a forward-looking basis, the expected credit losses associated with its financial assets measured at amortised cost. The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. The Group recognises twelve month expected credit losses if there has not been a significant increase in credit risk and lifetime expected credit losses if there has been a significant increase in credit risk. Significant financial difficulties of the customer, probability that the customer will enter bankruptcy or financial reorganisation default or delinquency in payments, and the unavailability of credit insurance at commercial rates are considered indicators that the receivable may be impaired.

Financial assets are written off when there is no reasonable expectation of recovery. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in the Statement of Comprehensive Income.

Platform receivables

To measure the expected credit losses, trade and other receivables, including platform receivables, have been grouped based on shared credit risk characteristics and the days past due. For other financial assets at amortised cost, the Group determines whether there has been a significant increase in credit risk since initial recognition.

Employee benefits

The Group operates a defined contribution money purchase pension scheme under which it pays contributions based upon a percentage of the members' basic salary.

Contributions to defined contribution pension schemes are charged to the Statement of Comprehensive Income and differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Share-based payments

The Group operates a number of equity-settled, share-based compensation plans, under which the Group receives services from employees as consideration for equity instruments (options) of the company. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. A credit is recognised directly in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

– including any market performance conditions (for example, an entity's share price);
– excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
– including the impact of any non-vesting conditions (for example, the requirement for employees to save). Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. For share options which vest in instalments over the vesting period, each instalment is treated as a separate share option grant, each with a different vesting period.

At the end of each reporting period, the company revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the statement of comprehensive income, with a corresponding adjustment to equity.

Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except if it arises from transactions or events that are recognised in other comprehensive income or directly in equity. In this case, the tax is recognised in other comprehensive income or directly in equity, respectively. Where tax arises from the initial accounting for a business combination, it is included in the accounting for the business combination.

Current tax

Tax currently payable is based on the taxable profit for the year and is calculated using the tax rates in force or substantively enacted at the reporting date. Taxable profit differs from accounting profit either because some income and expenses are never taxable or deductible, or deductible in other years.

Deferred tax

Using the statement of financial position asset and liability method, deferred tax is recognised in respect of all temporary differences between the carrying value of assets and liabilities in the consolidated statement of financial position and the corresponding tax base, with the exception of temporary differences arising from goodwill or from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax assets and liabilities reflect the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its asset and liabilities.

Deferred tax assets are recognised only to the extent that the Group considers that it is probable (i.e. more likely than not) that there will be sufficient taxable profits available for the asset to be utilised within the same tax jurisdiction. Deferred tax assets and liabilities are offset only when there is a legally enforceable right to offset current tax assets against current tax liabilities, they relate to the same tax authority and the Group's intention is to settle the amounts on a net basis.

Since the Group is able to control the timing of the reversal of the temporary difference associated with interests in subsidiaries, a deferred tax liability is recognised only when it is probable that the temporary difference will reverse in the foreseeable future mainly because of a dividend distribution.

At present, no provision is made for the additional tax that would be payable if the subsidiaries in certain countries remitted their profits because such remittances are not probable, as the Group intends to retain the funds to finance organic growth locally.

Leases

On commencement of a contract (or part of a contract) which gives the Company the right to use an asset for a period of time in exchange for consideration, the Company recognises a right-of-use asset and a lease liability unless the lease qualifies as a 'short-term' lease or a 'low-value' lease.

Short-term leases

Where the lease term is twelve months or less and the lease does not contain an option to purchase the leased asset, lease payments are recognised as an expense on a straight-line basis over the lease term.

Leases of low-value assets

For leases where the underlying asset is 'low-value', lease payments are recognised as an expense on a straight-line basis over the lease term.

Initial and subsequent measurement of the right-of-use asset

A right-of-use asset is recognised at commencement of the lease and initially measured at the amount of the lease liability, plus any incremental costs of obtaining the lease and any lease payments made at or before the leased asset is available for use by the Group.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses. The depreciation methods applied are as follows:

Leased property	on a straight-line basis over the shorter of the lease term and the useful life

The right-of-use asset is adjusted for any re-measurement of the lease liability and lease modifications.

Initial measurement of the lease liability

The lease liability is initially measured at the present value of the lease payments during the lease term discounted using the interest rate implicit in the lease, or the incremental borrowing rate if the interest rate implicit in the lease cannot be readily determined.

The lease term is the non-cancellable period of the lease plus additional periods arising from extension options that the Group is reasonably certain to exercise and termination options that the Group is reasonably certain not to exercise.

Subsequent measurement of the lease liability

The lease liability is subsequently increased for a constant periodic rate of interest on the remaining balance of the lease liability and reduced for lease payments.

Interest on the lease liability is recognised in profit or loss, unless interest is directly attributable to qualifying assets, in which case it is capitalised in accordance with the Group's policy on borrowing costs.

Remeasurement of the lease liability

The lease liability is adjusted for changes arising from the original terms and conditions of the lease that change the lease term, the Group's assessment of its option to purchase the leased asset, the amount expected to be payable under a residual value guarantee and/or changes in lease payments due to a change in an index or rate. The adjustment to the lease liability is recognised when the change takes effect and is adjusted against the right-of-use asset, unless the carrying amount of the right-of-use asset is reduced to nil, when any further adjustment is recognised in profit or loss. On termination of leases, the right-of-use asset and lease liability are reduced, with any resulting gain or loss being recognised in profit or loss.

Adjustments to the lease payments arising from a change in the lease term or the lessee's assessment of its option to purchase the leased asset are discounted using a revised discount rate. The revised discount rate is calculated as the interest rate implicit in the lease for the remainder of the lease term, or if that rate cannot be readily determined, the lessee's incremental borrowing rate at the date of reassessment.

Changes to the amounts expected to be payable under a residual value guarantee and changes to lease payments due to a change in an index or rate are recognised when the change takes effect and are discounted at the original discount rate unless the change is due to a change in floating interest rates, when the discount rate is revised to reflect the changes in interest rate.

Lease modifications

A lease modification is a change that was not part of the original terms and conditions of the lease and is accounted for as a separate lease if it increases the scope of the lease by adding the right to use one or more additional assets with a commensurate adjustment to the payments under the lease.

For a lease modification not accounted for as a separate lease, the lease liability is adjusted for the revised lease payments, discounted using a revised discount rate. The revised discount rate used is the interest rate implicit in the lease for the remainder of the lease term, or if that rate cannot be readily determined, the lessee company's incremental borrowing rate at the date of the modification.

Where the lease modification decreases the scope of the lease, the carrying amount of the right-of-use asset is reduced to reflect the partial or full termination of the lease. Any difference between the adjustment to the lease liability and the adjustment to the right-of-use asset is recognised in profit or loss.

For all other lease modifications, the adjustment to the lease liability is recognised as an adjustment to the right-of-use asset.

Equity

Equity instruments are contracts that give a residual interest in the net assets of an entity. Common shares are classified as equity. Equity instruments issued are recognised at the amount of proceeds received net of costs directly attributable to the transaction.

3. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Judgements

In the course of preparing the Historical Financial Information, judgements have been made in the process of applying the accounting policies that have had a significant effect in the amounts recognised in the Historical Financial Information. The following are the areas requiring the use of judgements that may significantly impact the Historical Financial Information.

Capitalisation of development expenditure

Management has to make judgements as to whether development expenditure has met the criteria for capitalisation or whether it should be expensed in the year. Development expenditure is capitalised only after its reliable measurement, technical feasibility and commercial viability can be demonstrated.

Right-of-use assets and lease liabilities

In determining the lease term, the Group assesses whether it is reasonably certain to exercise, or not to exercise, options to extend or terminate a lease. This assessment is made at the start of the lease and is re-assessed if significant events of changes in circumstances occur that are within the lessee's control. Right-of-use assets and lease liabilities are remeasured where the termination of a lease is considered reasonably certain, and the value of the lease payments due are known.

Estimates

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. Estimates include:

Share based payment charge

In relation to equity-settled remuneration schemes, employee services received, and the corresponding increase in equity, are measured by reference to the fair value of the equity instruments at the date of grant. The fair value of share options is estimated by using the Black-Scholes valuation model on the date of grant, based on certain assumptions. A movement of 1 per cent. in the grant-date fair value of the equity instruments would result in a charge/credit of $31,000 (2019: $28,000, 2018: $25,000, 2017: $6,000).

Measurement, useful lives and impairment of intangible assets

Purchased intellectual property is considered to have a useful economic life of seven years. Other intangible assets (except for goodwill) are also considered to have a finite useful economic life. They are amortised over their estimated useful lives that are reviewed at each reporting date. In the event of impairment, an estimate of the asset's recoverable amount is made. The value of the intangible assets are tested whenever there are indications of impairment and reviewed at each reporting date or more frequently should this be justified by internal or external events.

After assessing the carrying value of each intangible asset which is not yet ready for use at the reporting date, which is shown net of any impairment charge posted, the Directors are confident that the forecast cash generation is in excess of the intangible asset held. The forecast cash generation is taken from the Group's forecasts which cover the trading expectations for a minimum of two years after the reporting date. The forecast revenue and cash generation from each intangible asset are separately identifiable within the Group forecasts. The forecast cash generation represents significant assumptions regarding its commercial performance, should the assumptions prove to be significantly incorrect there would be a risk of material adjustment in the financial year following the release of that product.

4. SEGMENTAL REPORTING

IFRS 8 Operating Segments requires that operating segments be identified on the basis of internal reporting and decision-making. The Group identifies operating segments based on internal management reporting that is regularly reported to and reviewed by the Board of directors, which is identified as the chief operating decision maker. Management information is reported as one operating segment, being revenue from self-published franchises and other revenue streams such as royalties, licensing, development and events.

Whilst the chief operating decision maker considers there to be only one segment, the Company's portfolio of games is split between those based on IP owned by the Group and IP owned by a third party and hence to aid the readers understanding of our results, the split of revenue from these two categories are shown below:

	Year ended 31 December 2017	*Year ended 31 December 2018*	*Year ended 31 December 2019*	*Six months ended 30 June 2020*	*Six months ended 30 June 2019 (unaudited)*
	$'000	*$'000*	*$'000*	*$'000*	*$'000*
Game and merchandise royalties					
Owned IP	5,664	16,298	18,628	12,242	8,209
Third-party IP	5,619	7,481	7,350	4,874	3,328
	11,283	23,779	25,978	17,116	11,537

Four customers were individually responsible for over 10 per cent. of the Group's revenues, collectively totalling approximately 73 per cent. of the Group's revenues (2019: four – 75 per cent., 2018: four – 71 per cent., 2017: two – 63 per cent.).

The Group has one right-of-use asset located overseas with a carrying value of $58,287 (2019: $67,490, 2018: $85,897, 2017: $nil). All other non-current assets are located in the US.

5. REVENUE

	Year ended 31 December 2017	*Year ended 31 December 2018*	*Year ended 31 December 2019*	*Six months ended 30 June 2020*	*Six months ended 30 June 2019 (unaudited)*
	$'000	*$'000*	*$'000*	*$'000*	*$'000*
An analysis of the Group's revenue is as follows:					
Revenue analysed by class of business					
Game and merchandise royalties	11,283	23,779	25,978	17,116	11,537
Development services	–	–	850	980	-
Events	654	1,065	1,144	414	611
	11,937	24,844	27,972	18,510	12,148
Revenue analysed by timing of revenue					
Transferred at a point in time	11,937	23,844	26,805	18,510	11,148
Transferred over time	–	1,000	1,167	–	1,000
	11,937	24,844	27,972	18,510	12,148

For royalties receivable, the Group has taken advantage of the provisions in IFRS 15.B63 to recognise royalty income in the period in which it is earned.

Management expects that contract liabilities recognised in respect of partially unsatisfied performance obligations for development contracts will be recognised as revenue within 12 months.

6. EMPLOYEES

	Year ended 31 December 2017	*Year ended 31 December 2018*	*Year ended 31 December 2019*	*Six months ended 30 June 2020*	*Six months ended 30 June 2019 (unaudited)*
	$'000	*$'000*	*$'000*	*$'000*	*$'000*
An analysis of the Group's staff costs is as follows:					
Employee benefit expense	1,943	2,454	3,033	1,191	775
Equity-settled share-based payments	1,448	1,832	9,962	3,561	4,970
Total employee benefit expense	3,391	4,286	12,995	4,752	5,745

7. OPERATING PROFIT/(LOSS)

	Year ended 31 December 2017	*Year ended 31 December 2018*	*Year ended 31 December 2019*	*Six months ended 30 June 2020*	*Six months ended 30 June 2019 (unaudited)*
	$'000	*$'000*	*$'000*	*$'000*	*$'000*
The operating profit/(loss) is arrived at after charging/(crediting):					
Net foreign exchange gains	–	(1)	(2)	–	(1)
Amortisation of intangible assets	207	135	2,493	2,580	1,086
Depreciation of property, plant and equipment – owned	23	33	39	18	20
Depreciation of property, plant and equipment – right-of-use assets	40	85	145	100	44
Operating lease rentals – short-term leases	30	18	46	11	23

8. FINANCE COSTS

	Year ended 31 December 2017	*Year ended 31 December 2018*	*Year ended 31 December 2019*	*Six months ended 30 June 2020*	*Six months ended 30 June 2019 (unaudited)*
	$'000	*$'000*	*$'000*	*$'000*	*$'000*
Lease finance costs	2	3	16	11	3

9. FINANCE INCOME

	Year ended 31 December 2017	*Year ended 31 December 2018*	*Year ended 31 December 2019*	*Six months ended 30 June 2020*	*Six months ended 30 June 2019 (unaudited)*
	$'000	*$'000*	*$'000*	*$'000*	*$'000*
Bank interest receivable	–	14	134	55	26

10. INCOME TAX EXPENSE

	Year ended 31 December 2017	*Year ended 31 December 2018*	*Year ended 31 December 2019*	*Six months ended 30 June 2020*	*Six months ended 30 June 2019 (unaudited)*
	$'000	*$'000*	*$'000*	*$'000*	*$'000*
Corporation tax:					
Current year	–	200	1,400	749	500
Deferred tax:					
Origination and reversal of timing differences	690	1,370	482	850	–
Total income tax expense	690	1,570	1,882	1,599	500

Factors affecting tax charge for the year

The tax assessed for the year is lower (year ended 31 December 2018: higher, year ended 31 December 2017: higher) than the effective rate of corporation tax as explained below:

	Year ended 31 December 2017	*Year ended 31 December 2018*	*Year ended 31 December 2019*	*Six months ended 30 June 2020*	*Six months ended 30 June 2019 (unaudited)*
	$'000	*$'000*	*$'000*	*$'000*	*$'000*
Profit/(loss) before taxation	457	4,227	(2,623)	2,668	(3,014)
Tax at the US corporation tax rate of 21%	96	888	(551)	560	(633)
Adjusted for the effects of:					
Expenses not deductible for tax purposes	417	471	2,181	848	1,074
Change in entity from LLC to Inc	97	–	–	–	–
State income taxes	82	212	249	194	69
Other	(1)	(1)	3	(3)	(10)
Total income tax expense	690	1,570	1,882	1,599	500

11. EARNINGS PER SHARE

The Group reports basic and diluted earnings per common share. Basic earnings per share is calculated by dividing the profit attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period.

Diluted earnings per share is determined by adjusting the profit attributable to common shareholders by the weighted average number of common shares outstanding, taking into account the effects of all potential dilutive common shares, including options.

	Year ended 31 December 2017	*Year ended 31 December 2018*	*Year ended 31 December 2019*	*Six months ended 30 June 2020*	*Six months ended 30 June 2019 (unaudited)*
	$'000	*$'000*	*$'000*	*$'000*	*$'000*
Total comprehensive income attributable to the owners of the company	(233)	2,521	(4,525)	1,063	(3,528)
Weighted average number of shares	385,877	1,100,352	1,061,994	1,059,052	1,064,985
Basic earnings per share ($)	(0.60)	2.29	(4.26)	1.00	(3.31)
Total comprehensive income attributable to the owners of the company	(233)	2,521	(4,525)	1,063	(3,528)
Weighted average number of shares	385,877	1,100,352	1,061,994	1,059,052	1,064,985
Dilutive effect of share options	–	125,755	–	324,315	–
Weighted average number of diluted shares	385,877	1,226,107	1,061,994	1,383,367	1,064,985
Diluted earnings per share ($)	(0.60)	2.06	(4.26)	0.77	(3.31)

Pursuant to IAS 33, options whose exercise price is higher than the value of the Company's security were not taken into account in determining the effect of dilutive instruments. The calculation of diluted earnings per share does not assume conversion, exercise, or other issue of potential common shares that would have an antidilutive effect on earnings per share.

12. ADJUSTED EBITDA

	Year ended 31 December 2017	*Year ended 31 December 2018*	*Year ended 31 December 2019*	*Six months ended 30 June 2020*	*Six months ended 30 June 2019 (unaudited)*
	$'000	*$'000*	*$'000*	*$'000*	*$'000*
Operating profit/(loss)	459	4,216	(2,741)	2,624	(3,037)
Share-based payment expenses	1,448	1,832	9,962	3,561	4,970
Amortisation of purchased intellectual property	–	–	267	402	-
Depreciation of property, plant and equipment	63	118	184	118	17
Adjusted EBITDA	1,970	6,166	7,672	6,705	1,950

13. INTANGIBLE ASSETS

	Purchased intellectual property $'000	*Software development costs $'000*	*Total $'000*
Cost:			
As at 1 January 2017	–	152	152
Additions – internally generated	–	1,886	1,886
As at 31 December 2017	–	2,038	2,038
Additions	–	2,719	2,719
As at 31 December 2018	–	4,757	4,757
Additions – internally generated	–	5,821	5,821
Additions – separately acquired	5,600	–	5,600
As at 31 December 2019	5,600	10,578	16,178
Additions – internally generated	–	2,443	2,443
Additions – separately acquired	180	–	180
As at 30 June 2020	5,780	13,021	18,801
Amortisation and impairment:			
As at 1 January 2017	–	–	-
Amortisation charge for the year	–	207	207
As at 31 December 2017	–	207	207
Amortisation charge for the year	–	135	135
As at 31 December 2018	–	342	342
Amortisation charge for the year	267	2,226	2,493
As at 31 December 2019	267	2,568	2,835
Amortisation charge for the year	402	2,178	2,580
As at 30 June 2020	669	4,746	5,415
Carrying amount:			
As at 1 January 2017	–	152	152
As at 31 December 2017	–	1,831	1,831
As at 31 December 2018	–	4,415	4,415
As at 31 December 2019	5,333	8,010	13,343
As at 30 June 2020	5,111	8,275	13,386

Purchased intellectual property relates to the intellectual property rights to the certain games and franchises. The intellectual property is considered to have a useful life of 7 years and is amortised on a straight-line basis over the useful life. The intellectual property is assessed for impairment at least annually, or more frequently if there are indicators of impairment. A formal impairment review is only undertaken if there are indicators of impairment. Any impairment is recognised immediately within cost of sales in the Statement of Comprehensive Income. During 2019, the Group purchased the intellectual property rights to the Hello Neighbor franchise and all associated rights for consideration totalling $5.6m. In the six months ended 30 June 2020, the Group purchased the intellectual property rights to two video games for total consideration of $180,000.

Software development costs relate to costs incurred for the localisation and porting of games advances payable to external developers under development agreements and the direct payroll and overhead costs of the internal development teams. Amortisation of software development costs commences upon release of the game and is recognised within cost of sales in the Statement of Comprehensive Income. Included within software development costs is $1,131,000 (31 December 2019: $468,000, 31 December 2018: $Nil, 31 December 2017: $Nil, 1 January 2017: $Nil) relating to intangible assets under construction for which amortisation has not yet commenced.

14. PROPERTY, PLANT AND EQUIPMENT

	Right-of-use assets (note 20) $'000	*Fixtures, fittings and equipment $'000*	*Total $'000*
Cost:			
As at 1 January 2017	–	82	82
Additions	139	66	205
As at 31 December 2017	139	148	287
Additions	92	58	150
As at 31 December 2018	231	206	437
Additions	913	9	922
As at 31 December 2019	1,144	215	1,359
Additions	–	5	5
As at 30 June 2020	1,144	220	1,364
Depreciation and impairment:			
As at 1 January 2017	–	19	19
Charge for the year	40	23	63
As at 31 December 2017	40	42	82
Charge for the year	85	33	118
As at 31 December 2018	125	75	200
Charge for the year	145	39	184
As at 31 December 2019	270	114	384
Charge for the year	100	18	118
As at 30 June 2020	370	132	502
Carrying amount:			
As at 1 January 2017	–	63	63
As at 31 December 2017	99	106	205
As at 31 December 2018	106	131	237
As at 31 December 2019	874	101	975
As at 30 June 2020	774	88	862

Depreciation and impairment of property, plant and equipment is recognised within administrative expenses in the Statement of Comprehensive Income.

15. INVESTMENTS

Name of subsidiary	*Principal activity*	*Country of incorporation and registered office*	*Proportion of ownership interest and voting rights held*
tinyBuild LLC	Video game development	3831 152nd Place SE, Bothell, WA 98012, USA	100%
tinyBuild BV	Video game development	Wandelpad 30, 1211 GN Gemeente Hilversum, Netherlands	100%
tinyBuild Studios, SIA	Video game development	Lacplesa 52-77, 1011 Riga, Latvia	100%
Pine Events Inc.	Gaming events	1100 Bellevue Way NE, Bellevue, WA 98004, USA	56%
DevGAMM LLC	Gaming events	3831 152nd Place SE, Bothell, WA 98012, USA	60%
HakJak Studios LLC	Video game development	1100 Bellevue Way NE, Bellevue, WA 98004, USA	100%

No subsidiary undertakings have been excluded from the consolidation. A new subsidiary, tinyBuilding LLC was formed and subsequently dissolved in 2019.

DevGAMM LLC contributed $401,000 to the Group's revenue in the six months ended 30 June 2020 (Years ended 31 December 2019: $1,132,000, 2018: $1,065,000, 2017: $Nil). Other than DevGAMM LLC's revenue, the revenue, net assets and cash flows of all non-controlling interests are not considered to be material to the group.

16. TRADE AND OTHER RECEIVABLES

	As at 1 January 2017 $'000	*As at 31 December 2017 $'000*	*As at 31 December 2018 $'000*	*As at 31 December 2019 $'000*	*As at 30 June 2020 $'000*
Non-current assets					
Other receivables	–	11	16	16	16
Current assets					
Platform receivables	909	3,165	5,870	3,195	4,638
Prepaid expenses and other current assets	–	8	337	506	330
	909	3,173	6,207	3,701	4,968
Total trade and other receivables	909	3,184	6,223	3,717	4,984

All of the trade receivables were non-interest bearing, receivable under normal commercial terms. The Directors consider that the carrying value of trade and other receivables approximates to their fair value. The Group has assessed the credit risk of its financial assets measured at amortised cost and has determined that the loss allowance for expected credit losses of those assets is immaterial to the Historical Financial Information.

17. CASH AND CASH EQUIVALENTS

	As at 1 January 2017 $'000	*As at 31 December 2017 $'000*	*As at 31 December 2018 $'000*	*As at 31 December 2019 $'000*	*As at 30 June 2020 $'000*
Cash at bank and in hand	9	2,641	3,933	17,009	21,332

18. BORROWINGS

	As at 1 January 2017 $'000	*As at 31 December 2017 $'000*	*As at 31 December 2018 $'000*	*As at 31 December 2019 $'000*	*As at 30 June 2020 $'000*
Payroll protection program loan	–	–	–	–	175

On 5 May 2020, the Group received a loan of $174,696 guaranteed by the Small Business Administration under the Payroll Protection Program. The loan accrues interest at 1 per cent. Upon meeting certain criteria of the program, all or part of the loan proceeds may be forgiven. On 17 December 2020, $162,174 of the loan balance was forgiven. The remaining balance of $12,522 will be repaid by the Group to the lender. Principal and interest are payable in monthly instalments beginning 8 February 2021 up to the maturity date of 8 May 2021.

19. TRADE AND OTHER PAYABLES

	As at 1 January 2017 $'000	*As at 31 December 2017 $'000*	*As at 31 December 2018 $'000*	*As at 31 December 2019 $'000*	*As at 30 June 2020 $'000*
Trade payables	20	1,593	2,938	2,513	3,507
Accrued expenses and other current liabilities	485	311	1	3	4
Contract liabilities	–	75	125	1,225	175
	505	1,979	3,064	3,741	3,686

As at 31 December 2017, there is a balance of $300,000 within accrued expenses and other current liabilities which relates to distributions payable to members of tinyBuild LLC ($nil at each of 31 December 2018, 31 December 2019 and 30 June 2020).

Contract liabilities represent development advances received from distribution partners to aid in the development of video games. In accordance with the Group's revenue recognition accounting policy, the revenue amounting to the transaction price allocated to each distinct performance obligation is deferred and subsequently recognised when those distinct performance obligations are satisfied.

Significant changes in contract liabilities

In the year ended December 2019, the Group received two significant advances ($750,000 and $300,000) causing a significant increase in the contract liability balance. The significant decrease in the contract liability balance as at 30 June 2020 was driven by a release of $850,000 to profit or loss.

The Directors consider that the carrying value of trade and other payables approximates to their fair value.

20. LEASES

The maturity of the gross contractual undiscounted cash flows due on the Group's lease liabilities is set out below based on the period between the reporting date and the contractual maturity date.

	As at 1 January 2017 $'000	*As at 31 December 2017 $'000*	*As at 31 December 2018 $'000*	*As at 31 December 2019 $'000*	*As at 30 June 2020 $'000*
Maturity analysis:					
Within 1 year	–	84	37	198	198
Between 1 and 5 years	–	17	71	652	561
	–	101	108	850	759
Less unearned interest	–	(2)	(6)	(52)	(41)
Lease liability	–	99	102	798	718
Analysed as:					
Non-current	–	17	67	621	539
Current	–	82	35	177	179
	–	99	102	798	718

As disclosed in more detail in note 14, the carrying value of right-of-use assets in respect of the above lease liabilities is $773,739 (2019: $874,277, 2018: $105,744, 2017: $99,237, 1 January 2017: $nil).

The Group's lease arrangements are in relation to three property leases. The leases have termination dates ranging from 2020 to 2024. The Group terminated one lease early in March 2019 with no penalty and is reasonably certain that it will not activate any early termination clauses in the remaining leases.

The rates of interest implicit in the Group's lease arrangements are not readily determinable and management have determined that the incremental borrowing rate to be applied in calculating the lease liability is 3.0 per cent. The fair value of the Group's lease obligations is approximately equal to their carrying amount.

	As at 1 January 2017 $'000	*As at 31 December 2017 $'000*	*As at 31 December 2018 $'000*	*As at 31 December 2019 $'000*	*As at 30 June 2020 $'000*
Effects of leases on financial performance:					
Depreciation charge on right-of-use assets included within 'administrative expenses'	–	40	85	145	100
Interest expense on lease liabilities included within 'finance costs'	–	2	3	16	11
Expense relating to short-term leases included within 'administrative expenses'	30	18	46	11	23
	30	60	134	172	134

	As at 1 January 2017 $'000	*As at 31 December 2017 $'000*	*As at 31 December 2018 $'000*	*As at 31 December 2019 $'000*	*As at 30 June 2020 $'000*
Effects of leases on cash flows:					
Total cash outflow for leases	(30)	(59)	(136)	(162)	(113)

The Group has one property lease which has a term of 12 months and has elected to treat the lease as a short-term lease in accordance with IFRS 16. The Group is committed to minimum lease payments in respect of this lease as follows:

	As at 1 January 2017 $'000	*As at 31 December 2017 $'000*	*As at 31 December 2018 $'000*	*As at 31 December 2019 $'000*	*As at 30 June 2020 $'000*
Short-term lease commitment	–	–	–	33	–

21. FINANCIAL RISK MANAGEMENT

The Group's financial instruments at the reporting dates mainly comprise cash and various items arising directly from its operations, such as trade and other receivables and trade and other payables.

(a) Risk management policies

The Group's Directors are responsible for overviewing capital resources and maintaining efficient capital flow, together with managing the Group's market, liquidity, foreign exchange, interest and credit risk exposures.

(b) Financial assets and liabilities

Financial assets and liabilities analysed by the categories were as follows:

	As at 1 January 2017 $'000	*As at 31 December 2017 $'000*	*As at 31 December 2018 $'000*	*As at 31 December 2019 $'000*	*As at 30 June 2020 $'000*
Financial assets at amortised cost:					
Trade and other receivables	909	3,176	5,886	3,211	4,654
Cash and cash equivalents	9	2,641	3,933	17,009	21,332
	918	5,817	9,819	20,220	25,986
Financial liabilities at amortised cost:					
Borrowings	–	–	–	–	175
Trade and other payables	505	1,904	2,939	2,516	3,511
Lease liabilities	–	99	102	798	718
	505	2,003	3,041	3,314	4,404

The carrying value of all financial instruments is not materially different from their fair value. Cash and cash equivalents attract floating interest rates. Accordingly, their carrying amounts are considered to approximate to fair value.

(c) Credit risk

Credit risk is the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. Maximum credit risk at the reporting dates was as follows:

	As at 1 January 2017 $'000	*As at 31 December 2017 $'000*	*As at 31 December 2018 $'000*	*As at 31 December 2019 $'000*	*As at 30 June 2020 $'000*
Current trade and other receivables	909	3,173	6,207	3,701	4,968
Non-current trade and other receivables	–	11	16	16	16
	909	3,184	6,223	3,717	4,984

Before accepting a new customer, the Group assesses both the potential customer's credit quality and risk. Customer contracts are drafted to reduce any potential credit risk to the Group. Where appropriate the customer's recent financial statements are reviewed. The Group advances royalties to developers, giving rise to an asset. The Group is shielded from credit risk because it deducts repayments of those advances from the income received from the distributors, therefore any liquidity or other constraint the developer faces does not impact the recoverability of the prepayment.

Trade receivables are regularly reviewed for impairment loss. The Group has assessed the credit risk of its financial assets measured at amortised cost and has determined that the loss allowance for expected credit losses of those assets is immaterial to the Historical Financial Information. The Group's exposure to credit losses has historically been very low given the blue chip nature of the customers and there being no historical write offs.

Accounts receivable from the Group's four largest customers at 30 June 2020 totalled approximately $3 million (31 December 2019: $2.4 million, 31 December 2018: $3.3 million, 31 December 2017: $2.8 million)

(d) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Management monitors the level of cash and cash equivalents on a continuous basis to ensure sufficient liquidity to be able to meet the Group's obligations as they fall due.

Contractual cash flows relating to the Group's financial liabilities are as follows:

	As at 1 January 2017 $'000	*As at 31 December 2017 $'000*	*As at 31 December 2018 $'000*	*As at 31 December 2019 $'000*	*As at 30 June 2020 $'000*
Within 1 year:					
Borrowings	–	–	–	–	175
Trade payables	20	1,593	2,938	2,513	3,507
Accruals and other payables	485	311	1	3	4
Lease liabilities	–	82	35	177	179
	505	1,986	2,974	2,693	3,865
Between 1-2 years: Lease liabilities	–	17	18	182	185
Between 2-3 years: Lease liabilities	–	–	18	188	190
Between 3-4 years: Lease liabilities	–	–	19	187	164
Between 4-5 years: Lease liabilities	–	–	12	64	–
Total	505	2,003	3,041	3,314	4,404

(e) Interest rate risk

Interest rate risk is the risk that the future cash flows associated with a financial instrument will fluctuate because of changes in market interest rates. Interest on the Group's borrowings is fixed at 1 per cent. and interest rates on cash and cash equivalents are low, such that interest rate risk is minimal.

(f) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

(g) Capital management

The Group's main objective when managing capital is to protect returns to shareholders by ensuring the Group will continue to trade for the foreseeable future. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group considers its capital to include cash, share capital and retained earnings.

	As at 1 January 2017 $'000	*As at 31 December 2017 $'000*	*As at 31 December 2018 $'000*	*As at 31 December 2019 $'000*	*As at 30 June 2020 $'000*
Net cash	9	2,641	3,933	17,009	21,157
Total equity	628	5,093	9,582	27,963	32,593
	637	7,734	13,515	44,972	53,750

22. DEFERRED TAX

The deferred tax balances recognised in the consolidated statement of financial position are as follows:

	As at 1 January 2017 $'000	*As at 31 December 2017 $'000*	*As at 31 December 2018 $'000*	*As at 31 December 2019 $'000*	*As at 30 June 2020 $'000*
Deferred tax liability:					
Short term timing differences	–	690	2,060	2,542	3,392
Net deferred tax liability	–	690	2,060	2,542	3,392

The net movement is explained as follows:

	Year ended 31 December 2017 $'000	*Year ended 31 December 2018 $'000*	*Year ended 31 December 2019 $'000*	*Six months ended 30 June 2020 $'000*
Opening deferred tax liability	–	690	2,060	2,542
Charge to profit or loss	690	1,370	482	850
Closing deferred tax liability	690	2,060	2,542	3,392

23. SHARE-BASED PAYMENTS

The Group operates two share-based plans, the Equity Incentive Plan and a Stock Restriction Agreement, which are detailed as follows:

The Stock Restriction Agreement is a plan that provides for grants of Restricted Stock Awards (RSA) for the founders of the company. The awarded shares are made in the Company's common share capital. The fair value of the RSAs is estimated by using the Black-Scholes valuation model on the date of grant, based on certain assumptions, and is charged on a straight-line basis over the required service period, normally two to three years. The weighted average fair value of the 2017 grant is $8.98 per share and the 2019 grant is $40.21 per share. The RSAs vest in instalments every three months over the service period. Each instalment has been treated as a separate share option grant because each instalment has a different vesting period. This plan is equity-settled. A reconciliation of RSAs is as follows:

	Year ended 31 December 2017	*Year ended 31 December 2018*	*Year ended 31 December 2019*	*Six months ended 30 June 2020*	*Six months ended 30 June 2019 (unaudited)*
Opening RSA outstanding	–	481,404	206,316	367,730	206,316
RSA granted	550,176	–	529,531	–	529,531
RSA exercised	(68,772)	(275,088)	(368,117)	(88,255)	(211,090)
Closing RSA outstanding	481,404	206,316	367,730	279,475	524,757
Exercise price per RSA	–	–	–	–	–
Weighted average remaining contractual life in years	1.75	0.75	2.08	1.58	2.28

The company has an Equity Incentive Plan that provides for the issuance of non-qualified stock options to officers and other employees that have a contracted term of 10 years and generally vest over four years. The stock options are granted on shares issued by the company. A reconciliation of share option movements is shown below:

	Number of options outstanding	*Weighted average exercise price ($)*	*Number of options exercisable*	*Weighted average exercise price ($)*	*Weighted average remaining contractual life (years)*
At 1 January 2017	–	–	–	–	–
Granted during the year	–	–			
At 31 December 2017	–	–	–	–	–
Granted during the year	10,061	8.98			
At 31 December 2018	10,061	8.98	3,773	8.98	9.03
Granted during the year	4,401	42.43			
At 31 December 2019	14,462	19.16	7,310	8.98	8.43
Granted during the period	3,972	42.43			
At 30 June 2020	18,434	24.17	9,378	13.55	8.33

During the period covered by the Historical Financial Information, no options were exercised, expired or forfeited. Options granted during the year were valued using the Black-Scholes option-pricing model. No performance conditions were included in the fair value calculations. The fair value per option granted during the period covered by the Historical Financial Information and the assumptions used in the calculation are as follows:

	Grant date			
	11 January 2018	*11 January 2018*	*1 May 2019*	*17 April 2020*
Share price at grant date	$8.98	$8.98	$34.46	$70.13
Exercise price	$8.98	$8.98	$42.43	$42.43
Weighted average option life	6.25	5.00	6.25	6.25
Expected volatility	52.98%	52.98%	52.98%	60.00%
Expected dividends	0.00%	0.00%	0.00%	0.00%
Discount rate	1.28%	1.28%	2.51%	0.25%
Weighted average fair value per option	$4.60	$4.17	$16.51	$46.22

Expected volatility is estimated based on the closest Treasury rate to the expected term and the historical volatility of comparable public peers over the same period.

24. SHARE CAPITAL

	As at 1 January 2017 No.	*As at 31 December 2017 No.*	*As at 31 December 2018 No.*	*As at 31 December 2019 No.*	*As at 30 June 2020 No.*
Class of share					
Common shares of $0.001 each	–	1,100,352	1,100,352	1,059,052	1,059,052
Series Seed preferred shares of $0.001 each	–	125,755	125,755	125,755	125,755
Series A preferred shares of $0.001 each	–	–	–	198,560	198,560

	As at 1 January 2017 $'000	*As at 31 December 2017 $'000*	*As at 31 December 2018 $'000*	*As at 31 December 2019 $'000*	*As at 30 June 2020 $'000*
Class of share					
Common shares of $0.001 each	–	1	1	1	1
Series Seed preferred shares of $0.001 each	–	–	–	–	–
Series A preferred shares of $0.001 each	–	–	–	–	–
	–	1	1	1	1

During the year ended 31 December 2019, the Group repurchased 41,300 common shares.

During the year ended 31 December 2017, the Group issued 125,755 Series Seed preferred shares for fully paid consideration totalling $3,750,014. Share premium of $3,749,888 has been recognised in respect of this share issue.

During the year ended 31 December 2019, the Group issued 198,560 Series A preferred shares for fully paid consideration totalling $15,000,000, net of direct issue costs of $75,831. Share premium of $14,923,970 has been recognised in respect of this share issue.

Common shares

Each common share entitles the holder to one vote at general meetings of the company, to participate in dividends and to share in the proceeds of winding up the company. As disclosed in note 23, a number of common shares are subject to a restriction agreement.

Preferred shares

Each preferred share is convertible at any time at the option of the holder into one common share. Each preferred share entitles the holder to one vote at general meetings of the company, to participate in dividends and to share in the proceeds of winding up the company in preference to any declaration or payment to holders of common shares.

25. CASH GENERATED FROM OPERATIONS

	Year ended 31 December 2017 $'000	*Year ended 31 December 2018 $'000*	*Year ended 31 December 2019 $'000*	*Six months ended 30 June 2020 $'000*	*Six months ended 30 June 2019 (unaudited) $'000*
(Loss)/profit for the year	(233)	2,657	(4,505)	1,069	(3,514)
Adjustments for:					
Share-based payments	1,448	1,832	9,962	3,561	4,970
Amortisation of intangible assets	207	135	2,493	2,580	1,086
Depreciation of tangible fixed assets	62	119	184	118	44
Foreign exchange (gains)/losses	–	(1)	(2)	–	(1)
Finance costs	2	3	16	11	3
Movements in working capital:					
(Increase)/decrease in receivables	(2,275)	(3,039)	2,425	(1,251)	3,962
Increase/(decrease) in payables	1,864	2,754	1,159	795	1,385
Cash generated from operations	1,075	4,460	11,732	6,883	7,935

Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

	As at 1 January 2017 $'000	*Cash flows $'000*	*Non-cash movements $'000*	*As at 31 December 2017 $'000*
Cash and cash equivalents	9	2,632	–	2,641
Lease liabilities	–	41	(141)	(100)
Net debt	9	2,673	(141)	2,541

	As at 1 January 2018 $'000	*Cash flows $'000*	*Non-cash movements $'000*	*As at 31 December 2018 $'000*
Cash and cash equivalents	2,641	1,292	–	3,933
Lease liabilities	(100)	91	(93)	(102)
Net debt	2,541	1,383	(93)	3,831

	As at 1 January 2019 $'000	*Cash flows $'000*	*Non-cash movements $'000*	*As at 31 December 2019 $'000*
Cash and cash equivalents	3,933	13,076	–	17,009
Lease liabilities	(102)	150	(846)	(798)
Net debt	3,831	13,226	(846)	16,211

	As at 1 January 2019 $'000	*Cash flows $'000*	*Non-cash movements $'000*	*As at 31 December 2019 $'000*
Cash and cash equivalents	17,009	4,323	–	21,332
Borrowings	–	(175)	–	(175)
Lease liabilities	(798)	107	(28)	(719)
Net debt	16,211	4,255	(28)	20,438

26. RELATED PARTY TRANSACTIONS

Interests in subsidiaries are set out in note 15.

The directors are considered to be the only key management personnel of the group. An analysis of key management personnel remuneration is set out below:

	Year ended 31 December 2017 $'000	*Year ended 31 December 2018 $'000*	*Year ended 31 December 2019 $'000*	*Six months ended 30 June 2020 $'000*	*Six months ended 30 June 2019 (unaudited) $'000*
Key management personnel remuneration					
Aggregate emoluments	1,270	1,085	1,635	410	817
Equity-settled share-based payments	1,449	1,841	9,938	5,789	4,976
	2,719	2,926	11,573	6,199	5,793

Transactions with other related parties

The Group purchased goods and services totalling $73,000 during the year ended 31 December 2017 from an entity related to one of the directors.

The wife of the Company's CEO is a member and manager of DevGAMM LLC and pursuant to an agreement tied to her continued service to DevGAMM LLC, her membership interest in the company increased from 20 per cent. in 2018 to 40 per cent by 30 June 2020.

There were no other related party transactions during the period covered by the Historical Financial Information which require disclosure.

27. ULTIMATE CONTROLLING PARTY

The Company's ultimate controlling party is Alex Nichiporchik.

28. POST BALANCE SHEET EVENTS

On 17 December 2020, $162,174 of the loan balance was forgiven and a credit has been recognised in profit or loss.

On 11 January 2021 the membership interest in DevGAMM LLC of the wife of the Company's CEO increased by an additional 11 per cent. to 51 per cent. pursuant to an agreement tied to her continued service to DevGAMM LLC. From 11 January 2021 tinyBuild, Inc. owned 49 per cent. of the share capital of DevGAMM LLC.

Subsequent to 30 June 2020, the Group has acquired the intellectual property rights to four games for consideration (excluding earnout payments) totalling $2,833,500.

29. TRANSITION TO IFRS

This is the Group's first consolidated financial information prepared in accordance with IFRSs as at, and for the years ended 31 December 2017, 31 December 2018 and 31 December 2019 and six months ended 30 June 2020. The accounting policies set out in note 2 have been applied in preparing the financial information for the years ended 31 December 2017, 31 December 2018 and 31 December 2019 and six months ended 30 June 2020, and in the preparation of an opening IFRS balance sheet at 1 January 2017 (the Group's date of transition).

The Group's first-time adoption did not have an impact on other comprehensive income or the total operating, investing or financing cash flows of the Group at 1 January 2017 and so no restatement of these are shown as at the date of transition.

In preparing its IFRS balance sheets for the period covered by the Historical Financial Information, the Group has had to adjust amounts reported previously in financial statements prepared under US GAAP as shown below. The 'other adjustments' reflect correction of errors identified in the preparation of the Group's IFRS Historical Financial Information.

Group reconciliation of total comprehensive income for the year ended 31 December 2017

	As previously reported for year ended 31 December 2017 $'000	*IFRS adjustments $'000*	*Other adjustments $'000*	*As reported under IFRS for year ended 31 December 2017 $'000*
Revenue	11,937	–	–	11,937
Cost of sales	(6,150)	–	–	(6,150)
Gross profit	5,787	–	–	5,787
Administrative expenses:				
– General administrative expenses	(3,882)	2	–	(3,880)
– Share-based payment expenses	(617)	(831)	–	(1,448)
Total administrative expenses	(4,499)	(829)	–	(5,328)
Operating profit	1,288	(829)	–	459
Finance costs	–	(2)	–	(2)
Finance income	–	–	–	–
Profit before taxation	1,288	(831)	–	457
Income tax expense	(690)	–	–	(690)
Profit/(loss) for the year	598	(831)	–	(233)

Group reconciliation of equity as at 31 December 2017

	As previously reported at 31 December 2017 $'000	*IFRS adjustments $'000*	*Other adjustments $'000*	*As reported under IFRS at 31 December 2017 $'000*
ASSETS				
Property, plant and equipment:				
– owned assets	106	–	–	106
– right-of-use assets	–	99	–	99
Trade and other receivables – after one year	1,842	–	–	1,842
Trade and other receivables – within one year	3,173	–	–	3,173
Cash and cash equivalents	2,641	–	–	2,641
Total assets	7,762	99	–	7,861
EQUITY				
Share capital	4,368	–	(4,367)	1
Share premium	–	–	3,750	3,750
Retained earnings	725	–	617	1,342
Total equity	5,093	–	–	5,093
LIABILITIES				
Lease liabilities – after one year	–	17	–	17
Deferred tax liabilities	690	–	–	690
Trade and other payables	1,979	–	–	1,979
Lease liabilities – within one year	–	82	–	82
Total liabilities	2,669	99	–	2,768
Total equity and liabilities	7,762	99	–	7,861

The adjustments relate to:

IFRS adjustments:

- Recognition of right-of-use assets ($99,000) and lease liabilities ($99,000) in accordance with IFRS 16.
- Lease payments and depreciation recognised under IFRS 16 ($2,000), decreasing general administrative expenses.
- Interest charge payable on leases under IFRS 16 of $2,000, increasing finance costs.
- Graded vesting share-based payment adjustment ($831,000), increasing share-based payment expenses and increasing retained earnings.

Other adjustments:

- Reallocation of share-based payment charge ($617,000) which had been credited to share capital instead of retained earnings in the previous US GAAP financial statements in error, increasing retained earnings and decreasing share capital.
- Reallocation of premium paid above the par value of share capital ($3,750,000), increasing share premium and decreasing share capital.

Group reconciliation of total comprehensive income for the year ended 31 December 2018

	As previously reported for year ended 31 December 2018 $'000	*IFRS adjustments $'000*	*Other adjustments $'000*	*As reported under IFRS for year ended 31 December 2018 $'000*
Revenue	24,844	–	–	24,844
Cost of sales	(13,865)	–	(48)	(13,913)
Gross profit	10,979	–	(48)	10,931
Administrative expenses:				
– General administrative expenses	(4,938)	7	48	(4,883)
– Share-based payment expenses	(2,469)	637	–	(1,832)
Total administrative expenses	(7,407)	644	48	(6,715)
Operating profit	3,572	644	–	4,216
Finance costs	–	(3)	–	(3)
Finance income	14	–	–	14
Profit before taxation	3,586	641	–	4,227
Income tax expense	(1,570)	–	–	(1,570)
Profit for the year	2,016	641	–	2,657

Group reconciliation of equity as at 31 December 2018

	As previously reported at 31 December 2018 $'000	*IFRS adjustments $'000*	*Other adjustments $'000*	*As reported under IFRS at ended 31 December 2018 $'000*
ASSETS				
Intangible assets	720	–	3,695	4,415
Property, plant and equipment:				
– owned assets	131	–	–	131
– right-of-use assets	–	106	–	106
Trade and other receivables – after one year	3,711	–	(3,695)	16
Trade and other receivables – within one year	6,207	–	–	6,207
Cash and cash equivalents	3,933	–	–	3,933
Total assets	14,702	106	–	14,808
EQUITY				
Share capital	6,838	–	(6,837)	1
Share premium	–	–	3,750	3,750
Retained earnings	2,604	4	3,087	5,695
Non-controlling interest	136	–	–	136
Total equity	9,578	4	–	9,582
LIABILITIES				
Lease liabilities – after one year	–	67	–	67
Deferred tax liabilities	2,060	–	–	2,060
Trade and other payables	3,064	–	–	3,064
Lease liabilities – within one year	–	35	–	35
Total liabilities	5,124	102	–	5,226
Total equity and liabilities	14,702	106	–	14,808

The adjustments relate to:

IFRS adjustments:

- Recognition of right-of-use assets ($106,000) and lease liabilities ($102,000) in accordance with IFRS 16.
- Lease payments, depreciation and foreign exchange recognised under IFRS 16 ($7,000), decreasing general administrative expenses.
- Interest charge payable on leases under IFRS 16 ($3,000), increasing finance costs.
- Graded vesting share-based payment adjustment ($637,000), decreasing share-based payment expenses and decreasing retained earnings.

Other adjustments:

- Reallocation of share-based payment charge ($3,087,000) which had been credited to share capital instead of retained earnings in the previous US GAAP financial statements in error, increasing retained earnings and decreasing share capital.
- Reallocation of premium paid above the par value of share capital ($3,750,000), increasing share premium and decreasing share capital.
- Capitalisation of software development costs ($3,695,000), increasing intangible assets and decreasing non-current trade and other receivables.

- Reallocation of amortisation of software development costs ($48,000), increasing cost of sales and decreasing general administrative expenses.

Group reconciliation of total comprehensive income for the year ended 31 December 2019

	As previously reported for year ended 31 December 2019 $'000	*IFRS adjustments $'000*	*Other adjustments $'000*	*As reported under IFRS for ended 31 December 2019 $'000*
Revenue	27,972	–	–	27,972
Cost of sales	(13,300)	–	(345)	(13,645)
Gross profit	14,672	–	(345)	14,327
Administrative expenses:				
– General administrative expenses	(7,659)	7	546	(7,106)
– Share-based payment expenses	(2,823)	(5,874)	(1,265)	(9,962)
Total administrative expenses	(10,482)	(5,867)	(719)	(17,068)
Operating profit	4,190	(5,867)	(1,064)	(2,741)
Finance costs	–	(16)	–	(16)
Finance income	134	–	–	134
Profit before taxation	4,324	(5,883)	(1,064)	(2,623)
Income tax expense	(1,840)	–	(42)	(1,882)
Profit for the year	2,484	(5,883)	(1,106)	(4,505)

Group reconciliation of equity as at 31 December 2019

	As previously reported at 31 December 2019 $'000	*IFRS adjustments $'000*	*Other adjustments $'000*	*As reported under IFRS at ended 31 December 2019 $'000*
ASSETS				
Intangible assets	6,674	–	6,669	13,343
Property, plant and equipment:				
– owned assets	101	–	–	101
– right-of-use assets	–	874	–	874
Trade and other receivables – after one year	6,484	–	(6,468)	16
Trade and other receivables – within one year	3,782	(81)	–	3,701
Cash and cash equivalents	17,009	–	–	17,009
Total assets	34,050	793	201	35,044
EQUITY				
Share capital	24,585	–	(24,584)	1
Share premium	–	–	18,674	18,674
Retained earnings	3,068	(5)	6,069	9,132
Non-controlling interest	156	–	–	156
Total equity	27,809	(5)	159	27,963
LIABILITIES				
Lease liabilities – after one year	–	621	–	621
Deferred tax liabilities	2,500	–	42	2,542
Trade and other payables	3,741	–	–	3,741
Lease liabilities – within one year	–	177	–	177
Total liabilities	6,241	798	42	7,081
Total equity and liabilities	34,050	793	201	35,044

The adjustments relate to:

IFRS adjustments:

- Recognition of right-of-use assets ($874,000) and lease liabilities ($798,000) in accordance with IFRS 16.
- Releasing the prepaid rent balance ($81,000) under IFRS 16, decreasing trade and other receivables within one year.
- Lease payments, depreciation and foreign exchange recognised under IFRS 16 ($7,000), decreasing general administrative expenses.
- Interest charge payable on leases under IFRS 16 ($16,000), increasing finance costs.
- Graded vesting share-based payment adjustment ($5,874,000), increasing share-based payment expenses and increasing retained earnings.

Other adjustments:

- Reallocation of share-based payment charge ($5,910,000) which had been credited to share capital instead of retained earnings in the previous US GAAP financial statements in error, increasing retained earnings and decreasing share capital.
- Reallocation of premium paid above the par value of share capital ($18,674,000), increasing share premium and decreasing share capital.

- Adjustment to the discount for lack of marketability of share options ($1,265,000), increasing share-based payment expenses and increasing retained earnings.
- Reallocation of amortisation of software development costs ($345,000), increasing cost of sales and decreasing general administrative expenses.
- Capitalisation of software development costs ($468,000), increasing intangible assets and decreasing general administrative expenses.
- Capitalisation of software development costs ($6,468,000), increasing intangible assets and decreasing non-current trade and other receivables.
- Amortisation of intellectual property ($267,000), decreasing intangible assets and increasing general administrative expenses.
- Additional tax charge ($42,000), increasing income tax expense and increasing deferred tax liabilities.

PART IV

CORPORATE GOVERNANCE

As a company that will be admitted to trading on AIM, the Company is not required to adopt a specific corporate governance code. However, it is required to provide details of the corporate governance code it has decided to adopt, state how it complies with that code and provide an explanation where it departs from compliance with that code.

The Directors support a high standard of corporate governance and have decided to adopt the QCA Code. The Directors believe that the QCA Code provides the Company with the framework to help ensure that a strong level of governance is maintained, enabling the Company to embed the governance culture that exists within the organisation as part of building a successful and sustainable business for all of its stakeholders. The Company will comply with the ten principles of the QCA Code, with effect from Admission as detailed below.

Principle 1: Establish a business strategy and business model which promote long-term value for Shareholders

The Group's business model and strategy is set out in Part I of this Document. The Directors believe that the Group's model and growth strategy, which improves the Group's working capital position by leveraging existing intellectual property owned by the Company, acquiring new intellectual property, publishers and development studios and creating long term scalable franchises across multimedia formats, helps to promote long-term value for Shareholders. An update on strategy will be given from time to time in the Strategic Report that is included in the annual report and accounts of the Group.

The principal risks facing the Group are set out in Part II of this Document. The Directors will continue to take appropriate steps to identify risks and undertake a mitigation strategy to manage these risks following Admission, including implementing a risk management framework.

Principle 2: Seek to understand and meet Shareholder needs and expectations

Prior to Admission, the Company's Executive Directors and Senior Manager undertook a roadshow which has informed the Company as to its Shareholders' expectations following Admission.

In due course following Admission, the Company's annual report and notice of AGM will be sent to all Shareholders and will be available for download from the Company's website.

There will be an active dialogue maintained with Shareholders. Shareholders will be kept up to date via announcements made through a Regulatory Information Service on matters of a material substance and/or a regulatory nature. Updates will be provided to the market from time to time, including any financial information, and any expected material deviations to market expectations will be announced through a Regulatory Information Service. The Company's AGM will be an opportunity for Shareholders to meet with the Non-Executive Chairman and other members of the Board. The meeting will be open to all Shareholders, giving them the opportunity to ask questions and raise issues during the formal business or, more informally, following the meeting. The results of the AGM will be announced through a Regulatory Information Service.

The Board is keen to ensure that the voting decisions of Shareholders are reviewed and monitored and the Company intends to engage with Shareholders who do not vote in favour of resolutions at Annual General Meetings.

There is also a designated email address for Investor Relations, investorrelations@tinybuild.com, and all contact details are included on the Group's website.

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Group takes its corporate social responsibilities very seriously and is focused on maintaining effective working relationships across a wide range of stakeholders including shareholders, staff, customers and

gaming platforms and developers that it partners with as part of its business strategy. The Executive Directors will maintain an ongoing and collaborative dialogue with such stakeholders and take all feedback into consideration as part of the decision-making process and day-to-day running of the business.

The Company takes corporate social responsibility very seriously and whilst given the nature of the business the risks of it having a negative impact on society and the environment are limited, the Board has implemented policies to remind employees of their obligations in this regard and adherence is carefully monitored. Further details of the Company's Environmental, Social and Corporate Governance Policy set out in paragraph 15 of Part I of this Document.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

The principal risks facing the Group are set out in Part II of this Document. The Directors will take appropriate steps to identify risks and undertake a mitigation strategy to manage these risks following Admission. A review of these risks will be carried out at least on an annual basis, the results of which will be included in the Annual Report and Accounts going forward.

The Board has overall responsibility for the determination of the Group's risk management objective and policies and has also established the Audit Committee.

Principle 5: Maintain the Board as a well-functioning, balanced team led by the Chairman

On Admission the Board will comprise the following persons:

- two Non-Executive Directors including the Non-Executive Chairman; and
- three Executive Directors.

The biographies of the Directors are set out in paragraph 7.1 of Part I of this Document. The Non-Executive Directors Henrique Olifiers and Neil Catto are considered to be independent and were selected with the objective of bringing experience and independent judgement to the Board.

The Board is also supported by the Audit Committee, the Remuneration Committee and Nomination Committee, further details of which are set out in paragraph 15 of Part I of this Document.

The Directors are divided into three classes, designated as Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of Directors constituting the entire Board. At each Annual General Meeting, one class will be re-elected.

The Board will meet regularly and processes are in place to ensure that each Director is, at all times, provided with such information as is necessary to enable each Director to discharge their respective duties.

The Group is satisfied that the current Board is sufficiently resourced to discharge its governance obligations on behalf of all stakeholders. Nevertheless, the Board has also committed to appointing a further Non-Executive Director within six months of Admission, resulting in the Board comprising six members, three of whom shall be Executive Directors and three of whom shall be Non-Executive Directors.

Principle 6: Ensure that between them the Directors have the necessary up to date experience, skills and capabilities

The skills and experience of the Directors are summarised in their biographies set out in paragraph 7.1 of Part I of this Document.

The Directors believe that the Board has the appropriate balance of diverse skills and experience in order to deliver on its core objectives. Experiences are varied and contribute to maintaining a balanced board that has the appropriate level and range of skill to drive the Group forward.

The Board is not dominated by one individual and all Directors have the ability to challenge proposals put forward to the meeting, democratically. The Directors have also received a briefing from the Company's

Nominated Adviser in respect of continued compliance with, *inter alia*, the AIM Rules and the Company's Solicitors in respect of continued compliance with, *inter alia*, MAR.

Principle 7: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

The Directors will consider the effectiveness of the Board, Audit Committee, Remuneration Committee, and individual performance of each Director. The Company has a Nomination Committee which will conduct a regular assessment of the individual contributions of each member of the Board to ensure that their contribution is relevant and effective. The outcomes of performance will be described in the Annual Report and Accounts of the Group.

Principle 8: Promote a corporate culture that is based on ethical values and behaviours

The Group has a responsibility towards its staff and other stakeholders. The Board promotes a culture of integrity, honesty, trust and respect and all employees of the Group are expected to operate in an ethical manner in all of their internal and external dealings.

The staff handbook and policies promote this culture and include such matters as whistleblowing, social media, anti-bribery and corruption, communication and general conduct of employees. The Board takes responsibility for the promotion of ethical values and behaviours throughout the Group, and for ensuring that such values and behaviours guide the objectives and strategy of the Group.

The culture is set by the Board and is regularly considered and discussed at Board meetings.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Non-Executive Chairman leads the Board and is responsible for its governance structures, performance and effectiveness. The Board retains ultimate accountability for good governance and is responsible for monitoring the activities of the executive team. The Non-Executive Directors are responsible for bringing independent and objective judgement to Board decisions. The Executive Directors are responsible for the operation of the business and delivering the strategic goals agreed by the Board.

The Board is supported by the Audit Committee, Remuneration Committee and Nomination Committee, further details of which are set out in paragraph 15 of Part I of this Document. There are certain material matters which are reserved for consideration by the full Board. Each of the committees has access to information and external advices, as necessary, to enable the committee to fulfil its duties.

The Board intends to review the Group's governance framework on an annual basis to ensure it remains effective and appropriate for the business going forward.

Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with Shareholders and other relevant stakeholders

Responses to the principles of the QCA Code and the information that will be contained in the Company's Annual Report and Accounts provide details to all stakeholders on how the Company is governed. The Board is of the view that the Annual Report and Accounts as well as its half year report are key communication channels through which progress in meetings the Group's objectives and updating its strategic targets can be given the Shareholders following Admission.

Additionally, the Board will use the Company's AGMs as a mechanism to engage directly with Shareholders, to give information and receive feedback about the Group and its progress.

The Company's website will be updated on a regular basis with information regarding the Group's activities and performance, including financial information.

There is also a designated email address for Investor Relations, investorrelations@tinybuild.com, and all contact details are included on the Group's website.

PART V

ADDITIONAL INFORMATION

1. Responsibility

The Company and the Directors, whose names and functions are set out in paragraph 7.1 of Part I of this Document, accept responsibility both individually and collectively for the information contained in this Document. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and does not omit anything likely to affect the import of such information. All of the Directors accept individual and collective responsibility for compliance with the AIM Rules for Companies.

2. The Company

2.1 The Company was incorporated and registered under the laws of the State of Delaware on 25 August 2017 with registered number 6522473 as a Delaware corporation with the name tinyBuild Inc.

2.2 The principal legislation under which the Company operates is the General Corporation Law of the State of Delaware ("**DGCL**").

2.3 The liability of the Company's Shareholders is limited.

2.4 The Company's registered office is located at 1209 Orange Street, Wilmington, Delaware, 19801. The Company's principal place of business is located at 127 Bellevue Way SE, Suite 200, Bellevue, WA (Telephone number +1 425 417 5241).

2.5 Other than the Board, the Company has the Remuneration Committee, the Audit Committee and the Nomination Committee.

3. The Subsidiaries

3.1 On Admission, the Company will be the holding company of the following subsidiaries (held directly or indirectly):

Name	*Country of incorporation*	*Ownership interest*	*Principal activity*
tinyBuild LLC	Washington, USA	100%	Games development/ production company; main operating company for the Group
tinyBuild B.V.	Netherlands	100%	Games development/production company
tinyBuild SIA	Latvia	100%	Games development company
Pine Events Inc.	Delaware, USA	56%[1]	Platform for digital event meeting systems
DevGAMM LLC	Washington, USA	49%[2]	Eastern European video games conference organiser
HakJak Studios LLC	Idaho, USA	100%	Games development company
Hologryph LLC	Washington, USA	100%	Games development company
Moon Moose LLC	Washington, USA	80%	Games development company
Hungry Couch LLC	Washington, USA	100%	Games development company

1 The Company has a convertible loan note in Pine Events Inc. which would increase its holding on conversion (further details are set out in paragraph 13.29 of this Part V)

2 The 51 per cent. shareholder of DevGAMM LLC is Valeriya Mallayeva, the wife of Alex Nichiporchik.

4. Share Capital

4.1 As at the date of this Document the Company is authorised to issue up to 800,000,000 Shares.

4.2 Set out below are details of the issued share capital of the Company (i) as at the date of this Document and (ii) as it will be immediately following the Placing and Admission:

	Before Admission			*Following Admission*	
Class of Share	*Number*	*Aggregate Par Value ($)*	*Class of Share*	*Number*	*Aggregate Par Value ($)*
Shares	180,087,475	$180,087	Shares	201,526,460	$201,526

4.3 The changes in the amount of the issued share capital of the Company which occurred during the three years covered by the Historical Financial Information are as follows:

(a) On 25 August 2017, the Company issued and allotted 880,282 Shares for cash at nominal value to Alex Nichiporchik;

(b) On 25 August 2017, the Company issued and allotted 220,070 Shares for cash at nominal value to Luke Burtis;

(c) On 3 October 2017, pursuant to a preferred stock purchase agreement, the Company issued and allotted 125,755 Series Seed Preferred Stock for cash at $29.82 per Series Seed Preferred Stock to Makers Fund;

(d) On 26 January 2019, pursuant to a series A preferred stock agreement, the Company issued and allotted 198,560 Series A Preferred Stock for cash at $74.5439 per Series A Preferred Stock to Hong Kong NetEase Interactive Entertainment Limited;

(e) On 1 February 2019, pursuant to a stock repurchase agreement, the Company repurchased 33,040 Previous Common Shares for cash at $48.43 per share from Alex Nichiporchik;

(f) On 1 February 2019, pursuant to a stock repurchase agreement, the Company repurchased 8,260 shares of Shares for cash at $48.43 per share from Luke Burtis;

(g) On 26 February 2021, 324,315 Preferred Shares were converted into 324,315 Shares;

(h) On 26 February 2021, the Company completed a stock split pursuant to which 1,383,367 Shares were split into 179,597,639 Shares;

(i) On 26 February 2021, the shareholders of the Company dis-applied the pre-emptive rights in the Certificate of Incorporation, and the Directors are authorised to allot the Placing Shares;

(j) On 3 March 2021, 489,836 Options were exercised at an exercise price of $0.07, and as a result a total of 489,836 Shares were issued;

(k) On 3 March 2021, the shareholders of the Company dis-applied the pre-emptive rights in the Certificate of Incorporation, and the Directors are authorised to allot up to: (i) 10,076,323 additional Shares (equal to approximately 5 per cent. of the Enlarged Share Capital); and (ii) up to 10,076,323 additional Shares (equal to approximately 5 per cent. of the Enlarged Share Capital) in relation to an acquisition or other capital investment.

4.4 The Placing will result in the issue and allotment of 21,438,985 New Shares on Admission, diluting holders of Existing Shares immediately prior Admission by 10.6 per cent.

4.5 Save as set out in paragraphs 6, 13.6, 13.16, 13.17 and 13.18 in this Part V:

(a) no share or loan capital of the Company has been issued or is proposed to be issued;

(b) there are no Shares in the Company not representing capital;

(c) there are no Shares in the Company held by or on behalf of the Company itself;

(d) there are no outstanding convertible securities, exchangeable securities or securities with warrants issued by the Company;

(e) there are no acquisition rights and/or obligations over authorised but unissued share capital of the Company and the Company has made no undertaking to increase its share capital; and

(f) no share or loan capital of the Company is under option and the Company has not agreed conditionally or unconditionally to put any share or loan capital of the Company under option.

5. CREST

5.1 CREST is a paperless settlement system enabling title to securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument, in accordance with the CREST Regulations. However, as set out in paragraph 19 of Part V, in the case of Placees who have asked to hold their Shares in uncertificated form, they will have their CREST accounts credited with Depositary Interests on the day of Admission. Note, however, that the Placing Shares are being offered to persons who are not US Persons or acting for the account or benefit of any US Persons and are subject to the conditions listed under Rule 903(b)(3), or Category 3, of Regulation S. Under Category 3, offering restrictions (as defined under Regulation S) must be in place in connection with the Placing and additional restrictions are imposed on resales of the Shares. Certifications, acknowledgments and agreements must be made through the CREST system by those acquiring or withdrawing the Shares. If such representations, warranties and certifications cannot be made or are not made, settlement through CREST will be rejected. Furthermore, Shares held by Affiliates of the Company shall be held in certificated form and, accordingly, settlement shall not be permitted via CREST until such time as the relevant restrictions are no longer applicable.

5.2 The holders of the Shares will participate on a *pari passu* basis and proportionately to their shareholdings in all distributions of capital or income by the Company or any surplus arising on liquidation of the Company. There are no fixed dates for dividend payments on the Shares. Each Common Share affords the holder of such share the right to one vote. There are no restrictions on the transferability of the Shares.

5.3 The New Shares will be issued on Admission, which is expected to occur on 9 March 2021. The ISIN of the Shares is USU8884H1033.

6. Share Incentive Arrangement

6.1 *General*

The Plan provides for grants to employees, directors and consultants of (i) incentive share options, (ii) non-statutory share options, (iii) stock appreciation rights ("**SARs**"), (iv) restricted share awards and (v) restricted share unit awards.

6.2 *Administration*

The Plan is administered by the Board. Among other things, the Board may (i) accelerate any award notwithstanding the terms of any such ward, (ii) suspend or terminate the Plan, (iii) amend the Plan, (iv) approve forms of award agreements and (v) amend the terms of certain awards. The Board may also delegate some or all of its administration of the Plan to a committee or to one or more officers, which officer(s) may designate officers and employees to be recipients of options and SARs and determine the number of shares subject to certain agreements.

6.3 *Options and SARs*

The Board shall determine the form, terms and conditions of each option or SAR. No Option or SAR may be exercisable after 10 years from the date of grant. The exercise price of an option of SAR granted to a holder of 10 per cent. or more of the voting power of the Company's share capital must be at least 100 per cent. of the fair market value on the date of such grant, unless such grant is a substitution for another option or SAR pursuant to certain corporate transactions. Vesting provisions are determined by the Board and may vary. Options and SARs are not transferable except by laws of descent and distribution, subject to certain exceptions.

6.4 ***Early Exercise of Options and SARs***

Grant documents may include an early exercise provision. Subject to certain limitations, any unvested common shares purchased pursuant to an early exercise are subject to a repurchase right in favour of the Company and any other restriction the Board determines is appropriate.

6.5 ***Repurchase and Right of First Refusal***

An option or SAR may include the following restrictions:

(a) a right of repurchase in favour of the Company; and

(b) a right of first refusal in favour of the Company.

The repurchase price for unvested shares shall be the lower of (i) the fair market value of the Company's Common Shares on the date of repurchase or (ii) their original purchase price.

6.6 ***Termination of Continuous Service***

(a) Except as otherwise provided in the applicable grant documents, if a participant's continuous service to the Company terminates other than for cause or death or disability, such participant's option or SAR may be exercisable as of such termination date until the earlier of (i) 3 months following such termination and (ii) the expiration of the term for such Option or SAR as set forth in the grant documents.

(b) Except as otherwise provided in the applicable grant documents, if a participant's continuous service is terminated for cause, the option or SAR will terminate as of such termination date and the option will be unexercisable.

(c) Except as otherwise provided in the applicable grant documents, if a participant's continuous service is terminated as a result of the participant's disability, such participant's option or SAR will be exercisable as of such termination date until the earlier of (i) 12 months following such termination and (ii) the expiration of the term for such Option or SAR as set forth in the grant documents.

(d) Except as otherwise provided in the applicable grant documents, if a participant's continuous service is terminated as a result of the participant's death, such participant's option or SAR will be exercisable as of such termination date until the earlier of (i) 18 months following such termination and (ii) the expiration of the term for such Option or SAR as set forth in the grant documents.

6.7 ***Corporate Events***

(a) Capitalisation Adjustments. The Board shall adjust the maximum number of securities subject to the Plan and number of securities and price per share subject to outstanding awards.

(b) Dissolution or Liquidation. All outstanding awards, except those consisting of fully vested shares not subject to forfeiture or repurchase, will terminate immediately prior to completion of dissolution or liquidation. Shares of common shares subject to repurchase or forfeiture may be so repurchased or reacquired by the Company notwithstanding the fact that the applicable holder is providing continuous service.

(c) Corporate Transaction (as defined below). Unless otherwise provided in the applicable instrument or other written agreement or expressly provided by the Board at the time of the applicable grant, the Board may take one or more of the following actions, among others, contingent upon completion of a Corporate Transaction:

(i) accelerate vesting, in whole or in part, of any award, with such award terminating if not exercised (if applicable) at or prior to the effective time of such Corporate Transaction;

(ii) arrange for the lapse of any reacquisition or purchase rights in favour of the Company; and

(iii) cancel or arrange for cancellation of all or any portion of an award, to the extent not vested or exercised prior to the effective time of the Corporate Transaction, in exchange for cash consideration, if any, the Board considers appropriate in its sole discretion.

(d) The Board need not take the same action with respect to all awards. A "Corporate Transaction" means (i) a sale of all or substantially all of the consolidated assets of the Company and its subsidiaries, (ii) a sale or disposition of at least 50 per cent. of the Company's outstanding securities, (iii) a merger, consolidation or similar transaction after which the Company is not the surviving corporation, or (iv) a merger, consolidation or similar transaction after which the Company is the surviving corporation but the shares outstanding immediately prior to such transaction are converted or exchanged by virtue of such transaction into other property, whether in the form of securities, cash or otherwise.

6.8 ***Change in Control***

An award may be subject to additional acceleration of vesting and exercisability upon a Change in Control if so provided in the applicable grant documentation. In the absence of such provision, no acceleration shall occur. A "Change in Control" includes the sale, directly or indirectly, of securities of the Company representing more than 50 per cent. of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction.

6.9 ***Term***

Unless sooner terminated in accordance with its terms, the Plan is expected to terminate on 25 August 2027.

6.10 As at the date of this Document, the Directors and Senior Managers hold the following interests in Options:

Director/Senior Manager	*Date of award*	*Performance Period*	*Exercise Price*	*Expiration Date*	*Outstanding on Admission*
Antonio Assenza	3 February 2021	25% vests after 12 months, and then approximately 2.08% vests every month thereafter	$1.59	1 February 2031	125,931
Michael Allen Schauble	3 February 2021	25% vests after 12 months, and then approximately 2.08% vests every month thereafter	$1.59	1 February 2031	125,931

6.11 Save as disclosed in paragraph 6.10 above, as at the date of this Document, the Company has granted Options under the Plan over a total of 2,690,384 Shares at an exercise prices between $0.07 and $1.59, subject to individual vesting periods. The Company has also granted Options under the Plan over 428,780 Shares at an exercise price of the Placing Price to Nick van Dyk, pursuant to the consultancy agreement between himself and the Company. The aforementioned Options vest over a three year period and are conditional on his continuous service to the Company. Further details are set out in paragraph 13.34 of this Part V.

6.12 The Company has authority under the Plan to grant a further 5,582,574 Options. Pursuant to the We're Five APA (as defined in paragraph 13.16 of this Part V) and the Hungry Couch APA (as defined in paragraph 13.17 of this Part V), additional Options may be granted as part of an earn-out. Further details are set out in paragraphs 13.16 and 13.17 of this Part V.

7. Certificate of Incorporation and Bylaws

The following is a summary of certain provisions of the Company's Certificate of Incorporation, Bylaws and provisions of the DGCL that apply to the Company as in effect from Admission. Certain provisions have been incorporated into the Certificate of Incorporation and Bylaws to enshrine rights that are not conferred

by the provisions of DGCL, but which the Company believes Shareholders would expect to see in a company whose shares are admitted to trading on AIM.

7.1 ***Objects***

The Company may, and is authorised by its Certificate of Incorporation to, engage in any lawful act or activity for which corporations may be engaged in under the DGCL.

7.2 ***Authorised Shares***

The Certificate of Incorporation authorises the Company to issue one class of share to be designated as Shares.

7.3 ***Shares***

(a) *Voting Rights*

Each holder of Shares is entitled to one vote for each Share held by such holder. The Bylaws provide that the holders of a majority of all Shares entitled to vote on a matter, represented by Shareholders of record in person or by proxy, shall constitute a quorum, provided, however, that if two-thirds of the total number of authorized directors has approved all the matters to be voted upon, then only holders of one-third of all Shares shall constitute a quorum, unless otherwise required by law, the Company's Certificate of Incorporation or the Bylaws. If a quorum is present at a meeting of the Shareholders, then the affirmative vote of a majority of the Shares present in person or represented by proxy at the meeting and entitled to vote on the applicable matter shall be the act of the Shareholders, unless the vote of a greater number of Shareholders of voting classes is required by law, the Company's Certificate of Incorporation or the Bylaws. If a quorum is present at a meeting of the Shareholders at which any directors are to be elected, such directors shall be elected by a majority of the votes of the Shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors.

(b) *Issue of Shares*

The Company may issue Shares from time to time for such consideration as may be fixed by the Board; provided, however, that the consideration to be received for any Shares subject thereto shall not be less than the par value thereof. Shares so issued for which the consideration shall have been paid or delivered to the Company shall be deemed fully paid shares and shall not be liable to any further call or assessment thereon, and the holders of such Shares shall not be liable for any further payments in respect of such Shares.

7.4 ***Dividends***

Holders of Shares are entitled to receive dividends, when, as and if declared by the Board or any authorised committee of the Board out of funds legally available for such purposes. Dividends may be paid in cash, in property or in Shares, unless otherwise provided by applicable law or the Certificate of Incorporation.

7.5 ***Rights upon liquidation, dissolution or winding-up***

In the event of any voluntary or involuntary liquidation, dissolution or winding-up of the Company, the holders of Shares shall be entitled to receive all the assets of the Company available for distribution to its Shareholders, rateably in proportion to the number of Shares held by them.

7.6 ***Pre-emptive rights***

The Certificate of Incorporation provides that unless otherwise determined in a meeting of Shareholders by the affirmative vote of at least seventy-five percent (75 per cent.) of the Shares present in person or represented by proxy at the meeting and entitled to vote on the matter, each Shareholder shall have a pre-emptive right to subscribe for its *pro rata* share of Shares (with certain exceptions) that the Company may, from time to time, propose to allot and issue wholly for cash, but subject to such exclusions or other arrangements as the Board may deem necessary or expedient in their exclusive discretion to deal with fractional entitlements or legal or practical problems under the laws of any country, territory or political subdivision thereof, or the requirements of any regulatory

authority or stock exchange in any jurisdiction. Such pre-emption rights do not apply to (i) the placing or sale for cash of Shares in connection with the Placing and Admission, (ii) options or Shares previously or to be granted to employees, non-executive officers, directors, consultants, contractors or advisors under, and the issuance of Shares up to 10 per cent. of the issued share capital over a 10-year period pursuant to benefits granted under, the Company's existing equity incentive plan or any share option or incentive plan hereafter adopted by the Company and subject to any corporate governance code adopted by the Company, (iii) options or Shares to be granted to consultants, contractors or other third parties under commitments in effect immediately prior to the Admission, or (iv) Shares issued upon exercise of any outstanding warrants or options before or as of immediately prior to the Admission. The Company intends to obtain an annual dis-application of pre-emption rights at each Annual General Meeting for a proportion of Shares in line with institutional investor guidelines in force from time to time.

7.7 ***Meetings of Shareholders***

The Bylaws provide for an annual or special meeting of Shareholders called in accordance with the Bylaws.

The Bylaws provide for an annual meeting of the Shareholders for the election of Directors and for the transaction of such other business as may properly come before the meeting. A special meeting of the Shareholders for any purpose or purposes may be called at any time by a resolution adopted by a majority of the Directors then in office.

The quorum for an annual or special meeting of Shareholders is the majority of the issued and outstanding Shares, or where the matters for the meeting have been approved by at least two-thirds of the Directors, one-third of the issued and outstanding Shares.

7.8 ***Method of appointing proxy***

Shareholders of record may vote at any meeting by appointing a proxy in accordance with applicable laws.

7.9 ***Directors***

(a) *Powers of Directors*

Subject to the provisions of the Certificate of Incorporation, the Bylaws and applicable law, the business and property of the Company shall be managed by the Board.

(b) *Number of Directors*

The Certificate of Incorporation provides that the Board shall consist of one or more members. The initial number of Directors shall be five, and thereafter, unless otherwise required by law, the number of Directors shall be fixed solely and exclusively by resolution duly adopted from time to time by the Board. The Board is divided into three classes, as nearly equal in number as possible, designated: Class I, Class II and Class III.

(c) *Resignation and Removal*

A Director may resign at any time by giving notice to the Company. A Director may be removed before the expiration of such Director's term of office but only for cause and by the affirmative vote of a majority of the Shares entitled to vote in the election of directors.

(d) *Vacancies*

In the case of any vacancy on the Board, including a vacancy resulting from an increase in the number of Directors authorised to serve on the Board, such vacancy may be filled by the remaining Directors (whether constituting a quorum or not) and not by the Shareholders.

(e) *Appointment*

Each Director serves for a term ending on the date of the third annual meeting following the annual meeting at which such Director was elected, with the initial Directors serving as follows:

each Director initially appointed to Class I will serve for an initial term expiring on the Company's first annual meeting in 2021 (being Antonio Assenza and Neil Catto), each Director initially appointed to Class II will serve for an initial term expiring on the Company's annual meeting in 2022 (Luke Burtis and Henrique Olifiers) and the Director initially appointed to Class III will serve for an initial term expiring on the Company's annual meeting in 2023 (being Alex Nichiporchik).

(f) *Action without a Meeting*

The Bylaws provide that, unless otherwise restricted by the Certificate of Incorporation or the Bylaws, any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting by the consent in writing of all the Directors or members of the committee as the case may be (such written consents to be filed with the minutes of proceedings of the Board).

(g) *Meetings of Directors*

The Bylaws provide that regular meetings of the Board may be held at any place or time that the Board determines. Special meetings of the Board may be called by the chairperson of the Board, the Chief Executive Officer, the president, the secretary or a majority of the authorised number of directors with at least 24 hours' notice to each Director or if the motion is sent by mail, it must be deposited in the mail at least four days before the time of the holding of the meeting. A majority of the Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors at a meeting of the Board where a quorum is present is regarded as an act of the Board unless a greater number is required by the Bylaws, law or the Certificate of Incorporation.

7.10 ***Officers***

The officers of the Company are appointed by the Board. In addition, the Board may authorise the Chief Executive Officer to appoint officers other than the Chief Executive Officer, the Chairperson of the Board, the President, the Chief Financial Officer or the treasurer. Two or more offices may be held by the same person.

7.11 ***Exculpation and Indemnification of officers, Directors, employees and other agents***

The Certificate of Incorporation provides that a Director will not be personally liable to the Company or its Shareholders for monetary damages for breach of fiduciary duty as a director except to the extent required by law.

The Bylaws provide that the Company, to the fullest extent permitted by the DGCL, will indemnify any person made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative to which the indemnified individual was made a party because such individual is the legal representative, is or was a director or officer of the Company or, while a director or officer of the Company, is or was serving at the request of the Company as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, employee benefit plan or other enterprise, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such indemnified individual. The Bylaws also provide that the Company, to the fullest extent permitted by the DGCL, will advance expenses incurred by a person who is or was a director or officer in defending any civil, criminal, administrative or investigative action, suit or proceeding. Notwithstanding the preceding sentences, except for claims for indemnification (following the final disposition of such proceeding) or advancement of expenses not paid in full, the Company will be required to indemnify an indemnified individual in connection with a proceeding (or part thereof) commenced by such indemnified individual only if the commencement of such proceeding (or part thereof) by the indemnified individual was authorized in the specific case by the Board. In addition, the Bylaws provide that the Company may, to the extent authorized from time to time by the Board, provide rights to indemnification and to the advancement of expenses to employees and agents of the Company similar to those to directors and officers of the Company.

7.12 ***Notices***

The Bylaws provide for notice to Shareholders to be in writing and delivered personally or mailed to the Shareholders in accordance with applicable law. Notice of any meeting need not be given to any Shareholders who shall, either before or after the meeting, submit a waiver of notice or who shall attend such meeting, except when the Shareholders attends for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any Shareholders so waiving notice of the meeting shall be bound by the proceedings of the meeting in all respects as if due notice thereof had been given.

7.13 ***Disclosure of significant shareholdings***

The Certificate of Incorporation provides that a person must notify the Company, subject to the DGCL, the US Exchange Act (if the Company has any equity securities under the US Exchange Act) and any applicable SEC regulations or other law, where the person acquires an aggregate nominal value of the Company's securities in which such person's interest is equal to or more than three per cent. (3 per cent.), four per cent. (4 per cent.) or five percent. (5 per cent.) of the securities and of any subsequent relevant change to their holdings (being one per cent. (1 per cent.) increment increase or decrease while their holdings are above the three per cent. (3 per cent.) threshold so that these disclosures can be properly notified to AIM by the Company.

In addition, the Board may serve a disclosure notice ("Disclosure Notice") in writing on any person whom the Board, has reasonable cause to believe to be interested in the Company's securities, requiring such person to indicate whether or not it is the case and, where such person holds any interest in any such securities, to give such further information as may be required by the Board. If a Disclosure Notice has been served on a person and the Company has not received the information required in respect of the specified securities in writing within such reasonable time as specified in the Disclosure Notice, then the Board may apply certain restrictions on the specified securities.

7.14 ***Right to refuse transfers of Shares; Restrictive Legend***

The Company, and any transfer agents designated to transfer Shares, shall have the authority to refuse to register any transfer of Shares that not made in accordance with the provisions of Regulation S pursuant to registration statement as set out under the US Securities Act, or pursuant to an available exemption from the registration requirements under the US Securities Act. In addition, the Bylaws provide that certificated Shares will have the applicable legend set forth in Part VII of this Document.

7.15 ***Amendments to Certificate of Incorporation and Bylaws***

The Certificate of Incorporation and the Bylaws may be amended in a manner permitted by applicable law. Provisions of the Certificate of Incorporation and the Bylaws may be amended or repealed by the affirmative vote of at least seventy-five per cent (75 per cent.) of the Shares present in person or represented by proxy at a meeting of Shareholders and entitled to vote on the applicable matter.

7.16 ***Takeovers***

The Certificate of Incorporation provides that if a person (i) acquires Shares which (taken together with securities held or acquired by persons acting in concert with such person) represent 30 per cent., or more of the voting rights attaching to the issued Shares, or (ii) (together with persons acting in concert with such person) holds not less than 30 per cent., but not more than 50 per cent., of the voting rights attaching to the issued Shares and such person, or any person acting in concert with such person, acquires additional securities, which will increase such person's percentage holding of such voting rights, then any such person (and any persons acting in concert with such person) must make a written cash offer or cash alternative to the holders of all of the Shares to acquire the outstanding Shares at a value not less than the highest price paid by such shareholder for shares of that class during the previous 12 months. The provision is intended to give the Company and its shareholders protections similar to those available under Rule 9 of the UK Takeover Code as if it applied to the Company. These takeover provisions will cease to apply if the Shares ceases to be admitted to trading on AIM.

8. Squeeze-out rules relevant to the holders of Shares as set out in the DGCL

Section 267 of the DGCL outlines the procedures by which a controlling Shareholder or parent corporation that has obtained 90 per cent. or more of the Shares may consummate a short-form merger to squeeze out the remaining Shareholders. Generally, if a parent corporation owns at least 90 per cent. of the outstanding Shares of each class of a subsidiary corporation's shares that otherwise would be entitled to vote on such merger, the parent corporation may merge the subsidiary corporation into itself, or, alternatively, may merge itself or both itself and the subsidiary corporation into a third corporation. A short-form merger is effected unilaterally by a board resolution of the parent company. A Shareholder generally would be entitled to certain appraisal rights under Section 262 of the DGCL (as discussed below) in connection with the squeeze-out merger if the merger consideration was considered by such Shareholder to be below "fair value". However, no resolution of the Board or the Shareholders would be required to effect the squeeze out merger. Under Section 262 of the DGCL, a holder of common shares of a company that is the target of a merger, sale or consolidation who does not wish to accept the consideration being offered may elect to have the company pay in cash to him or her the "fair value" of his or her common shares, plus accrued interest (excluding any appreciation or depreciation in anticipation of the corporate action unless exclusion would be inequitable), provided that the Shareholder comply with the conditions set forth in Section 262 of the DGCL. If there is a dispute between the Shareholder and the company as to the fair value of the common shares, Section 262 of the DGCL provides that the fair value may be judicially determined.

Appraisal rights under Section 262 of the DGCL are a statutory remedy intended to provide Shareholders who dissent from a merger with an independent judicial determination of the fair value of their shares. Except for certain circumstances in which appraisal rights are not available, appraisal rights are generally available for the shares of any class or series of shares of a constituent corporation in a merger or consolidation. A Shareholder who does not wish to accept the consideration being offered in the merger or consolidation may exercise their appraisal rights by not voting in favour of the merger or consolidation nor consenting thereto in writing and complying in all respects with Section 262. A Shareholder who properly exercises and does not waive, fails to perfect or otherwise loses such appraisal rights, will be entitled to have their shares appraised by the Delaware Court of Chancery and to receive payment in cash of an amount equal to the "fair value" of such shares as determined by such court, exclusive of any element of value arising from the accomplishment or expectation of the merger or consolidation, together with interest, if any, as determined by such court. The "fair values" determined by the Delaware Court of Chancery could be greater than, less than or the same as the consideration payable in the merger or consolidation.

9. Interests of the Directors and significant shareholdings

9.1 The interests of the Directors and, so far as is known to them (having made appropriate enquiries), persons connected with them, which expression shall be construed in accordance with the AIM Rules (all of which are beneficial except as shown), in the Shares as at the date of this Document and as expected to be immediately following Admission, are as follows:

	At the date of this document			*On Admission*		
Name	*Number of Shares*	*Percentage of Existing Share Capital*	*Options*	*Number of Shares*	*Percentage of Enlarged Share Capital*	*Options*
Alex Nichiporchik	109,994,428	61.1%	Nil	76,996,100	38.2%	Nil
Luke Burtis[1]	27,988,378	15.5%	Nil	14,239,107	7.1%	Nil
Antonio Assenza	Nil	–	125,931	Nil	–	125,931
Neil Catto	Nil	–	Nil	Nil	–	Nil
Henrique Olifiers	Nil	–	Nil	Nil	–	Nil

[1] Luke Burtis' holding includes the holding of his wife, Iuliia Burtis, who holds 489,836 Shares as at the date of this Document and immediately following Admission

9.2 There are no outstanding loans granted or guarantees provided by the Company to or for the benefit of any of the Directors. There are no outstanding loans or guarantees provided by the Directors to or for the benefit of the Company.

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

9.4 Save as otherwise disclosed in this Document, none of the Directors nor any member of their respective families nor any person connected with the Directors (within the meaning of section 252 of the Companies Act) has any holding, whether beneficial or otherwise, in the share capital of the Company.

9.5 None of the Directors nor any member of their respective families is dealing in any related financial product (as defined in the AIM Rules) whose value in whole or in part is determined directly or indirectly by reference to the price of the Shares, including a contract for differences or a fixed odds bet.

9.6 Save as disclosed in paragraph 9.1 above, the Company is not aware of any interest in the Company's share capital which amounts or would, immediately following Admission, amount to 3 per cent. or more of the Company's issued share capital, other than the following:

Name	*Number of Shares at the date of this document*	*Percentage of Existing Share Capital*	*Number of Shares at Admission*	*Percentage of Enlarged Share Capital*
Swedbank Robur AB	Nil	–	14,728,994	7.3%
Hong Kong NetEase Interactive Entertainment Limited	25,778,342	14.3	12,889,171	6.4%
Premier Miton Investors	Nil	–	9,500,000	4.7%

9.7 The voting rights of the Shareholders set out in paragraphs 9.1 and 9.6 above do not differ from the voting rights held by other Shareholders.

9.8 Save as set out in paragraph 17 of Part I in relation to the Concert Party, the Directors are not aware of any persons who, directly or indirectly, jointly or severally, exercise or could exercise, control over the Company. In addition, as far as the Company is aware, there are no arrangements in place, the operation of which may at a subsequent date result in a change of control of the Company.

10. Directors' terms of appointment

10.1 The Company has entered into service agreements or letters of appointment with the Directors as follows:

Executive Directors

(a) *Alex Nichiporchik, Director and Chief Executive Officer*

Alex Nichiporchik has served on the Board since the Company's incorporation on 25 August 2017. On 3 March 2021 Alex Nichiporchik entered into an amendment to his executive employment agreement with tinyBuild LLC dated 9 November 2017. Alex Nichiporchik will receive an annual salary of $350,000 plus a discretionary bonus that depends on personal and company performance. Alex Nichiporchik's appointment is terminable at any time on twelve months' notice by either party (with a restrictive covenant period of 24 months that is set out in a separate proprietary inventions assignment and noncompetition agreement made between tinyBuild LLC and Alex Nichiporchik). Alex Nichiporchik's appointment may be terminated summarily by the tinyBuild LLC if he is, among other things, guilty of gross misconduct. In addition, tinyBuild LLC generally may terminate Alex Nichiporchik with immediate effect and without the twelve months' notice by making the applicable payment in lieu of notice. The service agreement does not provide for any extra payment to be given to Alex Nichiporchik upon termination of his appointment. Alex Nichiporchik's executive employment agreement is governed by the laws of the State of Washington, US and the proprietary inventions assignment and noncompetition agreement is governed by the laws of the State of Delaware, US.

(b) *Luke Burtis, Director and Chief Operating Officer*

Luke Burtis has served on the Board since the Company's incorporation on 25 August 2017. On 3 March 2021, Luke Burtis entered into an amendment to his executive employment agreement with tinyBuild LLC dated 9 November 2017. Luke Burtis will receive an annual salary of $308,000 plus a discretionary bonus that depends on personal and company performance. Luke Burtis's appointment is terminable at any time on twelve months' notice by either party (with a restrictive covenant period of 24 months) that is set out in a separate proprietary inventions assignment and noncompetition agreement made between tinyBuild LLC and Luke Burtis. Luke Burtis's appointment may be terminated summarily by tinyBuild LLC if he is, among other things, guilty of gross misconduct. In addition, tinyBuild LLC generally may terminate Luke Burtis with immediate effect and without the twelve months' notice by making the applicable payment in lieu of notice. The service agreement does not provide for any extra payment to be given to Luke Burtis upon termination of his appointment. Luke Burtis's executive employment agreement is governed by the laws of the State of Washington, US and the proprietary inventions assignment and noncompetition agreement is governed by the laws of the State of Delaware, US.

(c) *Antonio Assenza, Director and Chief Financial Officer*

On 3 March 2021 Antonio Assenza entered into a service agreement with tinyBuild LLC. Antonio Assenza will receive an annual salary of $220,000 plus a discretionary bonus that depends on personal and company performance. Antonio Assenza's appointment is terminable at any time on six months' notice by either party (with a restrictive covenant period of 12 months that is set out in a separate business protection agreement made between tinyBuild LLC and Antonio Assenza). Antonio Assenza's appointment may be terminated summarily by tinyBuild LLC if he is, among other things, guilty of gross misconduct. In addition, tinyBuild LLC generally may terminate Antonio Assenza with immediate effect and without the six months' notice by making the applicable payment in lieu of notice. The service agreement does not provide for any extra payment to be given to Antonio Assenza upon termination of his appointment. Antonio Assenza's executive employment agreement is governed by the laws of the State of Washington, US and the business protection agreement is governed by the laws of the State of Delaware, US.

Non-Executive Directors

(d) *Henrique Olifiers, Non-Executive Chairman*

On 3 March 2021, Henrique Olifiers entered into a letter of appointment pursuant to which he was appointed to act as Non-Executive Director and Chairman of the Company. Henrique Olifiers is entitled to a director's fee of $120,000 per annum. Immediately upon Admission, his annual fee will be satisfied by the issue and allotment of 51,454 Shares at the Placing Price. The appointment is for a three year term and will be terminable at any time on three months' prior written notice by either party.

(e) *Neil Catto, Non-Executive Director*

On 3 March 2021, Neil Catto entered into a letter of appointment pursuant to which he was appointed to act as Non-Executive Director of the Company. Neil Catto is entitled to a director's fee of $70,000 per annum. The appointment is for a three year term and will be terminable at any time on three months' prior written notice by either party.

10.2 Save as set out in this paragraph 10, there are no service agreements in existence between any of the Directors and the Company or any Company in the Group.

10.3 Save as disclosed in this paragraph 10, there are no service contracts in existence between any of the Directors and the Company or any Company in the Group that provide for benefits upon termination of employment.

11. Additional Information on the Directors

11.1 In addition to directorships of the Company, the Directors hold or have held the following directorships or have been partners in the following partnerships within the five years prior to the date of this Document:

Director	*Current directorships and partnerships (other than the Company)*	*Past directorships and partnerships*
Alex Nichiporchik	tinyBuild LLC tinyBuild Studios SIA Omega Corp SIA	GG Inc Ramsgate Owners Association DevGAMM LLC
Luke Burtis	tinyBuild LLC DevGAMM LLC	HouseOgames 2D Heroes LLC
Antonio Assenza		Dapper-Apps LLC

Director	*Current directorships and partnerships (other than the Company)*	*Past directorships and partnerships*
Henrique Olifiers	SpexNext Ltd Bossaco Ltd DevGAMM LLC Bossa Studios Ltd Digital Dreams Informatica LTDA Finalboss Informatica LTDA	
Neil Catto	Boohoo.com USA Ltd Boohoo.com UK Ltd Boohoo Group PLC Nasty Gal Ltd Prettylittlething.com Ltd 21 Three Clothing Company Miss Pap UK Ltd Boohoo Holdings Ltd KarenMillen.com Ltd CoastLondon.com Ltd Pancorp1 Ltd Warehouse Fashions Online Ltd Oasis Fashions Online Ltd Boo Who Ltd Boohoo.Com USA Inc Shanghai Wasabi Frog Trading Co. Ltd Boohoo.com Australia Pty Ltd NastyGal.com USA Inc Prettylittlething.com USA Inc Boohoo.com Germany GmbH Boohoo Italy Srl Prettylittlething.com France SAS Debenhams.com Online Ltd Acraman 1880 Limited Acraman 1879 Limited Wallis Online Limited	Rescare: The society for children and adults with learning disabilities and their families Dabs.com Ltd (Dissolved) BT Business Direct Ltd (Dissolved) Safe Laser Care Ltd (Dissolved)

11.2 None of the Directors has:

(a) any unspent convictions in relation to indictable offences;

(b) had any bankruptcy order made against him or entered into any voluntary arrangements;

(c) been a director of a company which has been placed in receivership, compulsory liquidation, creditors' voluntary liquidation, administration, been subject to a company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;

(d) been a partner in any partnership which has been placed in compulsory liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;

(e) been the owner of any assets or a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;

(f) been publicly criticised by any statutory or regulatory authority (including recognised professional bodies); or

(g) been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of a company.

12. Employees

12.1 During each of the accounting reference periods ending on the dates set out below, the Group had the following average number of employees:

As at 31 December 2017	*As at 31 December 2018*	*As at 31 December 2019*
5	6	21

12.2 As at the date of this Document, the Group had 42 employees and the geographic breakdown is as follows:

Location	*Number*
US	17
Latvia	24
Netherlands	1

12.3 The Group, as part of its ordinary operations, also utilises the services of independent contractors.

13. Material Contracts

The following contracts, not being contracts entered into in the ordinary course of business, have been: (i) entered into by a member of the Group within the two years immediately preceding the date of this Document and are, or may be, material; or (ii) entered into by a member of the Group and contain any provision under which any member of the Group has any obligation or entitlement which is (or may be) material to the Group as at the date of this Document.

Contracts relating to Admission and the Placing

13.1 *Placing Agreement*

A Placing Agreement dated 3 March 2021 between the Company (1), the Directors (2), the Selling Shareholders (3) and Joint Brokers (4), pursuant to which Zeus Capital, as the Company's nominated adviser and joint broker, and Berenberg, as the Company's joint broker, have been granted certain powers and authorities in connection with the Placing and the application for Admission. Under the terms of the Placing Agreement, the Company and the Directors have given certain customary warranties to the Joint Brokers and the Company has given certain customary indemnities to the Joint Brokers in connection with Admission and other matters relating to the Group and its affairs. The liability of each Director and of each Selling Shareholder is capped. The Joint Brokers may terminate the Placing Agreement in certain specified circumstances prior to Admission, including if

any of the warranties have ceased to be true and accurate in any material respect or shall have become misleading in any respect or in the event of circumstances existing which make it impracticable or inadvisable to proceed with Admission. A commission is payable to the Joint Brokers relating to the gross proceeds of the sale of New Shares.

Under the Placing Agreement each of the Selling Shareholders has agreed to sell Shares in connection with the Placing at the Placing Price and to pay a commission to the Joint Brokers relating to the gross proceeds of the sale of their Sale Shares. Each of the Selling Shareholders has provided customary warranties and indemnities as to title and capacity. The Selling Shareholders are selling the following number of Shares:

Selling Shareholder	*Business Address*	*Shares to be sold*	*Total (£)*
Alex Nichiporchik	27 Bellevue Way SE, Suite 200, Bellevue, WA	32,998,328	£55,767,174
Luke Burtis	27 Bellevue Way SE, Suite 200, Bellevue, WA	13,749,271	£23,236,268
Makers Fund	Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman KY1-1104	10,301,912	£17,410,231
NetEase	1/F, Xiu Ping Commercial Building , 104 Jervois Street, Sheung Wan, Hong Kong	12,889,171	£21,782,699

13.2 *Nominated Adviser and Broker Agreement with Zeus Capital*

A Nominated Adviser and Broker Agreement dated 3 March 2021 between Zeus Capital (1), the Company (2) and the Directors (3), pursuant to which the Company has appointed Zeus Capital, conditional on Admission, to act as nominated adviser and joint broker to the Company on an ongoing basis as required by the AIM Rules. The agreement contains certain undertakings and indemnities given by the Company in respect of, *inter alia*, compliance with all applicable laws and regulations. The Company agrees to comply with its legal obligations (including those of AIM and the London Stock Exchange) and to provide Zeus Capital with any information Zeus Capital may reasonably require for the proper performance of its duties. Pursuant to these arrangements, Zeus Capital has agreed, *inter alia*, to be available at all reasonable times to advise, guide and consult with Directors as they may reasonably request in relation to the AIM Rules for Companies and the laws and regulations governing the Company's status as a company with share capital admitted to trading on AIM. These arrangements shall (subject to certain early termination provision in the agreement) continue unless terminated by either party giving the other not less than three months' notice in writing to the other such notice to expire no sooner than 12 months from the date of this Agreement. The Company has agreed to pay Zeus Capital a fee of £75,000 (plus VAT) per annum for its services as nominated adviser under this agreement.

13.3 *Broker Agreement with Berenberg*

A Broker Agreement dated 3 March 2021 between Berenberg (1) and the Company (2), pursuant to which the Company has appointed Berenberg, conditional on Admission, to act as joint broker to the Company. The agreement contains certain undertakings and indemnities given by the Company in respect of, *inter alia*, compliance with all applicable laws and regulations. Pursuant to these arrangements, Berenberg has agreed to act as corporate broker. These arrangements shall (subject to certain early termination provision in the agreement) continue unless terminated by either party giving the other not less than 30 days' notice. The Company has agreed to pay Berenberg a fee of £50,000 (plus VAT) per annum for its services as joint broker under this agreement.

13.4 *Lock-in and Orderly Market Agreements*

Directors

Lock-in and Orderly Market Agreements dated on or around 3 March 2021 between the Company (1), Zeus Capital (2), Berenberg (3), Alex Nichiporchik and Luke Burtis (4), pursuant to which each of the Director has, conditional on Admission, undertaken to the Company, Zeus Capital and Berenberg that, subject to certain limited exceptions and/or with the permission of the Joint Brokers, they will not dispose of Shares held by them or on behalf of them for a period of 12 months from the date of Admission.

Each Director has also undertaken that for the period of 12 months following the anniversary of the date of Admission, they will comply with certain requirements designed to maintain an orderly market in the Shares, subject to customary exceptions.

Preferred Holders

Lock-in and Orderly Market Agreements dated on or around 3 March 2021 between the Company (1), Zeus Capital (2), Berenberg (3), and each of the Preferred Holders (4), pursuant to which each of the Preferred Holders has, conditional on Admission, undertaken to the Company, Zeus Capital and Berenberg that, subject to certain limited exceptions and/or with the permission of the Joint Brokers, they will not dispose of Shares held by them or on behalf of them (excluding any Shares subsequently acquired following Admission) for a period of 6 months from the date of Admission.

Each Preferred Holder has also undertaken that for the period of 6 months following the anniversary of the date of Admission, they will comply with certain requirements designed to maintain an orderly market in the Shares, subject to customary exceptions.

13.5 *Relationship Agreement*

A relationship agreement dated 3 March 2021 between the Company (1), Alex Nichiporchik (2) and Luke Burtis (together with Alex Nichiporchik being, the "Controlling Shareholders") (3) to regulate the relationship between each of them and the Company after Admission. The Relationship Agreement will be binding for as long as the Controlling Shareholders (together with anyone deemed to be acting in concert with them) are interested in 30 per cent. or more of the rights to vote at a general meeting of the Company. Amongst other things, the Relationship Agreement provides that the Controlling Shareholders, as far as they are each able to as a Shareholder, shall (a) procure that all arrangements between any member of the Group and the Controlling Shareholders be on an arm's length basis and on normal commercial terms; (b) not take any action that could reasonably be expected to have the effect of preventing the Company from complying with its obligations under the AIM Rules; and (c) not propose or procure the proposal of a resolution intended to circumvent the proper application of the AIM Rules. The Controlling Shareholders also have the right to appoint one director to the Board for as long as they jointly hold over 20 per cent. or more of the rights to vote at a general meeting of the Company, and this increases to two directors when their combined shareholding is above 30 per cent. or more of the rights to vote at a general meeting.

13.6 *Zeus Capital Warrant*

A warrant agreement dated 3 March 2021 between (1) the Company and (2) Zeus Capital pursuant to which the Company granted Zeus Capital a right to subscribe in cash for 1,511,449 Shares (an amount equal to 0.75 per cent. of the Enlarged Share Capital) at a price of an amount equal to the Placing Price per Share during the period commencing on the 18 month anniversary of the date of Admission and expiring on the date which is the 10th anniversary of Admission. Such rights are capable of being exercised in whole or in part and will only be capable of exercise if the price of a Common Share exceeds an amount equal to 150 per cent. of the Placing Price.

13.7 *Depositary Agreement*

A depositary agreement (the "Depositary Agreement") dated 1 March 2021 between the Company and the Depositary pursuant to which the Company appointed the Depositary to act as the depositary and custodian in respect of the Depositary Interests and to provide the services set out in the Depositary Agreement. The Company has agreed to pay the Depositary a one-off fee of £3,000 and an annual fee of £2 per Depository Interest holder (subject to a minimum of £5,000 per annum). The Company has agreed to reimburse the Depositary for all reasonable out-of-pocket expenses. The Depositary's maximum liability under the Depositary Agreement is capped at an amount equal to the lesser of (i) £500,000; and (ii) five times the Depositary's fees earned in that 12-month period. The parties are required under the Depositary Agreement to indemnify each other in certain circumstances. Neither party is liable to indemnify the other in respect of any loss arising from the fraud, negligence or wilful default of the other party or as a result of a breach by the other party of the Depositary Agreement. Upon completion of the initial period of 24 months, the appointment of the Depositary shall continue in force until terminated by either party giving the other not less than six months' notice.

13.8 *Deed Poll*

On 3 March 2021 the Depositary entered into the Deed Poll which contains among other things, provisions to the following effect which are binding on holders of Depositary Interests.

(a) The Depositary will hold (itself or through the Custodian), as bare trustee, the underlying securities issued by the Company and all and any rights and other securities, property and cash attributable to the underlying securities for the time being held by the Depositary or the Custodian pertaining to the Depositary Interests for the benefit of the holders of the Depositary Interests. The Depositary will re-allocate securities or distributions allocated to the Depositary or the Custodian *pro rata* to the Shares held for the respective accounts of the holders of Depositary Interests but will not be required to account for fractional entitlements arising from such re-allocation.

(b) Holders of Depositary Interests warrant, *inter alia*, that the securities in the Company transferred or issued to the depositary or the Custodian on behalf of the Depositary for the account of the Depositary Interests holder are free and clear of all liens, charges, encumbrances or third-party interests and that such transfers or issues are not in contravention of the Bylaws or the Certificate of Incorporation or any contractual obligation, or applicable law or regulation binding or affecting such holder.

(c) The Depositary and the Custodian must pass on to holders of Depositary Interests, or exercise on their behalf, all rights and entitlements received by the Depositary or the Custodian in respect of the underlying securities. Rights and entitlements to cash distributions, to information, to make choices and elections and to attend and vote at meetings shall, subject to the Deed Poll, be passed on in the form which they are received, together with amendments and additional documentation necessary to effect such passing-on, or exercised in accordance with the Deed Poll. If arrangements are made which allow a holder to take up rights in the Company's securities requiring further payment, the holder must pay the Depositary in cleared funds before the relevant payment date or other date notified by the Depositary if it wishes the Depositary to exercise such rights.

(d) The Depositary will be entitled to cancel Depositary Interests and treat the holder as having requested a withdrawal of the underlying securities in certain circumstances including where a holder of Depositary Interests fails to furnish to the Depositary such certificates or representation as to material matters of fact, including his identity, as the Depositary deems appropriate.

(e) The Deed Poll contains provision excluding and limiting the Depositary's liability. For example, the Depositary shall not be liable to any Depositary Interests holder or any other person for liabilities in connection with the performance or non-performance of obligations under the Deed Poll or otherwise except as may result from their negligence or wilful default or fraud or that of any person for whom they are vicariously liable, provided that the Depositary shall not be liable for the negligence, wilful default or fraud of the Custodian or agent which is not a member of its group unless it has failed to exercise reasonable care in the appointment and continued use and supervision of the Custodian or agent. Furthermore, the Depositary's liability to a holder of Depositary Interests will be limited to the lesser of:

(i) the value of the shares and other deposited property properly attributable to the Depositary Interests to which the liability relates; and

(ii) that proportion of £10 million which corresponds to the proportion which the amount the Depositary would otherwise be liable to pay to the holder of the Depositary Interests bears to the aggregate of the amounts that the Depositary would otherwise be liable to pay to all such holders in respect of the same act, omission, or event which gave rise to such liability or, if there are no such other amounts, £10 million.

(f) The Depositary is entitled to charge holders of Depositary Interests fees and expenses for the provision of their services under the Deed Poll.

(g) The holders of Depositary Interests are required to agree and acknowledge with the Depositary that it is their responsibility to ensure that any transfer of Depositary Interests by them which is identified by the CREST system as exempt from stamp duty reserve tax is so exempt, and to notify the Depositary if this is not the case, and to pay to Euroclear UK and Ireland any interest, charges or penalties arising from non-payment of stamp duty reserve tax in respect of such transaction.

(h) Each holder of Depositary Interests is liable to indemnify the Depositary and the Custodian (and their respective agents, officers and employee) against all liabilities arising from or incurred in connection with or arising from any act related to, the Deed Poll so far as they relate to the Depositary Interests (and any property or rights held by the Depositary or Custodian in connection with the Depositary Interests) held by that holder other than those resulting from the wilful default, negligence or fraud of the Depositary, or the Custodian or any agent if the Custodian or agent is a member of the Depositary's group or if, not being a member of the same group, the Depositary shall have failed to exercise reasonable care in the appointment and continued use of the Custodian or agent.

(i) The Depositary is entitled to make deductions from any income or capital arising from the underlying securities, or to sell such underlying securities and make deductions from the sale proceed therefrom, in order to discharge the indemnification obligations of Depositary Interest holders.

(j) The Depositary may terminate the Deed Poll by giving 30 days' notice. During such notice period holders may cancel their Depositary Interests and withdraw their deposited property and, if any Depositary Interests remain outstanding after termination the Depositary must, among other things, deliver the deposited property in respect of the Depositary Interests to the relevant Depositary Interests holders or, at its discretion sell all or part of such deposited property. The Depositary shall, as soon as reasonably practicable, deliver the net proceeds of any such sale, after deducting any monies due to it, together with any other cash held by it under the Deed Poll *pro rata* to holders of Depositary Interests in respect of their Depositary Interests.

(k) The Depositary or the Custodian may require from any holder information as to the capacity in which Depositary Interests are or were owned and the identity of any other person with or previously having any interest in such Depositary Interests and the nature of such interest and evidence or declarations of nationality or residence of the legal or beneficial owners of Depositary Interests and such information as is required for the transfer of the relevant Shares to the holders. Holders agree to provide such information requested and consent to the disclosure of such information by the Depositary or the Custodian to the extent necessary or desirable to comply with their legal or regulatory obligations. Furthermore, to the extent that the Bylaws or the Certificate of Incorporation require disclosure to the Company of, or limitations in relation to, beneficial or other ownership of the Company's securities, the holders of Depositary Interests are to comply with the Company's instructions with respect thereto.

13.9 *Registrar Agreement*

A registrar agreement ("Registrar Agreement") dated 1 March 2021 between the Company and the Registrar pursuant to which the Registrar will provide services connected with the maintenance of the Company's register. The initial term of the Registrar Agreement shall be for three years from the commencement date after which period the Registrar Agreement shall automatically renew for successive periods of 12 months. Either party may terminate the registrar agreement by giving three months' notice. The Registrar Agreement contains certain indemnities given by the Company to the Registrar which are customary for an agreement of this nature.

Reorganisation Documents

13.10 Recapitalisation agreement ("Recapitalisation Agreement") between the Company (1), Makers Fund (2), NetEase (3), Alex Nichiporchik (4) and Luke Burtis (5), dated 26 February 2021, pursuant to which the parties agreed to the Pre-IPO Reorganisation and the termination of the Amended and Restated Investors' Rights Agreement, the Amended and Restated Voting Agreement, the Amended and

Restated Right of First Refusal and Co-Sale Agreement, the Observer Rights Letter and the Series A Side Letter Agreement ("Preferred Holders Agreements"). The Recapitalisation Agreement provided that upon the consummation of the offering and recapitalisation, Makers Fund and NetEase agree that the Preferred Holders Agreements, and any and all rights, duties, interests and obligations arising thereunder, are forever, fully and completely terminated in their entirety and Makers Fund and NetEase would have no preferential rights as shareholders of the Company. The Recapitalisation Agreement is governed by the laws of the State of Delaware, US.

13.11 Amended and restated investors' rights agreement ("Amended and Restated Investors' Rights Agreement") dated 1 February 2019, between the Company (1), tinyBuild LLC (2), DevGAMM LLC (3), Pine Events Inc. (4), NetEase (5), Makers Fund (6), Alex Nichiporchik (7) and Luke Burtis (8) pursuant to which the rights of the Shareholders of the Company were governed, including consent rights. Customary mutual indemnities were given by the parties. It is intended that the Amended and Restated Investors' Rights Agreement is terminated on Admission pursuant to the Recapitalisation Agreement. The Amended and Restated Investors' Rights Agreement is governed by the laws of the State of Delaware, US.

13.12 Amended and restated voting agreement ("Amended and Restated Voting Agreement") dated 1 February 2019 between the Company (1), NetEase (2), Makers Fund (3), Alex Nichiporchik (4) and Luke Burtis (5) pursuant to which the parties agreed how to vote their Shares in connection with certain matters. It is intended that the Amended and Restated Voting Agreement is terminated on Admission pursuant to the Recapitalisation Agreement. The Amended and Restated Voting Agreement is governed by the laws of the State of Delaware, US.

13.13 Amended and restated right of first refusal and co-sale agreement ("Amended and Restated Right of First Refusal and Co-Sale Agreement") dated 1 February 2019 between the Company (1), NetEase (2), Makers Fund (3), Alex Nichiporchik (4) and Luke Burtis (5) pursuant to which the a right of first refusal in connection with any proposed transfer of Shares held by Alex Nichiporchik or Luke Burtis was granted firstly to the Company and secondly to the Preferred Holders, and each of the Preferred Holders was entitled to co-sale its holding. It is intended that the Amended and Restated Right of First Refusal and Co-Sale Agreement is terminated on Admission pursuant to the Recapitalisation Agreement. The Amended and Restated Right of First Refusal and Co-Sale Agreement is governed by the laws of the State of Delaware, US.

13.14 Observer Rights Letter ("Observer Rights Letter") dated 1 February 2019 between the Company (1) and NetEase (2) pursuant to which certain board observation rights were granted to NetEase. It is intended that the Observer Rights Letter is terminated on Admission pursuant to the Recapitalisation Agreement. The Observer Rights Letter is governed by the laws of the State of Delaware, US.

13.15 Series A Side Letter Agreement ("Series A Side Letter Agreement") dated 1 February 2019 between the Company (1) and NetEase (2) pursuant to which certain rights were granted to NetEase in connection with the Amended and Restated Right of First Refusal and Co-Sale Agreement and the Amended and Restated Investors' Rights Agreement. It is intended that the Series A Side Letter Agreement is terminated on Admission pursuant to the Recapitalisation Agreement. The Series A Side Letter Agreement is governed by the laws of the State of Delaware, US.

Business acquisitions

13.16 Asset Purchase Agreement ("We're Five APA") dated 31 January 2021 (as amended and restated on 19 February 2021) between tinyBuild LLC as purchaser and We're Five Games LLC, founders of the We're Five Games studio ("We're Five Studio Team" and collectively, "We're Five") as sellers pursuant to which tinyBuild LLC purchased from We're Five all right, title and interest in the Totally Reliable Delivery Service game (including all past and present and certain derivative versions), the Totally Reliable Delivery Service and We're Five Games trademarks, the werefivegames.com and werefive.games domain names, and certain related technology software (including all source code).The consideration payable under the transaction is made up of: (i) a total of $300,000 to be paid in non-equal amounts to each of We're Five Studio Team, (ii) $238,500 to be paid to We're Five Games LLC, of which $113,536 is a recoupable advance on any revenue share payments that may be due from tinyBuild LLC to any of the We're Five Studio Team and the remaining amount represents the amount that the parties have estimated to be payable to the We're Five Studio Team under their

respective independent contractor agreements with tinyBuild LLC as described further below. In addition, tinyBuild LLC agreed to fund its wholly owned subsidiary (which will be incorporated following Admission) up to a maximum of $837,784 USD to cover agreed monthly studio costs for the period April 2021 through March 2022 (payable monthly). Each of the We're Five Studio Team and certain key personnel entered into independent contractor agreements with tinyBuild, LLC. Under the independent contractor agreement, tinyBuild would compensate the We're Five Studio Team for as long as they continue to be engaged by tinyBuild in the following amounts: (i) $500,000 in Options awarded to the We're Five Studio Team subject to vesting provisions set out in paragraph 6 above, (ii) royalty payments of up to 20 per cent. of net revenues, and (iii) earnout payments in the form of additional Options up to a maximum of $2,184,000 if certain revenue targets are met in 2021, 2022, and 2023. The We're Five APA provided standard confidentiality terms. We're Five agreed to assume customary indemnification obligations. The We're Five APA is governed by the laws of the State of Washington, US.

13.17 Asset Purchase Agreement ("Hungry Couch APA") dated 2 February 2021 (as amended on 18 February 2021) between tinyBuild LLC and Burov Konstantin Dmitrievich ("Seller") pursuant to which tinyBuild LLC purchased from the Seller certain intellectual property and other assets in connection with the Black Skylands game (including all past and present and certain derivative versions), the Black Skylands and Hungry Couch trademarks, the blackskylands.com and hungrycouch.com domain names, and certain related technology software (including all source code), in consideration of $550,000 USD, consisting of (i) 4 payments of $50,000 every six months over two years, not to exceed $200,000 and (ii) $350,000, being an amount previously paid by tinyBuild LLC to the Seller as an advance for the development work performed by the Seller developing the game, being waived and released by tinyBuild LLC. As a completion deliverable, the Seller entered into an independent contractor agreement with tinyBuild LLC pursuant to which he will receive up to $200,000 Options, subject to the vesting provisions set out in paragraph 6 above, and procured that certain key personnel of the Seller enter into independent contractor agreements with tinyBuild LLC. As part of the asset purchase agreement, the Seller will also be entitled to earnout payments in the form of product royalty payments and Options based on meeting certain revenue targets in 2021, 2022, 2023, 2024 and beyond. The Hungry Couch APA provided standard confidentiality terms. The Seller agreed to assume customary indemnification obligations. The Hungry Couch APA is governed by the laws of the State of Washington, US.

13.18 Asset Purchase Agreement ("Moon Moose APA") dated 25 November 2020 (as amended on 17 February 2021) between tinyBuild LLC and Ivan Rogovoi, Leonid Gorbachev, Margarita Shapovalova, Andrey Velichko, and Dmitrii Borisov collectively and by each of them individually (the "**Sellers**") pursuant to which tinyBuild LLC purchased from the Sellers certain intellectual property and other assets in connection with the Cartel Tycoon game, in consideration of the sum of $245,000, being an amount previously paid by tinyBuild LLC to the Sellers as an advance for the development work performed by the Sellers developing the game, being waived and released by tinyBuild LLC. The Sellers agreed to cease operations and conduct no further business, and each of the Sellers entered into an independent contractor agreement with tinyBuild LLC. The Moon Moose APA provided standard confidentiality terms. The Sellers agreed to assume customary indemnification obligations. Each Seller independent contractor agreement provided a 4 per cent. ownership stake in the Company's Moon Moose LLC subsidiary for each Seller and a 4 per cent. share of certain revenues based on net sales of Cartel Tycoon and other games produced under the applicable agreement. Separately, the Company granted to each Seller $50,000 of Options, subject to the vesting provisions set out in paragraph 6 above. The Moon Moose APA is governed by the laws of the State of Delaware, US.

13.19 Asset Purchase Agreement ("Hologryph APA") dated 15 October 2020 between tinyBuild LLC and Hologryph LLC ("Hologryph") pursuant to which tinyBuild LLC purchased from Hologryph certain intellectual property and other assets in connection with Holonet, Holocore, HoloUI, in consideration for $350,000 payable in three equal monthly installments in equal proportions to each of the Hologryph founders (Maksym Khrapai, Andrii Moskal, Yevhen Dranov and Sergii Grynets) starting from completion. Hologryph agreed to cease operations and conduct no further business, and each of the Hologryph founders and certain key personnel of Hologryph entered into an independent contractor agreement with the Company. Each founder independent contractor agreement provided a share of certain revenues based on net sales of Secret Neighbor and other games produced under

the applicable agreement. Separately, the Company granted to each founder $50,000 of Options, subject to the vesting provisions set out in paragraph 6 above. The Hologryph APA provided standard confidentiality terms. Hologyrph agreed to assume customary indemnification obligations. The Hologryph APA is governed by the laws of the State of Delaware, US.

13.20 Assignment and Transfer Agreement ("DoubleDutch Assignment Agreement"), dated 3 June 2020 between tinyBuild LLC and DoubleDutch Games BV ("DoubleDutch") pursuant to which DoubleDutch assigned, transferred and conveyed to tinyBuild LLC certain intellectual property and other assets in relation to SpeedRunners. ("SpeedRunners IP Rights"), in consideration of a royalty of 30 per cent. of net receipts associated with sales of SpeedRunners on mobile platforms, a royalty of 70 per cent. of net receipts associated with other sales of SpeedRunners, and a royalty of 30 per cent. of net receipts associated with certain future products, including sequels, prequels and spin-offs. If DoubleDutch requests tinyBuild LLC develop a product using the SpeedRunners IP Rights and tinyBuild LLC agrees, tinyBuild LLC will pay DoubleDutch a royalty of 50 per cent. of the net receipts associated with the sales of the developed product if tinyBuild LLC funds the project and a royalty of 70 per cent. if DoubleDutch funds the project. The DoubleDutch Assignment Agreement provided standard confidentiality terms. DoubleDutch agreed to assume customary indemnification obligations. The DoubleDutch Assignment Agreement is governed by the laws of the State of Washington, US.

13.21 Assignment and Transfer Agreement ("HakJak Assignment Agreement ") dated 20 April 2020 between tinyBuild LLC and HakJak Productions ("HakJak") pursuant to which tinyBuild LLC purchased from HakJak the right, title and interest in and to the Guts and Glory video game and all associated intellectual property, in consideration for $100,000 payable in cash and a royalty of 20 per cent. of net receipts associated with sales of the Guts and Glory video game in perpetuity and 60 per cent. on sales prior to the effectiveness of the agreement. HakJak retained first right to develop any sequels. The HakJak Assignment Agreement provided standard confidentiality terms, representations and warranties. HakJak provided a customary indemnification to tinyBuild LLC. The HakJak Assignment Agreement is governed by the laws of the State of Washington, US.

13.22 Asset purchase and assignment agreement ("Dynamic Pixels APA") dated 19 September 2019 between Dynamic Pixels Limited ("Dynamic Pixels") and tinyBuild LLC pursuant to which tinyBuild LLC purchased from Dynamic Pixels all right, title and interest in and to Hello Neighbor and all associated intellectual property rights, in consideration of $5,600,000. TinyBuild LLC also agreed to pay Dynamic Pixels 5 per cent. of amounts actually received from sales, less returns, credits, freight, taxes (other than income taxes) and similar charges and manufacturing expenses and royalties, including certain future development and marketing costs for the purchased assets. Dynamic Pixels provided customary representations, warranties and confidentiality provisions, and agreed to indemnify tinyBuild LLC in relation to the inaccuracy or breach in Dynamic Pixels' covenants, obligations, representations or warranties in the Agreement and documents delivered thereunder. The Dynamic Pixels APA is governed by the laws of the State of Washington, US.

Other Material Agreements

13.23 Profits Interest Award Agreement ("Profit Interest Agreement") dated 11 January 2018 between DevGAMM LLC and Valeriya Mallayeva ("VM"), wife of Alex Nichiporchik, pursuant to which VM was awarded 20 per cent. of the outstanding interests of DevGAMM LLC. Pursuant to the Profit Interest Agreement VM is awarded additional interests in DevGAMM LLC over a three year period. As at the date of this Document VM had been awarded the maximum 51 per cent. The Profit Interest Agreement is governed by the laws of the State of Washington, US.

13.24 Operating agreement ("DevGAMM Operating Agreement") dated 11 January 2018 between DevGAMM LLC ("DevGAMM") (1), Valeriya Mallayeva ("VM") (2) and the Company (3). The DevGAMM Operating Agreement regulates the relationship between the members of DevGAMM. The members may be required to contribute additional capital if the Board unanimously determines it is reasonably necessary to meet DevGAMM's expenses. Member Valeriya Mallayeva currently owns a 51 per cent. interest in DevGAMM, and the Company owns the remaining 49 per cent. The Company, whilst it continues to hold at least 20 per cent. of the membership interests, has a right to appoint one director on the board, which as of the Admission will be Henrique Olifiers. Valeriya Mallayeva has a similar right and serves on the board. Luke Burtis has been appointed as a third member of the board, and may be removed and replaced with the vote of members holding a majority of DevGAMM. Actions

requiring unanimous board approval include admitting new members, issuing equity securities, and approving related party transactions and certain significant corporation transactions. The membership interests in DevGAMM are non-transferable, and there is a right of first refusal on a transfer of the membership interests, including in connection with a member's bankruptcy or insolvency in favour of the non-transferring members. The DevGAMM Operating Agreement includes a drag-along which provides that if holders of 75 per cent. or more of DevGAMM having management rights wish to sell all or substantially all of the assets of DevGAMM or all of their membership interests in DevGAMM, then such members may demand the other members participate in the sale. The DevGAMM Operating Agreement is governed by the laws of the State of Washington, US.

13.25 Amended and restated operating agreement of Moon Moose LLC ("Moon Moose Operating Agreement"), dated on or around 2 March 2021, between Moon Moose LLC ("Moon Moose"), Ivan Rogovoi, Leonid Gorbachev, Margarita Shapovalova, Andrey Velichko, Dmitrii Borisov and the Company. The members of Moon Moose are the Company (80 per cent.), Ivan Rogovoi, Leonid Gorbachev, Margarita Shapovalova, Andrey Velichko and Dmitrii Borisov (each 4 per cent.); the Company is the managing member of Moon Moose. The Company may sell or transfer its ownership interest in Moon Moose at any time, and it has sole discretion on deciding if other members will be admitted to Moon Moose. Moon Moose shall reimburse the Company for expenses incurred in connection with and related to Moon Moose's business, and indemnify and hold harmless the Company to the fullest extent permissible under Washington law. The Company may amend or repeal the Moon Moose Operating Agreement or certificate of formation at any time. The Moon Moose Operating Agreement is governed by the laws of the State of Washington, US.

13.26 PINE Events Investors' Rights Agreement dated 27 September 2018 made between PINE Events Inc. and the Company. The Company, among other things, (i) has a right of first refusal to purchase its pro rata share of any new securities proposed to be sold by PINE Events Inc., (ii) is entitled to appoint one director to the PINE Events Inc. board, and (iii) received certain information and registration rights.

13.27 Right of First Refusal and Co-Sale Agreement dated 27 September 2018 made between PINE Events Inc., the Company, Yevhen Hnatenko and Artur Ostapenko. PINE Events Inc. has a right of first refusal with respect to any of the Company's series seed preferred shares in PINE Events Inc. that the Company proposes to sell or otherwise transfer. In addition, if certain holders of PINE Events Inc. common stock approve a sale of PINE Events Inc., the Company is subject to drag-along rights that may require the Company to vote in favour of such a sale, and to sell a certain proportion of its shares if such sale is a stock sale. Each share of PINE Events Inc. series seed preferred stock is entitled to one vote and is convertible into one share of PINE Events Inc. common stock at the Company's option at any time, and will convert automatically immediately prior to an initial public offering of PINE Events Inc. In addition, the Company is entitled to approve certain corporate actions as the holder of 100 per cent. of the PINE Events Inc. series seed preferred stock, including, without limitation, to approve certain corporate transactions, amend or repeal the PINE Events Inc. certificate of incorporation or the bylaws, change the size of the board or amend or authorize any issuance of new equity securities.

13.28 Pine Events Inc. 2018 Equity Incentive Plan ("the Pine Events Plan"). The Pine Events Plan provides for grants to employees, directors and consultants of (i) incentive stock options, (ii) non-statutory stock options, (iii) stock appreciation rights ("SARs"), (iv) restricted stock awards and (v) restricted stock unit awards. The Pine Events Plan is administered by the PINE Events Inc. board of directors. The board determines the form, terms and conditions of each option or SAR. No option or SAR may be exercisable after 10 years from the date of grant. Vesting provisions are determined by the board and may vary. Options and SARs are not transferable except by laws of descent and distribution, subject to certain exceptions. Grant documents may include an early exercise provision. Subject to certain limitations, any unvested common shares purchased pursuant to an early exercise are subject to a repurchase right in favour of the company and any other restriction the board determines is appropriate. The Pine Events Plan contains good and bad leaver provisions. Unless sooner terminated in accordance with its terms, the Pine Events Plan is expected to terminate on 25 August 2027. As at the date of this Document, there are no options outstanding under the Pine Events Plan but the board of Pine Events Inc. has reserved 90,000 common shares for issuance of awards under the plan, which represent nine per cent. of the enlarged share capital of Pine Events Inc.

13.29 Convertible Note Agreement dated 12 December 2019 made between PINE Events Inc. and the Company (the "Note") evidences a loan by the Company to PINE Events Inc. in an amount equal to $250,000. The Note will automatically convert at the closing of any funding round for PINE Events Inc. into securities to be issued by PINE Events Inc. that are exchangeable or convertible at the time of such trigger event. The number of shares which the Company may receive on such conversion is calculated by reference to the price paid by investors as part of the funding round, subject to a discount. As at the date of this Document the Note has not been converted.

13.30 Amended and Restated Operating Agreement of tinyBuild LLC ("tinyBuild Operating Agreement"), dated 25 August 2017, between tinyBuild LLC ("tinyBuild") and the Company. The Company is the sole member of tinyBuild, and tinyBuild is managed by the Company. The Company may sell or transfer its ownership interest in tinyBuild at any time, and it may admit new members to tinyBuild in its sole discretion tinyBuild shall reimburse the Company for expenses incurred in connection with and related to tinyBuild's business, and indemnify and holds harmless the Company to the fullest extent permissible under Washington law. The Company may amend or repeal the tinyBuild Operating Agreement or certificate of formation at any time. The tinyBuild Operating Agreement is governed by the laws of the State of Washington, US.

13.31 Operating Agreement of HakJak Studios LLC ("HakJak Operating Agreement"), dated 25 March 2020, between HakJak Studios LLC ("HakJak") and the Company. The Company is the sole member of HakJak, and HakJak is managed by the Company. The Company may sell or transfer its ownership interest in HakJak at any time, and it may admit new members to HakJak in its sole discretion. HakJak shall reimburse the Company for expenses incurred in connection with and related to HakJak's business, and indemnify and holds harmless the Company to the fullest extent permissible under Idaho law. The Company may amend or repeal the HakJak Operating Agreement or certificate of formation at any time. The HakJak Operating Agreement is governed by the laws of the State of Idaho, US.

13.32 Operating Agreement of Hologryph LLC ("Hologryph Operating Agreement"), dated 30 October 2020 between Hologryph LLC ("Hologryph") and the Company. The Company is the sole member of Hologryph, and Hologryph is managed by the Company. The Company may sell or transfer its ownership interest in Hologryph at any time, and it may admit new members to Hologryph in its sole discretion. Hologryph shall reimburse the Company for expenses incurred in connection with and related to Hologryph's business, and indemnify and holds harmless the Company to the fullest extent permissible under Washington law. The Company may amend or repeal the Hologryph Operating Agreement or certificate of formation at any time. The Hologryph Operating Agreement is governed the laws of the State of Washington, US.

13.33 Operating Agreement of Hungry Couch LLC ("Hungry Couch Operating Agreement"), dated 30 October 2020 between Hungry Couch LLC ("Hungry Couch") and the Company. The Company is the sole member of Hungry Couch, and Hungry Couch is managed by the Company. The Company may sell or transfer its ownership interest in Hungry Couch at any time, and it may admit new members to Hungry Couch in its sole discretion. Hungry Couch shall reimburse the Company for expenses incurred in connection with and related to Hungry Couch's business, and indemnify and holds harmless the Company to the fullest extent permissible under Washington law. The Company may amend or repeal the Hungry Couch Operating Agreement or certificate of formation at any time. The Hungry Couch Operating Agreement is governed by the laws of the State of Washington, US.

13.34 A consultancy agreement dated 3 March 2021 between Nick van Dyk (1) and the Company (2), conditional on Admission, pursuant to which Nick van Dyk has agreed to provide strategic advice to the Company. The engagement is terminable by either party on three months' prior notice, and subject to an annual fee of $12,000 payable in cash. In addition, he is being granted 428,780 Options at Admission at the Placing Price. The Options vest over a three year period conditional on Nick van Dyk continuing to provide strategic advice to the Company. The consultancy agreement is subject to the laws of Washington State, USA.

14. Related Party Transactions

Save for the related party transactions set out in the Historical Financial Information of the Group in Section B of Part III of this Document, the Group Companies have not entered any related party transactions during the period covered by the Historical Financial Information and up until the date of this Document.

15. Legal and Arbitration Proceedings

As at the date of this Document, no member of the Group is or has been involved in any governmental, legal or arbitration proceedings, and the Company is not aware of any such proceedings pending or threatened by or against any member of the Group, which may have or have had during the twelve months preceding the date of this Document a significant effect on the financial position or profitability of the Group.

16. No Significant Change

Other than disclosed in this Document, and in particular in paragraph 6 of Part I and paragraphs 13.16 to 13.19 of Part V, there has been no significant change in the financial performance or the financial position of the Group since 30 June 2020, being the date to which the Historical Financial Information of the Group as set out in Section B of Part III of this Document was prepared.

17. Working Capital

The Directors are of the opinion, having made due and careful enquiry, that the Group will have sufficient working capital for its present requirements, that is for at least 12 months from the date of Admission.

18. Taxation

The information set out below describes the principal UK and US tax consequences of the acquisition, holding and disposal of the Shares and is included for general information only. It is not intended to be, nor should it be construed to be, legal or tax advice to any prospective investors. This section does not take into account the individual circumstances of any prospective investors and should not be relied upon by any prospective investor or any other person. Each prospective investor should obtain, and only rely upon, their own professional tax advice regarding the tax consequences of acquiring, holding and disposing of the Shares under the laws of their country and/or state of citizenship, domicile or residence. This summary is based on tax legislation in force as at the Last Practical Date, without prejudice to any amendments introduced at a later date and implemented with retroactive effect.

18.1 ***UK taxation***

The following statements are intended only as a general guide to current UK tax legislation and to the current practice of HMRC and may not apply to certain Shareholders, such as dealers in securities, insurance companies and collective investment schemes. They relate (except where stated otherwise) to persons who are resident, and in the case of individuals, domiciled in (and only in) the UK for UK tax purposes, who are beneficial owners of Shares (and any dividends paid on them) and who hold their Shares as an investment (and not as employment-related securities and other than via an individual savings account). They are based on current UK legislation and what is understood to be the current practice of HMRC as at the Last Practical Date, both of which may change, possibly with retroactive effect. The tax position of certain categories of Shareholders who are subject to special rules (such as persons acquiring their Shares in connection with employment, dealers in securities, insurance companies and collective investment schemes or those who hold 10 per cent. or more of the Shares or those who are non-UK domiciled individuals) is not considered.

Any person who is in any doubt as to his or her tax position, or who is subject to taxation in any jurisdiction other than that of the UK, should consult his or her own professional advisers immediately.

(a) *Taxation of dividends – individual Shareholders*

UK resident individual Shareholders will be liable to income tax in respect of dividends or other income distributions of the Company. A UK resident individual Shareholder will generally benefit from an allowance in the form of an exemption from tax for the first £2,000 of dividend income

received in the 2020/21 tax year ("Dividend Allowance"). Any dividends above the Dividend Allowance will be taxable at 7.5 per cent. (to the extent it falls within an individual's basic rate band), 32.5 per cent. (to the extent it falls within an individual's higher rate band) or 38.1 per cent. (to the extent it falls within an individual's additional rate band) for the 2020/21 tax year.

(b) *Taxation of dividends – corporate Shareholders*

Dividends paid to a UK resident corporate Shareholder will be taxable income of the UK corporate Shareholder unless the dividends fall within an exempt class and certain other conditions are met. It is likely that most dividends paid to UK resident corporate Shareholders would fall within one or more of the classes of dividend qualifying for exemption from corporation tax. However, it should be noted that the exemptions are not comprehensive and are also subject to anti-avoidance rules. To the extent that dividends are not exempt, UK resident corporate Shareholders may be able to obtain credit for any withholding tax and any underlying tax paid by the Company, subject to certain conditions. The UK has complex double tax relief where UK resident companies receive dividends from non-UK resident companies and therefore UK resident corporate Shareholders should seek further advice on these issues.

(c) *Taxation of dividends – trustees*

The annual dividend allowance available to individuals will not be available to UK resident trustees of a discretionary trust. Generally, dividends received by UK resident trustees of a discretionary trust are liable to income tax at a rate of 38.1 per cent. (save the first £1,000 of trust income which may attract a lower rate of 7.5 percent). The £1,000 dividend allowance for trustees must divided by the total number of trusts which the settlor has settled. However, if the settlor has set up five or more trusts, the standard rate band for each trust is £200.

(d) *Taxation of dividends – UK pension funds and charities*

UK pension funds and charities are generally exempt from tax on dividends, which they receive. Other Shareholders who are not resident in the UK for tax purposes should consult their own advisers concerning their tax liabilities on dividends received.

(e) *Chargeable gains*

Shareholders who are resident in the UK for tax purposes and who dispose of their Shares at a gain will ordinarily be liable to UK taxation on chargeable gains, subject to any available exemptions or reliefs. The gain will be calculated as the difference between the sale proceeds and any allowable costs and expenses, including the original acquisition cost of the Shares. Shareholders who are not resident in the UK for tax purposes but who carry on business in the UK through a branch, agency or permanent establishment with which their investment in the Company is connected may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains. If an individual Shareholder ceases to be resident in the UK and subsequently disposes of Shares, in certain circumstances any gain on that disposal may be liable to UK capital gains tax upon that Shareholder becoming once again resident in the UK. For UK resident individual Shareholders, capital gains tax at the rate of 10 per cent. (for basic rate taxpayers) or 20 per cent. (for higher or additional rate tax payers) will be payable on any gain. UK resident individual Shareholders may benefit from certain reliefs and allowances (including a personal annual exemption allowance, which for 2020/21 tax year exempts the first £12,300 of gains from tax) depending on their circumstances. For UK resident corporate Shareholders any chargeable gain will be within the charge to corporation tax. UK corporate Shareholders can benefit from indexation allowance up to 31 December 2017 (which, in general terms, increases the chargeable gains tax base cost of an asset in accordance with the rise in the retail prices index up to 31 December 2017), but indexation allowance for corporate Shareholders no longer applies post 31 December 2017. Accordingly, any new (post 31 December 2017) UK tax resident corporate Shareholder holding any rolled over tax base cost pre 31 December 2017 may claim indexation allowance on a subsequent disposal on the Shares, but such indexation allowance will only be up to 31 December 2017.

(f) *Stamp duty and stamp duty reserve tax ("SDRT")*

The statements below are intended as a general guide to the current position under UK tax law. They do not apply to certain intermediaries who may be eligible for relief from stamp duty or SDRT, or to persons connected with depositary arrangements or clearance services (or, in either case, their nominees or agents), who may be liable to stamp duty or SDRT at a higher rate.

Treatment of the transfer of Shares into CREST and the trading of Depositary Interests within CREST Admission of the Shares to the standard segment of the Official List should not give rise to a liability to stamp duty or SDRT on the basis that the Admission does not involve a change in title or beneficial ownership in the Shares for consideration. Where there is a transfer of Shares into CREST (where Depositary Interests are issued) there should be no SDRT or stamp duty provided that there is no change in beneficial ownership of the Shares. Where there is a transfer of Shares into CREST (where Depositary Interests are issued) and there is a change in beneficial ownership of the Shares, no charge to SDRT should arise on the basis that the underlying shares are and will continue to be traded on a recognised growth market (AIM).

Assuming that no document of transfer is executed for such a transfer there should be no stamp duty either.

Where Depositary Interests are traded (wholly within CREST), no charge to SDRT should arise on the basis that the underlying shares are and will continue to be traded on a recognised growth market (AIM).

Since any transfer of the Depositary Interests will be wholly within CREST, and no documents of transfer will be executed, no charge to stamp duty should arise on the transfer of Depositary Interests (wholly within CREST).

(g) *Treatment of the transfer of Shares out of CREST and trading of the underlying Shares*

Where there is a transfer of Shares out of CREST (which may involve a collapse of the Depositary Interests) and there is a change in beneficial ownership of the Shares, no charge to SDRT should arise, provided that:

(i) the register of members of the Company continues to be maintained outside the UK; and

(ii) the Shares are not paired with shares or marketable securities in UK-incorporated companies.

Provided that the register of members of the Company continues to be maintained outside the UK, and the Shares are not paired with shares or marketable securities in UK incorporated companies, there should be no SDRT on any agreement to transfer the Shares themselves. However, any document transferring title to the Shares will be technically within the scope of UK stamp duty (at the rate of 0.5 percent, rounded to the nearest £5) if it is executed in the UK or relates (wheresoever executed) to any matter or thing done or to be done in the UK. Where stamp duty arises, this is generally payable by the purchaser. Stamp duty is not a directly enforceable tax. As such, any stamp duty which may arise should not generally be required to be paid in respect of transfers of Shares, unless the document of transfer is required to be relied upon as evidence in a UK court or for other official purpose in the UK. However, where the stamp duty is paid late, interest and penalties may arise.

(h) *Inheritance tax*

If any individual Shareholder is regarded as domiciled in the UK for inheritance tax purposes, inheritance tax may be payable in respect of the Shares on the death of the Shareholder or on certain gifts of the Shares during their lifetime, subject to any allowances, exemptions or reliefs. Non-UK domiciled individual Shareholders may be regarded as deemed domiciled for inheritance tax purposes following a long period of residence in the UK. Further advice should be sought in these circumstances. Individual Shareholders who are in any doubt about the impact of this change on their tax position should obtain detailed tax advice from their own

professional advisers. UK inheritance tax is a complex area and individuals should obtain their own advice in respect of this.

18.2 ***US taxation***

The following is a summary of certain material United States federal income and estate tax consequences of the ownership and disposition of Shares by a Non-US Holder. A Shareholder is a Non-US Holder if, for United States federal income tax purposes, the Shareholder is the beneficial owner of the Company's Shares and:

(i) an individual who is not a United States citizen or United States resident alien;

(ii) a corporation other than a corporation created or organized under the laws of the United States, any state thereof, or the District of Columbia;

(iii) an estate other than an estate whose income is subject to United States federal income tax regardless of its source; or

(iv) a trust other than a trust that either is subject to the supervision of a court within the United States and has one or more United States persons with authority to control all of its substantial decisions, or has a valid election in effect to be treated as a United States person.

This discussion does not address all of the tax considerations that may be relevant to non-United States Holders in light of their particular circumstances, nor does it discuss special tax provisions, which may apply to holders subject to special treatment under United States federal income tax laws, such as certain financial institutions or financial services entities, insurance companies, tax-exempt entities, dealers in securities, partnerships or other entities or arrangements that are treated as partnerships for United States federal income tax purposes, "controlled foreign corporations," "passive foreign investment companies," former United States citizens or long-term residents, persons owning, directly, indirectly or constructively, 5 per cent. of the Company's equity by vote or value and persons that hold the Shares as part of a straddle, conversion transaction, or other integrated investment. Furthermore, this discussion does not address any tax considerations arising under estate taxes, the Medicare contribution tax or the alternative minimum tax, nor does it address any tax considerations arising under the laws of any state, local or foreign jurisdiction, or under any United States federal laws other than those pertaining to income taxes.

If a partnership (or any other entity or arrangement treated as a partnership for United States federal income tax purposes) holds Shares, the tax treatment of a partner in such partnership generally will depend upon the status of the partner and the activities of the partnership. Any such partner or partnership should consult their tax advisers as to the United States federal income tax consequences to them of the ownership and disposition of the Company's Shares.

This summary is based on the tax laws of the United States including the Internal Revenue Code of 1986 (the "**Code**"), its legislative history, existing and proposed regulations promulgated thereunder, published rulings and court decisions, all as currently in effect and all of which are subject to change at any time, possibly with retroactive effect.

INVESTORS SHOULD CONSULT THEIR TAX ADVISERS TO DETERMINE THE TAX CONSEQUENCES TO THEM OF OWNING AND DISPOSING OF SHARES, INCLUDING THE APPLICATION TO THEIR PARTICULAR SITUATION OF THE UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS DISCUSSED BELOW, AS WELL AS THE APPLICATION OF ESTATE TAX, THE MEDICARE CONTRIBUTION TAX, THE ALTERNATIVE MINIMUM TAX AND STATE, LOCAL, NON-UNITED STATES OR OTHER TAX LAWS.

(b) *Dividends*

Distributions will constitute dividends for United States federal income tax purposes to the extent of the Company's current or accumulated earnings and profits, as determined under United States federal income tax principles. To the extent those distributions exceed the Company's current and accumulated earnings and profits, the excess will constitute a return of capital and will first reduce the holder's basis in the Shares, but not below zero, and then will be treated as a gain on the disposition of Shares as described below.

Except as described below, any dividend paid with respect to the Shares will be subject to United States federal withholding tax at a rate of 30 per cent. of the gross amount of the dividend or at a lower rate if the Non-US Holder is eligible for the benefits of an income tax treaty that provides for a lower rate. Even if a Non-US Holder is eligible for a lower treaty rate, the Company and other payors generally will be required to withhold tax at a 30 per cent. rate (rather than the lower treaty rate) on dividend payments to such Non-US Holder, unless the Non-US Holder has furnished to the Company or another payor:

(i) a valid Internal Revenue Service ("**IRS**") Form W–8BEN or IRS Form BEN-E or an acceptable substitute form upon which the Non-US Holder certifies, under penalties of perjury, their status as a Non-US person (as defined by the Code) and their entitlement to the lower treaty rate with respect to such payments; or

(ii) in the case of payments made outside the United States to an offshore account (generally, an account maintained by the Non-US Holder at an office or branch of a bank or other financial institution at any location outside the United States), other documentary evidence establishing their entitlement to the lower treaty rate in accordance with United States Treasury regulations.

A Non-US Holder eligible for a reduced rate of federal withholding tax pursuant to an income tax treaty may obtain a refund of any excess amounts withheld by filing an appropriate claim for refund with the IRS.

If dividends paid to a Non-US Holder are "effectively connected" with such Non-US Holder's conduct of a trade or business within the United States, and, if required by a tax treaty, the dividends are attributable to a permanent establishment that such Non-US Holder maintains in the United States, the Company and other payors generally are not required to withhold tax from the dividends, provided that the Non-US Holder has furnished to the Company or another payor a valid IRS Form W–8ECI or an acceptable substitute form upon which such Non-US Holder represents, under penalties of perjury, that they are a Non-US person and the dividends are effectively connected with the conduct of a trade or business within the United States and are includible in the Non-US Holder's gross income.

"Effectively connected" dividends are taxed at rates applicable to United States citizens, resident aliens and domestic United States corporations. In the case of a corporate Non-US Holder, "effectively connected" dividends that such Non-US Holder receives may, under certain circumstances, be subject to an additional "branch profits tax" at a 30 per cent. rate or at a lower rate if the Non-US Holder is eligible for the benefits of an income tax treaty that provides for a lower rate.

(c) *Gain on Disposition of Shares*

A Non-US Holder generally will not be subject to United States federal income tax on gain that such Non-US Holder recognizes on a disposition of Shares unless:

(i) the gain is "effectively connected" with the conduct of a trade or business in the United States, and the gain is attributable to a permanent establishment that the Non-US Holder maintains in the United States, if that is required by an applicable income tax treaty as a condition for subjecting the holder to United States taxation on a net income basis;

(ii) the Non-US Holder is a non-resident alien individual, holds Shares as a capital asset, is present in the United States for 183 or more days in the taxable year of the sale, and certain other conditions are met; or

(iii) the Company has been a United States real property holding corporation for United States federal income tax purposes and certain exemptions are inapplicable.

"Effectively connected" gains are taxed at rates applicable to United States citizens, resident aliens and domestic United States corporations. In the case of a corporate Non-US Holder, "effectively connected" gains that such Non-US Holder recognizes may also, under certain circumstances, be subject to an additional "branch profits tax" at a 30 per cent. rate or at a

lower rate if such Non-US Holder is eligible for the benefits of an income tax treaty that provides for a lower rate.

The Company does not believe that it has been or is a United States real property holding corporation for United States federal income tax purposes. The Company does not anticipate becoming a United States real property holding corporation for United States federal income tax purposes.

(d) *Foreign Account Tax Compliance Act*

The Foreign Account Tax Compliance Act ("**FATCA**") imposes a 30 per cent. withholding tax on certain types of payments to non-United States financial institutions (an "**FFI**") that fail to comply with information reporting requirements or certification requirements in respect of their direct and indirect United States shareholders and/or United States accountholders. If such failure occurs, withholding may apply with respect to Company dividends payable to a Non-US Holder to the extent such payments are directed to an account with an FFI. Proposed United States Treasury regulations would eliminate FATCA withholding on payments of proceeds on a disposition of Shares. Applicable withholding agents generally may rely on these proposed United States Treasury regulations until final United States Treasury regulations are issued, but such United States Treasury regulations are subject to change.

Many governments have entered into intergovernmental agreements with the United States that implement FATCA. Under this approach, an FFI that satisfies the conditions imposed under the bilateral agreement and any applicable implementing legislation generally will report FATCA information to its local governmental authorities rather than the IRS and in turn will be treated as FATCA compliant. The local governmental authorities will then report such information to the IRS in compliance with the bilateral agreement. Additional information and/or certifications may be requested by an FFI as a result of FATCA or the applicable bilateral agreement. Non-US Holders should consult their tax adviser on how these rules may apply to owning or disposing of Shares.

(e) *Information Reporting and Backup Withholding*

Non-US Holders generally will be required to comply with certain certification requirements to establish that they are not a United States person in order to avoid backup withholding with respect to dividends or the proceeds of a disposition of Shares. In addition, the Company may be required to annually report to each Non-US Holder and to IRS the amount of any distributions paid to the Non-US Holder, regardless of whether the Company actually withheld any tax.

Copies of the information returns reporting such distributions and the amount withheld, if any, may also be made available to the tax authorities in the country in which the Non-US Holder resides under the provisions of an applicable income tax treaty.

Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a Non-US Holder may entitle the Non-US Holder to a refund, provided that the required information is timely furnished to the IRS in the manner required.

19. Depositary Interest Arrangements

19.1 The requirements of the AIM Rules for Companies provide that the Company must, upon Admission becoming effective, have a facility for the electronic settlement of the Shares. The shares of companies incorporated in England (and the shares of companies incorporated in certain other jurisdictions) which are traded on AIM are settled through CREST. However, with limited exceptions, only shares and other securities which are constituted under English law can be settled through the CREST system, regardless of the fact that they may be admitted to trading on AIM. As the Company is incorporated in the United States its Shares are not eligible to be held directly through CREST and, accordingly, the Company has established, via the Depositary, a Depositary Interest arrangement.

19.2 The Depositary Interests representing the Shares will be issued to the individual Shareholders' CREST account on a one for one basis and with the Depositary providing the necessary custodial service. It is expected that, where Placees have asked to hold their Shares in uncertificated form, they will have their CREST accounts credited with Depositary Interests on the day of Admission. Investors who are able to and elect to hold their Shares as Depositary Interests will be bound by a Deed Poll (summarised in paragraph 13.8 of this Part V), executed by the Depositary in favour of the investors from time to time, the terms of which are summarised below. The rights and obligations pertaining to the Depositary Interests will be governed by English law. Holders of Depositary Interests will have no rights in respect of the underlying Shares or the Depositary Interests against CREST, the operating company of the CREST system, or its subsidiaries. The Depositary Interests are themselves independent securities constituted under English law and can be traded and settled within the CREST system in the same way as any other CREST security. The Shareholders that are non-US Persons have the choice of whether to hold their Shares in certificated form or in uncertificated form in the form of Depositary Interests. Shareholders who are able to and elect to hold their Shares in uncertificated form through the Depositary Interest facility will be bound by a deed of trust.

19.3 The Company's share register, which will be kept by the Registrar in Guernsey, will show the Depositary or its nominated custodian as the holder of the Shares represented by Depositary Interests but the beneficial interest will remain with the Shareholders who will continue to receive all the rights attaching to the Shares as they would have if they had themselves been entered on the Company's share register. Shareholders can withdraw their Shares back into certificated form at any time using standard CREST messages.

19.4 Where Placees have requested to receive their Shares in certificated form, share certificates will be despatched by first-class post within ten Business Days of the date of Admission. No temporary documents of title will be issued. Pending the receipt of definitive share certificates in respect of the Shares (other than in respect of those Shares settled via Depositary Interests through CREST), transfers will be certified against the Company's share register.

20. Effects of US Domicile

The Company is a US corporation organised under the laws of the State of Delaware. There are a number of differences between the corporate structure of the Company and that of a public limited company incorporated in England under the Companies Act. While the Directors consider that it is appropriate to retain the majority of the usual features of a US corporation, the Directors will, prior to Admission, take certain actions to conform to UK standard practice adopted by companies under English law and admitted to AIM to the extent such practices are enforceable under Delaware law. Set out below is a description of principal differences and, where appropriate, the actions the Board intends to take.

20.1 ***Share Allotment; Limitations on Borrowing***

Companies incorporated under the Companies Act must explicitly authorise directors to allot share under Sections 550 or 551 of the Companies Act. It is usual for UK companies to place restrictions on the authority of directors to allot shares. In particular, it is a requirement under Section 551 of the Companies Act that such authority be limited to expire after a specified time period of no longer than five years, with shareholder approval required for renewal. An issue of shares and other equity securities of a company incorporated in Delaware requires prior approval by the board of directors. However, the authority of the Board to issue equity securities is not unconditional; it is limited by the number of shares authorised for issue in the Company's Certificate of Incorporation, which has currently authorised a total of eight hundred million (800,000,000) shares, all of which are Shares. UK companies may impose limits on their borrowing powers by, for example, specifying that borrowed amounts may not exceed a multiple of the company's capital and reserves. The Company does not have limitations on its ability to borrow funds, as this type of limitation is extremely rare for US companies.

20.2 ***Pre-emptive rights***

Companies incorporated under the Companies Act are subject to pre-emptive rights on new shares issued by the company pursuant to Section 561 of the Companies Act. These rights provide for existing shareholders to have a right of first refusal on the issue of new shares for cash. The DGCL does not automatically provide for pre-emptive rights. However, the Certificate of Incorporation

provides that unless otherwise determined in a meeting of Shareholders by the affirmative vote of at least seventy-five percent (75 per cent.) of the Shares present in person or represented by proxy at the meeting and entitled to vote on the matter, each Shareholder shall have a pre-emptive right to subscribe for its *pro rata* share of Shares (with certain exceptions as set out in paragraph 7.6 of this Part V) that the Company may, from time to time, propose to sell and issue wholly for cash, but subject to such exclusions or other arrangements as the Board may deem necessary, appropriate or expedient in their exclusive discretion to deal with fractional entitlements or legal restrictions under the laws, or the requirements of any regulatory authority or stock exchange or otherwise in any jurisdiction.

20.3 ***Takeovers***

Except to the extent voluntarily incorporated by the Company to be administered by the Board, the Company will not be subject to the Takeover Code and certain provisions contained in the Company's Certificate of Incorporation and Bylaws make a hostile takeover of the Company more difficult to achieve. These provisions are set out below. The Company has included a provision in its Certificate of Incorporation requiring Shareholders who acquire certain percentages of Shares of the Company to offer to purchase all of the outstanding share capital of the Company at a value not less than the highest price paid by such Shareholder for Shares of that class during the previous twelve months. The provision is intended to give the Company and its Shareholders protections similar to those available under Rule 9 of the Takeover Code as if it applied to the Company, and is described in paragraph 7.16 of this Part V.

Generally under Delaware law, a court will defer to the "business judgment" of the directors in their response to a proposed merger transaction, absence a conflict of interest. While this legal principle is limited (for example, in certain transactions involving a "sale of control" (as defined within Delaware case law) where the standard shifts and requires the Board to obtain the highest value reasonably available for shareholders), the "business judgment" presumption generally provides the Board with the ability to reject a takeover offer and to take certain actions to position the Company against a takeover in the future. Additionally, Section 203 of the DGCL imposes restrictions on business combinations such as mergers between the Company and a holder of 15 per cent. or more of its voting shares. Ownership of the Company's Shares is currently concentrated among a small number of Shareholders, which may make it difficult or impossible for a third-party to take over the Company if one or more of these Shareholders does not want to sell. The US federal securities laws also regulate certain types of takeover activity. In particular, provisions of the US Exchange Act regulate tender offers and require public disclosure, by means of a filing with the SEC, of acquisitions of beneficial ownership of over five percent (5 per cent.) of outstanding voting equity securities in a publicly traded company. Many of these provisions of the US Exchange Act will not apply to the Company unless and until it has a class of shares registered under the US Exchange Act or otherwise becomes subject to US Exchange Act reporting requirements.

20.4 ***Limitation of Director liability; indemnification of Directors and Officers***

While both the Companies Act and the DGCL allow for exculpation of directors and indemnification of directors and officers, the scope of indemnification allowed under Delaware law is broader. Section 232 of the Companies Act generally prohibits UK companies from exempting directors from, or indemnifying them against, liabilities in instances where the directors are found to be negligent, in default, or in breach of duty or trust (subject to certain statutory relaxations, whereby directors may (if a company so chooses) be indemnified against third-party proceedings and the costs of defending actions brought against them by the company).

By comparison, the Company's Certificate of Incorporation eliminates any monetary liability of Directors to the Company or its Shareholders for breaches of fiduciary duty as a Director, except:

(i) for any breach of the Director's duty of loyalty to the Company or its Shareholders;

(ii) for acts or omissions not in good faith or which involved intentional misconduct or a knowing violation of the law;

(iii) under Section 174 of the DGCL (which deals with unlawful payments of dividends and unlawful stock purchases or redemptions); or

(iv) for any transaction from which the Director derived an improper personal benefit.

In addition, the Bylaws provide that the Company will indemnify its Directors and officers to the fullest extent permitted by the DGCL, provided that the Company will not be obligated to indemnify any Director or officer on account of proceedings:

(i) initiated or brought voluntarily by such individual and not by way of defence;

(ii) initiated by such individual to enforce or interpret his or her indemnification rights, if such proceeding is determined by a court of competent jurisdiction to be not made in good faith or frivolous;

(iii) for which expenses or liabilities have been paid directly to such individual by the carrier of the Company's Directors' and Officers' liability insurance; or

(iv) if the Company is prohibited by law from paying such indemnification. Section 145 of the DGCL provides that directors and officers generally may be indemnified for acts taken in good faith and in a manner reasonably believed to be in or not opposed to the best interest of the corporation.

The Bylaws provide that the Company will reimburse or advance defence expenses to a Director or officer in connection with any such proceeding for which indemnification is allowed, subject to an affirmation of the Director's or officer's good faith belief that he or she has met the standard of conduct required to be eligible for indemnification and to an undertaking by such Director or officer to repay such expenses in limited circumstances where indemnification is not granted. Section 145 of the DGCL permits a corporation to: (i) reimburse present or former directors or officers for their defence expenses to the extent they are successful on the merits or otherwise; and (ii) advance defence expenses upon receipt of an undertaking to repay the corporation if it is determined that payment of such expenses is unwarranted.

20.5 ***Shareholder notifications of interests***

As a company incorporated under the laws of the State of Delaware, the Company is not subject to the provisions of the Disclosure Guidance and Transparency Rules and, consequently, Shareholders would not ordinarily be subject to any requirement to disclose to the Company the level of their interests in Shares or any changes thereto in accordance with Rule 17 of the AIM Rules for Companies. However, in line with current best practice for companies incorporated outside the UK whose shares are admitted to trading on AIM, the Company has elected to incorporate certain provisions of the Disclosure Guidance and Transparency Rules and the Companies Act into its Certificate of Incorporation, further details of which are set out in paragraph 7.13 of this Part V.

20.6 ***Additional corporate matters***

In addition, the following provisions of Delaware law applicable to the Company, and the following provisions in the Company's Certificate of Incorporation and Bylaws, are often adopted by US corporations but may not be typical for UK companies:

(i) Shareholder and Director Meeting Quorum Requirements

(a) the holders of a majority of the shares issued and outstanding and entitled to vote, present in person or represented by proxy, shall constitute a quorum for action at all meetings of the shareholders; provided, however, that if two-thirds of the total number of authorized directors has approved all the matters to be voted upon and all of the nominees for director proposed for election at a given meeting of shareholders, then only shareholders representing one third (1/3) of the voting power of the issued and outstanding share capital of the corporation shall constitute a quorum for the transaction of business at such meeting of the shareholders; and

(b) The quorum required for action at a meeting of the Board is a majority of the number of authorised number of directors.

(ii) Classified Board of Directors; Removal of Directors

Unlike single-class boards of directors for UK companies, the Certificate of Incorporation divides the Board into three classes, with staggered terms of up to three years and with approximately one-third of the Board being elected at each annual meeting of shareholders. Under the Certificate of Incorporation, Directors may only be removed for cause (as determined under Delaware case law) and by the affirmative vote of a majority of the Shares entitled to vote in the election of directors. Directors of UK companies may be removed with or without cause at a meeting of shareholders with approval of the holders of a majority of the voting shares represented at the meeting. Classified boards and removal for cause provide, among other things, institutional consistency, but they also may discourage company takeovers.

(iii) Calling of Shareholder Meetings; Shareholder Proposals

For UK companies, holders of at least five percent (5 per cent.) of the outstanding share capital may request a general meeting of shareholders to be called and may propose resolutions to be voted on at the meeting. Under the Certificate of Incorporation, special meetings of the Shareholders may be called only by the Board. No business may be transacted at a meeting of shareholders other than the business specified in the meeting notice. In order for Shareholders to propose business or Director nominees to be voted on at a meeting of shareholders, the Bylaws generally require that Shareholders submit to the Company's corporate secretary (1) specified notice of any such proposed action or nominations within a specified 30-day window, (2) detailed information about the business or nominees, and about the proposing Shareholder, and (3) a proxy statement and form of proxy to holders of at least the percentage of the Shares required to approve any such proposal or, in the case of a nomination for director, of a percentage of the Shares reasonably believed to be sufficient to elect the nominee. These Bylaw provisions assist the Board in anticipating potential business at Shareholder meetings but also limit the ability of Shareholders to influence matters put to a Shareholder vote.

A summary of certain terms of the Company's Certificate of Incorporation and Bylaws and certain other provisions of the DGCL are set forth in paragraph 7 of this Part V.

21. General

21.1 The net proceeds of the Placing to the Company are expected to be £28.6 million. Total transaction costs of Admission are expected to be approximately £7.6 million. These transaction costs include (but are not limited to) commissions, accountancy fees, legal fees and the fees of the Company's Joint Brokers.

21.2 Save in connection with the application for Admission, none of the Shares has been admitted to dealings on any recognised exchange and no application for such admission has been made and it is not intended to make any other arrangements for dealings in the Shares on any such exchange.

21.3 Zeus Capital has given and not withdrawn its written consent to the inclusion in this Document of reference to its name.

21.4 Berenberg has given and not withdrawn its written consent to the inclusion in this Document of reference to its name.

21.5 Grant Thornton UK LLP has given and not withdrawn its written consent to the inclusion in this Document of its report in Section A of Part III of this Document in the form and context in which it is included.

21.6 The auditors of the Group were Clark Nuber PS, certified public accountants and registered auditors, who have audited the accounts for the Group for the financial years ended 31 December 2017, 31 December 2018 and 31 December 2019, and the six months ended 30 June 2020. The Company intends to appoint Grant Thornton LLP as auditors for the year ended 31 December 2020 onwards.

21.7 Where information has been sourced from a third-party this information has been accurately reproduced. As far as the Company is aware and are is able to ascertain from information provided

by that third-party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

21.8 The accounting reference date of the Company is 31 December.

21.9 The following persons have received fees totalling £10,000 or more from tinyBuild within the 12 months immediately preceding the date of this Document, or have entered into a contract to receive £10,000 or more from tinyBuild on or after Admission:

(a) oneGias Ltd.

(b) Swan Partners Limited

(c) RSM UK Tax and Accounting Limited

(d) Nektorov, Saveliev & Partners

(e) AVELLUM

(f) ZAB Sorainen

(g) TeekensKarstens advocaten notarissen

(h) Richards, Layton & Finger, P.A.

21.10 Save as disclosed in this Document, no person (other than the Company's professional advisers named in this Document and trade suppliers) has at any time within the 12 months preceding the date of this Document received, directly or indirectly, from the Company or entered into any contractual arrangements to receive, directly or indirectly, from the Company on or after Admission any fees, securities in the Company with a value of £10,000 or more calculated by reference to the Placing Price or any other benefit with a value of £10,000 or more at the date of Admission.

22. Availability of Admission Document

22.1 Copies of this Document will be available free of charge to the public during normal business hours on any day (except Saturdays, Sundays and public holidays in the United Kingdom and the United States) at the registered offices of the Company and, for one month from Admission, at the offices of Zeus Capital at 10 Old Burlington Street, London W1S 3AG. This Document is also available on the Company's website, www.tinybuild.com.

Dated: 3 March 2021

PART VI

TERMS AND CONDITIONS OF THE PLACING

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS PART VI AND THE TERMS AND CONDITIONS SET OUT HEREIN (TOGETHER, THE "**TERMS AND CONDITIONS**") (WHICH IS FOR INFORMATION PURPOSES ONLY) ARE DIRECTED ONLY AT: (A) PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA (THE "**EEA**") WHO ARE QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 2(E) OF REGULATION (EU) 2017/1129 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 14 JUNE 2017, (THE "**EU PROSPECTUS REGULATION**") ("**EU QUALIFIED INVESTORS**"); AND (B) IN THE UNITED KINGDOM, QUALIFIED INVESTORS AS DEFINED IN ARTICLE 2(E) OF REGULATION (EU) 2017/1179 WHICH FORMS PART OF DOMESTIC LAW PURSUANT TO THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE "**UK PROSPECTUS REGULATION**") ("**UK QUALIFIED INVESTORS**") WHO ARE ALSO PERSONS WHO (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS WHO FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 AS AMENDED (THE "**ORDER**") (INVESTMENT PROFESSIONALS); (II) PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC) OF THE ORDER; OR (III) ARE PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**").

THESE TERMS AND CONDITIONS AND THE INFORMATION IN THEM MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THESE TERMS AND CONDITIONS MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THESE TERMS AND CONDITIONS RELATE IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THESE TERMS AND CONDITIONS DO NOT THEMSELVES CONSTITUTE AN OFFER FOR THE SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY.

The Placing Shares have not been and will not be registered under the US Securities Act or under any securities laws of any state or other jurisdiction of the United States. The Placing Shares are being offered and sold only outside of the United States to persons who are not US persons or acting for the account or benefit of any US Persons in "offshore transactions" (as defined in Regulation S) in accordance with, and in reliance on, the safe harbour from registration provided by Rule 903(b)(3), or Category 3, of Regulation S. The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of any proposed offering of the Placing Shares, or the accuracy or adequacy of this Admission Document. Any representation to the contrary is a criminal offence in the United States. There will be no public offer of the securities mentioned herein in the United States. Hedging transactions in the Placing Shares may not be conducted unless in compliance with the US Securities Act.

The Company has not been and will not be registered under the Investment Company Act of 1940, as amended (the "**Investment Company Act**") and, as such, investors will not be entitled to the benefits of the Investment Company Act. No offer, purchase, sale or transfer of the Placing Shares may be made except under circumstances which will not result in the Company being required to register as an investment company under the Investment Company Act.

These Terms and Conditions or any part of them do not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for any securities in the United States, Canada, Australia, New Zealand, the Republic of South Africa, Japan or any other jurisdiction in which the same would be unlawful. No public offer of securities of the Company, including the Placing Shares, is being made in the United Kingdom, the United States or elsewhere.

The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada, no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained for the South Africa Reserve Bank or any other applicable body in the Republic of South Africa in relation to the Placing Shares and the Placing Shares have not been, nor will

they be registered under or offered in compliance with the securities laws of any state, province or territory of Australia, Canada, Japan or the Republic of South Africa. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction outside the United Kingdom and the EEA.

Introduction

Each Placee which confirms its agreement to the Joint Brokers (whether orally or in writing) to subscribe for Placing Shares under the Placing, hereby agrees with the Joint Brokers and the Company that it will be bound by these Terms and Conditions and will be deemed to have accepted them. By participating in the Placing, each Placee will be deemed to have read and understood this Admission Document, including these Terms and Conditions, in its entirety, to be participating, making an offer and acquiring Placing Shares on the terms and conditions contained herein and to be providing the representations, warranties, indemnities, acknowledgements and undertakings contained in these Terms and Conditions.

The Company and/or the Joint Brokers may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as they (in their absolute discretion) see fit and/or may require any such Placee to execute a separate placing letter.

No prospectus

The Placing Shares are being offered to a limited number of specifically invited persons only and will not be offered in such a way as to require any prospectus or other offering document to be published. No prospectus or other offering document has been or will be submitted to be approved by the FCA or submitted to the London Stock Exchange in relation to the Placing or the Placing Shares and Placees' commitments will be made solely on the basis of their own assessment of the Company, the Placing Shares and the Placing based on the information contained in this Admission Document (including these Terms and Conditions) and subject to any further terms set forth in any trade confirmation sent to individual Placees.

Each Placee, by participating in the Placing, agrees that the contents of this Admission Document is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any information, representation, warranty or statement made by or on behalf of the Joint Brokers, the Company, the Selling Shareholders or any other person and none of the Joint Brokers, the Company, the Selling Shareholders nor any other person acting on such person's behalf nor any of their respective Affiliates has or shall have any responsibility or liability for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which the Placee may have obtained or received, and no reliance may be placed by a Placee on any earlier version or draft of this Admission Document, including any pathfinder admission document or printers proof admission document. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. No Placee should consider any information in this Admission Document to be legal, tax or business advice. Each Placee should consult its own attorney, tax advisor, and business adviser for legal, tax and business advice regarding an investment in the Placing Shares. Nothing in this paragraph shall exclude the liability of any person for fraud or fraudulent misrepresentation by that person.

Details of the Placing Agreement and the Placing Shares

The Joint Brokers are acting as joint bookrunners in connection with the Placing and have today entered into the Placing Agreement with the Company, the Directors and the Selling Shareholders under which, on the terms and subject to the conditions set out therein, the Joint Brokers have agreed to use their reasonable endeavours to procure placees for the Placing Shares.

The Placing is not underwritten by the Joint Brokers.

The Placing Shares will, when issued, be credited as fully paid up and will be issued subject to the Company's certificate of incorporation and bylaws and rank *pari passu* in all respects with the existing Common Shares, including the right to receive all dividends and other distributions declared, made or paid

on or in respect of the Common Shares after the date of issue of the Placing Shares, and will on issue be free of all claims, liens, charges, encumbrances and equities.

The Joint Brokers and the Company expressly reserve the right to modify the Placing (including, without limitation, its timetable and settlement) at any time before Admission.

Application for admission to trading

Application will be made to the London Stock Exchange for the admission of the Placing Shares to trading on AIM ("**Admission**").

It is expected that Admission of the Placing Shares will become effective at 8.00 a.m. (London time) on or around 9 March 2021 (or such later time and/or date as the Joint Brokers may agree with the Company, being no later than 30 April 2021) and that dealings in the Placing Shares will commence at that time.

Once the Placing Shares are admitted to trading on AIM, the Placing Shares will trade in the under the symbol TBLD. The Placing Shares (represented by the Depository Interests) subscribed for and held by non-Affiliates of the Company will be held in the CREST system and identified with the marker "REG S Cat 3".

Participation in, and principal terms of, the Placing

1. The Joint Brokers are arranging the Placing on behalf of the Company and the Selling Shareholders. Participation in the Placing will only be available to persons who may lawfully be, and are, invited to participate by the Joint Brokers. Each of the Joint Brokers may itself agree to be a Placee in respect of all or some of the Placing Shares or may nominate any member of its group to do so.
2. Allocations of the Placing Shares will be determined by the Joint Brokers after consultation with the Company (the proposed allocations having been supplied by the Joint Brokers to the Company in advance of such consultation). Allocations will be confirmed to Placees either orally or in writing by the Joint Brokers and a contract note may be despatched thereafter. If a contract note is despatched, these Terms and Conditions shall be deemed incorporated into that contract note. The Joint Brokers' confirmation to such Placee constitutes an irrevocable legally binding commitment upon such person (who will at that point become a Placee), in favour of the Joint Brokers and the Company, pursuant to which such Placee agrees to acquire the number of Placing Shares allocated to it and to pay or procure the payment of the Placing Price in respect of such shares on the terms and conditions set out in these Terms and Conditions (the "**Placing Participation**"). Except with the Joint Brokers' consent, such confirmation will be legally binding on the Placee on behalf of which it is made and will not be capable of variation or revocation after the time at which it is submitted.
3. Irrespective of the time at which a Placee's allocation pursuant to the Placing is confirmed, settlement for all Placing Shares to be subscribed for pursuant to the Placing will be required to be made at the same time, on the basis explained below under "Registration and Settlement".
4. All obligations under the Placing will be subject to fulfilment or (where applicable) waiver of the conditions referred to below under "Conditions of the Placing" and to the Placing not being terminated on the basis referred to below under "Right to terminate under the Placing Agreement".
5. By participating in the Placing, each Placee agrees that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.
6. To the fullest extent permissible by law, neither the Joint Brokers, nor the Company, nor the Directors, nor the Selling Shareholders, nor any of their respective Affiliates, agents, directors, officers or employees shall have any responsibility or liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise). In particular, neither the Joint Brokers, nor the Company, nor the Directors, nor the Selling Shareholders, nor any of their respective Affiliates, agents, directors, officers or employees shall have any responsibility or liability (including to the extent permissible by law, any fiduciary duties) in respect of the Joint Brokers' conduct of the Placing.

7. The Placing Shares will be issued subject to these Terms and Conditions and each Placee's commitment to subscribe for Placing Shares on the terms set out herein will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing and Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or the Joint Brokers' conduct of the Placing.
8. All times and dates in this Admission Document may be subject to amendment. The Joint Brokers shall notify the Placees and any person acting on behalf of the Placees of any changes.

Conditions of the Placing

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms. The Joint Brokers' obligations under the Placing Agreement are conditional on customary conditions including (amongst others) (the "**Conditions**"):

1. each of the Company, the Directors and the Selling Shareholders having complied with all of its obligations under the Placing Agreement which fall to be performed or satisfied on or prior to Admission; and
2. Admission occurring no later than 8.00 a.m. (London time) on 9 March 2021 (or such later time and/or date, not being later than 8.00 a.m. (London time) on 30 April 2021, as the Joint Brokers may otherwise agree with the Company) (the "**Closing Date**").

The Joint Brokers may, at their discretion and upon such terms as they think fit, extend the time for satisfaction of, or waive compliance by the Company, the Directors or the Selling Shareholders with the whole or any part of any of their respective obligations in relation to the Conditions or extend the time or date provided for fulfilment of any such Conditions in respect of all or any part of the performance thereof, provided that it shall not be later than the Closing Date. The condition in the Placing Agreement relating to Admission taking place may not be waived. Any such extension or waiver will not affect Placees' commitments as set out in these Terms and Conditions.

If: (i) any of the Conditions are not fulfilled or (where permitted) waived or extended by the Joint Brokers by the relevant time or date specified (or such later time or date as the Company and the Joint Brokers may agree, not being later than the Closing Date); or (ii) the Placing Agreement is terminated in the circumstances specified below under "Right to terminate under the Placing Agreement", the Placing will not proceed and the Placees' rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by it or on its behalf (or any person on whose behalf the Placee is acting) in respect thereof.

Neither the Joint Brokers, nor the Company, nor the Selling Shareholders, nor any of their respective Affiliates, agents, directors, officers or employees shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision they may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any Condition to the Placing, nor for any decision they may make as to the satisfaction of any Condition or in respect of the Placing generally, and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of the Joint Brokers.

Right to terminate under the Placing Agreement

The Joint Brokers are entitled, at any time before Admission, to terminate the Placing Agreement in accordance with its terms in certain circumstances, including where (amongst other things):

1. any statement contained in this Admission Document has become or been discovered to be untrue, incorrect or misleading;
2. there has been a breach by the Company, the Selling Shareholders or the Directors of any of the warranties contained in the Placing Agreement;
3. the Company, the Selling Shareholders or the Directors have failed to comply with any of their obligations under the Placing Agreement;

4. there has been a material adverse change in connection with the Group; and

5. a force majeure event occurs.

Upon termination, the parties to the Placing Agreement shall be released and discharged (except for any liability arising before or in relation to such termination) from their respective obligations under or pursuant to the Placing Agreement, subject to certain exceptions.

By participating in the Placing, each Placee agrees that (i) the exercise by the Joint Brokers of any right of termination or of any other discretion under the Placing Agreement shall be within the absolute discretion of the Joint Brokers (acting in good faith) and that they need not make any reference to, or consult with, Placees and that they shall have no liability to Placees whatsoever in connection with any such exercise or failure to so exercise and (ii) its rights and obligations terminate only in the circumstances described above under "Right to terminate under the Placing Agreement" and "Conditions of the Placing", and its participation will not be capable of rescission or termination by it after oral confirmation by the Joint Brokers of the allocation and commitments.

Registration and Settlement

Settlement of transactions in the Placing Shares (as represented by Depositary Interests) (ISIN: USU8884H1033 with the marker "REG S Cat 3") following Admission will take place within the system administered by CREST, subject to certain exceptions. The Company reserves the right to require settlement for and delivery of the Placing Shares (or a portion thereof) to Placees in certificated form if, in the Joint Brokers' opinion, delivery or settlement is not possible or practicable within the CREST system or would not be consistent with the regulatory requirements in the Placee's jurisdiction. Placing Shares acquired or held by Affiliates of the Company shall be held in certificated form and accordingly settlement shall not be permitted via CREST until such time as the relevant restrictions are no longer applicable. Affiliates of the Company at the time of the Placing, or investors that become Affiliates at any time after the Placing, should seek independent US legal counsel prior to selling or transferring any Common Shares.

Each Placee to be allocated Placing Shares in the Placing will have the number of Placing Shares allocated to them at the Placing Price, the aggregate amount owed by such Placee to either Zeus Capital or Berenberg and settlement instructions confirmed to them by either Zeus Capital or Berenberg. Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with the standing CREST or certificated settlement instructions in respect of the Placing Shares that it has in place with either Zeus Capital or Berenberg.

The Company will deliver the Placing Shares to a CREST account operated by either Zeus Capital or Berenberg, each as agent for the Company, and the relevant Joint Broker will enter its delivery instruction into the CREST system. The input to CREST by a Placee of a matching or acceptance instruction will then allow delivery of the relevant Placing Shares to that Placee against payment.

Each Placee should provide its settlement details in order to enable instructions to be successfully matched in CREST. The relevant settlement details are as follows:

CREST participant ID of Zeus	601
CREST participant ID of Berenberg	791
Trade date:	1 March 2021
Settlement date:	9 March 2021
ISIN code for the Shares:	USU8884H1033
Deadline for instructions input into CREST:	noon (UK time) on 8 March 2021

It is expected that settlement in respect of the Placing Shares will take place on 9 March 2021 on a delivery versus payment basis.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above LIBOR as determined by the Joint Brokers.

Each Placee is deemed to agree that, if it does not comply with these obligations, the Joint Brokers may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for their account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the aggregate amount owed by it and will be required to bear any stamp duty or stamp duty reserve tax or other taxes or duties (together with any interest or penalties) imposed in any jurisdiction which may arise upon the sale of such Placing Shares on such Placee's behalf.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that any trade confirmation is copied and delivered immediately to the relevant person within that organisation. Insofar as Placing Shares are issued in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax. If there are any circumstances in which any stamp duty or stamp duty reserve tax or other similar taxes or duties (including any interest and penalties relating thereto) is payable in respect of the allocation, allotment, issue, sale, transfer or delivery of the Placing Shares (or, for the avoidance of doubt, if any stamp duty or stamp duty reserve tax is payable in connection with any subsequent transfer of or agreement to transfer Placing Shares), neither the Joint Brokers nor the Company shall be responsible for payment thereof.

Notwithstanding the above, the right is reserved to deliver all of the Placing Shares to which the Placee is entitled in certificated form should the Joint Brokers consider this necessary or desirable.

CREST: Regulation S Category 3 Settlement Service

The Placing Shares have not been, and will not be, registered under the US Securities Act or under any securities laws of any state or other jurisdiction of the United States. The Placing Shares are being offered and sold only outside the United States to persons who are not US persons or acting for the account or benefit of any US Persons in "offshore transactions" (as defined in Regulation S) in accordance with, and in reliance on, the safe harbour from registration provided by Rule 903(b)(3), or Category 3, of Regulation S. The Placing Shares will be subject to the conditions listed under Rule 903(b)(3), or Category 3, of Regulation S. The Placing Shares are "restricted securities" as defined in Rule 144 under the US Securities Act. Purchasers of the Placing Shares may not offer, sell, pledge or otherwise transfer Placing Shares, directly or indirectly, in or into the United States or to, or for the account or benefit of, any US Person, except pursuant to a transaction meeting the requirements of Rules 901 to 905 (including the Preliminary Notes) of Regulation S, pursuant to an effective registration statement under the US Securities Act or pursuant to an exemption from the registration requirements of the US Securities Act.

Each subscriber for Placing Shares, by subscribing for such Placing Shares, agrees to reoffer or resell the Shares only pursuant to registration under the US Securities Act or in accordance with the provisions of Regulation S or pursuant to another available exemption from registration, and agrees not to engage in hedging transactions with regard to such securities unless in compliance with the US Securities Act. The above restrictions severely restrict subscribers of Placing Shares from reselling the Placing Shares in the United States or to, or for the account or benefit of, any US Person. The Company currently intends that these restrictions will remain in place indefinitely.

Once the Placing Shares are admitted to trading on AIM, the Placing Shares will trade in the Company's restricted line of Shares under the symbol TBLD, and the Placing Shares (represented by the Depository Interests) subscribed for and held by non-Affiliates of the Company will be held in the CREST system and identified with the marker "REG S Cat 3". The "REG S Cat 3" marker indicates that the Shares held in the CREST system will bear the legend set out in Part VII of this Admission Document (*US Restrictions on the Transfer of Shares*), which describes certain transfer restrictions and other information, including that: (a) the Shares may not be taken up, offered, sold, resold, delivered or distributed, directly or indirectly, within, into or from the United States or to, or for the account or benefit of, US Persons except (i) in an offshore transaction meeting the requirements of Regulation S, (ii) pursuant to an available exemption from registration under the US Securities Act or (iii) pursuant to an effective registration statement under the US Securities Act; and (b) hedging transactions involving the Shares may not be conducted unless in compliance with the US Securities Act.

The certifications, acknowledgements and agreements set out in Part VII of this Admission Document (*US Restrictions on the Transfer of Shares*) must be made through the CREST system by those selling or acquiring the Shares with the "REG S Cat 3" marker. If such certifications, acknowledgements and agreements cannot be made or are not made, settlement through CREST will be rejected. Furthermore, Placing Shares held by US Persons and Affiliates of the Company shall be held in certificated form and accordingly settlement shall not be permitted via CREST until such time as the relevant restrictions are no longer applicable. Affiliates of the Company at the time of the Placing, or investors that become Affiliates at any time after the Placing, should seek advice of independent US legal counsel prior to selling or transferring any Shares.

Certificated Settlement

If you are not a CREST member, or if you are electing for delivery of your Placing Shares outside of the CREST system, delivery of your Placing Shares will take place in certificated form.

Representations, warranties, undertakings and acknowledgements

By participating in the Placing each Placee (and any person acting on such Placee's behalf) irrevocably acknowledges, confirms, undertakes, represents, warrants and agrees (as the case may be) with the Joint Brokers (in their capacities as bookrunners and placing agents of the Company in respect of the Placing) and the Company, in each case as a fundamental term of their application for Placing Shares, the following:

General

1. it has read and understood this Admission Document, including these Terms and Conditions, in its entirety and its acquisition and/or subscription for Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained herein and it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with the Placing, the Company, the Placing Shares or otherwise other than the information contained in this Admission Document;
2. its acceptance, whether by telephone or otherwise, of its participation in the Placing on the terms set out in this Admission Document and these Terms and Conditions is legally binding, irrevocable and is not capable of termination or rescission by it in any circumstances;
3. the person whom it specifies for registration as holder of the Placing Shares will be (a) itself or (b) its nominee, as the case may be. Neither the Joint Brokers nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax or other similar taxes or duties imposed in any jurisdiction (including interest and penalties relating thereto) ("Indemnified Taxes"). Each Placee and any person acting on behalf of such Placee agrees to indemnify the Company and the Joint Brokers on an after-tax basis in respect of any Indemnified Taxes;
4. neither the Joint Brokers nor any of their Affiliates, agents, directors, officers and employees accepts any responsibility for any acts or omissions of the Company or any of the directors of the Company or any other person (other than the Joint Brokers) in connection with the Placing;
5. time is of the essence as regards its obligations under these Terms and Conditions;
6. any document that is to be sent to it in connection with the Placing will be sent at its risk and may be sent to it at any address provided by it to the Joint Brokers;
7. it agrees to be bound by the certificate of incorporation and bylaws of the Company (as amended from time to time) once the Placing Shares which it has agreed to subscribe for or purchase pursuant to the Placing have been acquired by it;
8. it agrees that these Terms and Conditions shall survive after completion of the Placing and Admission;

No distribution of Admission Document

9. it will not redistribute, forward, transfer, duplicate or otherwise transmit this Admission Document or any part of it, or any other presentational or other material concerning the Placing (including electronic

copies thereof) to any person and represents that it has not redistributed, forwarded, transferred, duplicated, or otherwise transmitted any such materials to any person;

No prospectus

10. no prospectus or other offering document is required under the UK Prospectus Regulation or the EU Prospectus Regulation, nor will one be prepared in connection with the Placing or the Placing Shares and it has not received and will not receive a prospectus or other offering document in connection with the Placing or the Placing Shares;

Purchases by the Joint Brokers for their own accounts

11. in connection with the Placing, each of the Joint Brokers and any of its Affiliates acting as an investor for its own account may subscribe for Placing Shares in the Company and in that capacity may retain, purchase or sell for its own account such Placing Shares in the Company and any securities of the Company or related investments and may offer or sell such securities or other investments otherwise than in connection with the Placing. Accordingly, references in this Admission Document to the Placing Shares being issued, offered or placed should be read as including any issue, offering or placement of such shares in the Company to the Joint Brokers or any of their Affiliates acting in such capacity;

12. each of the Joint Brokers and its Affiliates may enter into financing arrangements and swaps with investors in connection with which each of the Joint Brokers and its Affiliates may from time to time acquire, hold or dispose of such securities of the Company, including the Placing Shares;

13. the Joint Brokers do not intend to disclose the extent of any investment or transactions referred to in paragraphs 11 and 12 above otherwise than in accordance with any legal or regulatory obligation to do so;

No fiduciary duty or client of the Joint Brokers

14. none of the Joint Brokers, the Company, the Directors or the Selling Shareholders owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement;

15. its participation in the Placing is on the basis that it is not and will not be a client of either of the Joint Brokers in connection with its participation in the Placing and that the Joint Brokers do not have any duties or responsibilities to it for providing the protections afforded to their clients or customers or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of its rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;

No responsibility of the Joint Brokers for information

16. the contents of this Admission Document has been prepared by and is exclusively the responsibility of the Company and neither the Joint Brokers nor their Affiliates, agents, directors, officers or employees nor any person acting on behalf of any of them is responsible for or has or shall have any responsibility or liability for any information, representation or statement contained in, or omission from, this Admission Document or otherwise nor will they be liable for any Placee's decision to participate in the Placing based on any information, representation, warranty or statement contained in this Admission Document or otherwise, provided that nothing in this paragraph excludes the liability of any person for fraud or fraudulent misrepresentation made by such person;

Reliance on information regarding the Placing

17.

a. the only information on which it is entitled to rely on and on which such Placee has relied in committing itself to subscribe for Placing Shares is contained in this Admission Document, such information being all that such Placee deems necessary or appropriate and sufficient to make an investment decision in respect of the Placing Shares;

b. it has neither received nor relied on any other information given, or representations, warranties or statements, express or implied, made, by the Joint Brokers or the Company nor any of their respective Affiliates, agents, directors, officers or employees acting on behalf of any of them (including in any management presentation delivered in respect of the Placing) with respect to the Company, the Placing or the Placing Shares or the accuracy, completeness or adequacy of any information contained in this Admission Document or otherwise;

c. neither the Joint Brokers nor the Company, nor any of their respective Affiliates, agents, directors, officers or employees or any person acting on behalf of any of them has provided, nor will provide, it with any material or information regarding the Placing Shares or the Company or any other person other than the information in this Admission Document; nor has it requested any of the Joint Brokers, the Company, any of their respective Affiliates or any person acting on behalf of any of them to provide it with any such material or information; and

d. neither the Joint Brokers nor the Company will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement,

provided that nothing in this paragraph 17 excludes the liability of any person for fraud or fraudulent misrepresentation made by that person;

Conducted own investigation and due diligence

18. it may not rely, and has not relied, on any investigation that the Joint Brokers, any of its Affiliates or any person acting on their behalf, may have conducted with respect to the Placing Shares, the terms of the Placing or the Company, and none of such persons has made any representation, express or implied, with respect to the Company, the Placing, the Placing Shares or the accuracy, completeness or adequacy of the information in this Admission Document or any other information;

19. in making any decision to subscribe for Placing Shares it:

    a. has such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing for the Placing Shares;

    b. will not look to the Joint Brokers for all or part of any such loss it may suffer;

    c. is experienced in investing in securities of this nature in this sector and is aware that it may be required to bear, and is able to bear, the economic risk of an investment in the Placing Shares;

    d. is able to sustain a complete loss of an investment in the Placing Shares;

    e. has no need for liquidity with respect to its investment in the Placing Shares;

    f. has made its own assessment and has satisfied itself concerning the relevant tax, legal, currency and other economic considerations relevant to its investment in the Placing Shares; (including, without limitation, any federal, state or local tax consequences affecting it in connection with its purchase and subsequent disposal of the Placing Shares);

    g. will be relying solely on the information contained in this Admission Document and these Terms and Conditions and will not be relying on any agreements by the Company and its subsidiaries or the Joint Brokers or any director, employee or agent of the Company or the Joint Brokers other than expressly set out in this Admission Document and these Terms and Conditions; and

    h. has conducted its own due diligence, examination, investigation and assessment of the Company, the Placing Shares and the terms of the Placing and has satisfied itself that the information resulting from such investigation is still current and relied on that investigation for the purposes of its decision to participate in the Placing;

Capacity and authority

20. it is subscribing for the Placing Shares for its own account or for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the acknowledgements, representations and agreements contained in these Terms and Conditions;

21. it is acting as principal only in respect of the Placing or, if it is acting for any other person, it is:

a. duly authorised to do so and has full power to make the acknowledgments, representations, indemnities, undertakings, warranties and agreements herein on behalf of each such person; and

b. will remain liable to the Company and/or the Joint Brokers for the performance of all its obligations as a Placee in respect of the Placing (whether or not it is acting for another person);

22. it and any person acting on its behalf is entitled to subscribe for the Placing Shares under the laws and regulations of all relevant jurisdictions that apply to it and that it has fully observed such laws and regulations, has capacity and authority and is entitled to enter into and perform its obligations as a subscriber of Placing Shares and will honour such obligations, and has obtained all such governmental and other guarantees, permits, authorisations, approvals and consents which may be required thereunder and complied with all necessary formalities to enable it to commit to this participation in the Placing and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in these Terms and Conditions) and will honour such obligations and that it has not taken any action or omitted to take any action which will or may result in the Joint Brokers, the Company or any of their respective directors, officers, agents, employees or advisers acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Placing;

23. where it is subscribing for Placing Shares for one or more managed accounts, it is authorised in writing by each managed account to subscribe for the Placing Shares for each managed account;

24. it irrevocably appoints any duly authorised officer of either of the Joint Brokers as its agent for the purpose of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares for which it agrees to subscribe for upon the terms of these Terms and Conditions;

Excluded territories

25. the Placing Shares have not been and will not be registered or otherwise qualified and a prospectus will not be cleared in respect of any of the Placing Shares under the securities laws or legislation of the United States, Australia, New Zealand, Canada, Japan or the Republic of South Africa, or any state, province, territory or jurisdiction thereof;

26. the Placing Shares may not be offered, sold, or delivered or transferred, directly or indirectly, in or into the above jurisdictions or any jurisdiction (subject to certain exceptions) in which it would be unlawful to do so and no action has been or will be taken by any of the Company, the Joint Brokers or any person acting on behalf of the Company or the Joint Brokers that would, or is intended to, permit a public offer of the Placing Shares in the United States, Australia, New Zealand, Canada, Japan or the Republic of South Africa or any country or jurisdiction, or any state, province, territory or jurisdiction thereof, where any such action for that purpose is required;

27. unless otherwise specifically agreed with the Joint Brokers, it is not and at the time the Placing Shares are subscribed for, neither it nor the beneficial owner of the Placing Shares will be, a resident of, nor have an address in, Australia, New Zealand, Japan, the Republic of South Africa or any province or territory of Canada;

28. it has not distributed, forwarded, transferred or otherwise transmitted and will not distribute, forward, transfer or otherwise transmit this Admission Document or any part of it, or any other presentational or other materials concerning the Placing (including electronic copies thereof) in or into or from the United States, Australia, New Zealand, Canada, Japan or the Republic of South Africa;

29. it may be asked to disclose in writing or orally to the Joint Brokers:

a. if he or she is an individual, his or her nationality; or

b. if he or she is a discretionary fund manager, the jurisdiction in which the funds are managed or owned;

Compliance with US securities laws

30. the Placing Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the US Securities Act, and the Placing Shares have not been and will not be registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States, and are "restricted securities" within the meaning of Rule 144 under the US Securities Act. Further, the Company has not registered and does not intend to register under the US Investment Company Act of 1940, as amended;

31. it, and the prospective beneficial owner of the Placing Shares, are not US Persons and are not acquiring the Placing Shares for the account or benefit of a US Person;

32. it, and the prospective beneficial owner of the Placing Shares, are outside the United States and acquiring the Placing Shares in an "offshore transaction" as defined in, and in accordance with, Regulation S, and the Placing Shares have not been offered to them by means of any "directed selling efforts" (as defined in Regulation S);

33. the Placing Shares are both "restricted securities" under Rule 144 under the US Securities Act and subject to the restrictions of Category 3 of Regulation S set forth in Rule 903(b)(3) of Regulation S, including a one-year distribution compliance period; during the Distribution Compliance Period, it agrees that it will not offer, sell, pledge or otherwise transfer the Placing Shares, directly or indirectly, within, into or from the United States or to, or for the account or benefit of, US Persons except (i) in an "offshore transaction" (as defined in Regulation S) meeting the requirements of Regulation S, (ii) pursuant to an available exemption from registration under the US Securities Act and in accordance with applicable state securities laws, or (iii) pursuant to an effective registration statement under the US Securities Act. The Company is under no obligation, and does not intend, to register or qualify the Placing Shares under the US Securities Act or applicable securities laws of any state or other jurisdiction of the United States;

34. the Placing Shares will bear the legends set forth in Part VII of this Admission Document (*US Restrictions on the Transfer of Shares*) (as applicable);

35. during the Distribution Compliance Period, it will not engage in any hedging transactions, directly or indirectly, with regard to the Placing Shares unless in compliance with the US Securities Act;

36. the Company may refuse to register any transfer of the Shares not made in accordance with the provisions of Regulation S, pursuant to an effective registration under the US Securities Act, or pursuant to an available exemption from registration;

37. it is not registered and is not required to be registered as a broker or a dealer under the United States Securities Exchange Act of 1934, as amended, and it has not been granted, nor shall it accept, any selling concession, discount or other allowance from a participant in the Placing that is a member of the United States Financial Industry Regulatory Authority and are acquiring the Placing Shares for investment purposes and not with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Placing Shares into the United States;

38. if it wishes to take delivery of the Placing Shares in a CREST account, it must make, and hereby makes, the certifications, acknowledgments and agreements, as summarised in Part VII of this Admission Document (*US Restrictions on the Transfer of Shares*), through the CREST system; if such certifications, acknowledgments and agreements cannot be made or are not made, delivery through CREST will be rejected;

39. any offer or sale of the Placing Shares held through CREST must be made to persons who are not US Person, or acting for the account or benefit of US Persons, in "offshore transactions" (as defined in Regulation S) meeting the requirements of Regulation S and in accordance with the transfer restrictions set forth in Part VII of this Admission Document (*US Restrictions on the Transfer of Shares*); during the Distribution Compliance Period, prior to any proposed transfer of the Placing Shares, other than pursuant to an effective registration statement, the certifications, acknowledgments and agreements, as summarised in Part VII of this Admission Document (*US Restrictions on the Transfer of Shares*), must be made through the CREST system by those selling or acquiring the Placing Shares; if such certifications, acknowledgments and agreements cannot be made or are not made, settlement through CREST will be rejected;

40. it has complied and will comply with the offering restrictions requirement set out under Rule 903(b)(3) of Regulation S;

41. it is not an Affiliate of the Company nor does it expect to become an Affiliate of the Company as a result of its participation in the Placing; and

42. it will not distribute, forward, transfer or otherwise transmit this Admission Document or any part of it, or any other presentational or other materials concerning the Placing (including electronic copies thereof) in or into or from the United States to any person, and it has not distributed, forwarded, transferred or otherwise transmitted any such materials to any person;

Compliance with EEA selling restrictions and the EU Prospectus Regulation

43. if in a member state of the EEA, unless otherwise specifically agreed with the Joint Brokers in writing, it is a Qualified Investor within the meaning of Article 2(e) of the EU Prospectus Regulation ("**EU Qualified Investors**");

44. it has not offered or sold and will not offer or sell any Placing Shares to persons in the EEA except to EU Qualified Investors or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in any member state of the EEA within the meaning of the EU Prospectus Regulation;

45. if a financial intermediary, as that term is used in the EU Prospectus Regulation, the Placing Shares subscribed for by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the EEA other than EU Qualified Investors, or in circumstances in which the prior consent of the Joint Brokers has been given to each proposed offer or resale;

Compliance with FSMA, the UK Prospectus Regulation, the UK financial promotion regime and UK MAR

46. if in the United Kingdom, that it is: (i) a Qualified Investor within the meaning of Article 2(e) of the UK Prospectus Regulation ("**UK Qualified Investor**s"); and (ii) a person (a) having professional experience in matters relating to investments who falls within the definition of "investment professionals" in Article 19(5) of the FPO, or (b) who falls within Article 49(2) (a) to (d) ("High Net Worth Companies, Unincorporated Associations, etc") of the FPO, or (c) to whom it may otherwise lawfully be communicated;

47. it has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom, except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of the Financial Services and Markets Act 2000, as amended ("**FSMA**");

48. it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Placing Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person and it acknowledges and agrees that this Admission Document have not and will not have been approved by the Joint Brokers in their capacity as authorised persons under section 21 of the FSMA and it may not therefore be subject to the controls which would apply if it was made or approved as a financial promotion by an authorised person;

49. it has complied and will comply with all applicable laws with respect to anything done by it or on its behalf in relation to the Placing Shares (including all applicable provisions in FSMA and the Market Abuse Regulation (EU Regulation No. 596/2014 which forms part of domestic law pursuant to the European Union (Withdrawal) Act 2018) ("**UK MAR**") in respect of anything done in, from or otherwise involving, the United Kingdom);

Compliance with laws

50. if it is a pension fund or investment company, its subscription for Placing Shares is in full compliance with applicable laws and regulations;

51. it has complied with its obligations under the Criminal Justice Act 1993 and in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002 (as amended), the Terrorism

Act 2000, the Terrorism Act 2006, the Anti-terrorism, Crime and Security Act 2001 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended) and any related or similar rules, regulations or guidelines, issued, administered or enforced by any government agency having jurisdiction in respect thereof (the "**Regulations**") and the Money Laundering Sourcebook of the FCA and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;

52. in order to ensure compliance with the Regulations, each of the Joint Brokers (for itself and as agent on behalf of the Company) or the Company's registrars may, in their absolute discretion, require verification of its identity. Pending the provision to the Joint Brokers or the Company's registrars, as applicable, of evidence of identity, definitive certificates in respect of the Placing Shares may be retained at the Joint Brokers' absolute discretion or, where appropriate, delivery of the Placing Shares to it in uncertificated form may be delayed at the Joint Brokers' or the Company's registrars', as the case may be, absolute discretion. If within a reasonable time after a request for verification of identity, either of the Joint Brokers (for themselves and as agents on behalf of the Company) or the Company's registrars have not received evidence satisfactory to them, either of the Joint Brokers and/or the Company may, at its absolute discretion, terminate its commitment in respect of the Placing, in which event the monies payable on acceptance of allotment will, if already paid, be returned without interest to the account of the drawee's bank from which they were originally debited;

Depositary receipts and clearance services

53. the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a stamp duty or stamp duty reserve tax liability under (or at a rate determined under) any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depositary receipts and clearance services) and that the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to issue or transfer Placing Shares into a clearance service;

Undertaking to make payment

54. it (and any person acting on its behalf) has the funds available to pay for the Placing Shares for which it has agreed to subscribe and acknowledges and agrees that it will make payment in respect of the Placing Shares allocated to it in accordance with these Terms and Conditions on the due time and date set out herein, failing which the relevant Placing Shares may be placed with other subscribers or sold as the Joint Brokers may in their sole discretion determine and without liability to such Placee, who will remain liable for any amount by which the net proceeds of such sale falls short of the product of the relevant Placing Price and the number of Placing Shares allocated to it and will be required to bear any stamp duty, stamp duty reserve tax or other taxes or duties (together with any interest, fines or penalties) imposed in any jurisdiction which may arise upon the sale of such Placee's Placing Shares;

Money held on account

55. any money held in an account with Zeus Capital or Berenberg on behalf of the Placee and/or any person acting on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the relevant rules and regulations of the FCA made under the FSMA. Each Placee acknowledges that the money will not be subject to the protections conferred by the client money rules: as a consequence this money will not be segregated from Zeus Capital or Berenberg's money in accordance with the client money rules and will be held by it under a banking relationship and not as trustee;

Allocation

56. its allocation (if any) of Placing Shares will represent a maximum number of Placing Shares which it will be entitled, and required, to subscribe for, and that the Joint Brokers or the Company may call upon it to subscribe for a lower number of Placing Shares (if any), but in no event in aggregate more than the aforementioned maximum;

No recommendation

57. neither it nor, as the case may be, its clients expect the Joint Brokers, nor any of their Affiliates, nor any person acting on behalf of them, to have any duties or responsibilities to it similar or comparable to the duties of "best execution" and "suitability" imposed by the Conduct of Business Sourcebook contained in the FCA's Handbook of Rules and Guidance, and that neither of the Joint Brokers are asking for it or its clients, and that neither of the Joint Brokers will be responsible to any person other than the Company for providing protections afforded to their clients;

Inside information

58. if it has received any 'inside information' (for the purposes of UK MAR and section 56 of the Criminal Justice Act 1993) in relation to the Company and its securities in advance of the Placing, it confirms that it has received such information within the market soundings regime provided for in article 11 of UK MAR and associated delegated regulations and it has not:

    a. used that inside information to acquire or dispose of securities of the Company or financial instruments related thereto or cancel or amend an order concerning the Company's securities or any such financial instruments;

    b. used that inside information to encourage, require, recommend or induce another person to deal in the securities of the Company or financial instruments related thereto or to cancel or amend an order concerning the Company's securities or such financial instruments; or

    c. disclosed such information to any person, prior to the information being made publicly available;

Rights and remedies

59. the rights and remedies of the Company and the Joint Brokers under these Terms and Conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others;

Times and dates

60. all times and dates in this Admission Document and under these Terms and Conditions may be subject to amendment and the Joint Brokers shall notify it of any such amendments; and

Governing law and jurisdiction

61. these terms and conditions of the Placing and any agreements entered into by it pursuant to the terms and conditions of the Placing, and all non-contractual or other obligations arising out of or in connection with them, shall be governed by and construed in accordance with the laws of England and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract (including any dispute regarding the existence, validity or termination of such contract or relating to any non-contractual or other obligation arising out of or in connection with such contract), except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by either the Company or the Joint Brokers in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange.

The foregoing representations, warranties, confirmations, acknowledgements, agreements and undertakings are given for the benefit of the Company as well as the Joint Brokers and are irrevocable. The Joint Brokers, the Company and their respective Affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, confirmations, acknowledgements, agreements and undertakings. Each Placee, and any person acting on behalf of such Placee, irrevocably authorises the Company and the Joint Brokers to produce these Terms and Conditions, pursuant to, in connection with, or as may be required by any applicable law or regulation, administrative or legal proceeding or official inquiry with respect to the matters set forth herein.

Indemnity

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) agrees to indemnify on an after tax basis and hold the Company, the Joint Brokers and their respective Affiliates, agents, directors, officers and employees harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings given by the Placee (and any person acting on such Placee's behalf) in these Terms and Conditions or incurred by the Joint Brokers, the Company or each of their respective Affiliates, agents, directors, officers or employees arising from the performance of the Placees' obligations as set out in these Terms and Conditions, and further agrees that the provisions of these Terms and Conditions shall survive after completion of the Placing.

Information to Distributors

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

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

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

PART VII

US RESTRICTIONS ON THE TRANSFER OF SHARES

Capitalised terms used in this Part VII that are not defined in the Document have the meaning given such terms in Rule 902 of Regulation S under the US Securities Act.

The Shares have not been, and will not be, registered under the US Securities Act or under any securities laws of any state or other jurisdiction of the US and are "restricted securities" as defined in Rule 144 under the US Securities Act. In addition, as more fully explained in this Part VII, the Placing Shares are subject to the conditions listed under Rule 903(b)(3), or Category 3, of Regulation S under the US Securities Act. Under Category 3, Offering Restrictions (as defined under Regulation S) must be in place in connection with the Placing and additional restrictions are imposed on resales of the Shares. A purchaser of Shares may not offer, sell, pledge or otherwise transfer Shares, directly or indirectly, in or into the United States or to, or for the account or benefit of, any US Person, except pursuant to a transaction meeting the requirements of Rules 901 to 905 (including the Preliminary Notes) of Regulation S, pursuant to an effective registration statement under the US Securities Act or pursuant to an exemption from the registration requirements of the US Securities Act. Hedging transactions in the Shares may not be conducted, directly or indirectly, unless in compliance with the US Securities Act.

Once the Shares are admitted to trading on AIM, Shares (as represented by the Depositary Interests) held in the CREST system will be identified with the marker "REG S Cat 3" and will be segregated into a separate trading system within CREST, as more fully explained in Part VI (*Terms and Conditions of the Placing – CREST*: *Regulation S Category 3 Settlement Services*).

CREST Legend

The Shares (represented by the Depositary Interests and held in the CREST system) will bear a legend in substantially the form set forth below, unless the Company determines otherwise in compliance with applicable law:

"THE SHARES REPRESENTED HEREBY HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "US SECURITIES ACT"), AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE US SECURITIES ACT ("REGULATION S")). THE SHARES ARE BEING OFFERED ONLY TO NON-US PERSONS OUTSIDE THE UNITED STATES IN TRANSACTIONS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT IN RELIANCE ON REGULATION S. THE SHARES ARE "RESTRICTED SECURITIES" AS DEFINED UNDER RULE 144(a)(3) PROMULGATED UNDER THE US SECURITIES ACT. THE SHARES MAY NOT BE TAKEN UP, OFFERED, SOLD, RESOLD, DELIVERED OR DISTRIBUTED, DIRECTLY OR INDIRECTLY WITHIN, INTO OR FROM THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S) EXCEPT: (I) IN AN OFFSHORE TRANSACTION MEETING THE REQUIREMENTS OF REGULATION S, (II) PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT, OR (III) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE US SECURITIES ACT.

RESALES OR REOFFERS OF SHARES MADE OFFSHORE IN RELIANCE ON REGULATION S MAY NOT BE SOLD TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY US PERSON (AS DEFINED IN REGULATION S) DURING THE ONE YEAR DISTRIBUTION COMPLIANCE PERIOD UNDER REGULATION S. HEDGING TRANSACTIONS INVOLVING THESE SHARES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE US SECURITIES ACT.

BY ACCEPTING THESE SHARES, THE HOLDER REPRESENTS AND WARRANTS THAT IT (A) IS NOT A US PERSON (AS DEFINED IN REGULATION S) AND (B) IS NOT HOLDING THE SHARES FOR THE ACCOUNT OR BENEFIT OF ANY US PERSON.

Please note that the capitalized terms used below have the meanings as set forth in Rule 902 of the US Securities Act.

- The offer or sale must be made in an Offshore Transaction;
- No Directed Selling Efforts may be made in the United States by, for purposes of Rule 903, the issuer, a Distributor, any of their respective Affiliates, or any person acting on behalf of any of the foregoing, or, for the purposes of Rule 904, the seller, an affiliate, or any person acting on their behalf;
- Offering Restrictions must be implemented;
- The offer or sale, if made prior to the expiration of a one-year Distribution Compliance Period, may not be made to a US Person or for the account or benefit of a US Person (other than a Distributor); and
- The offer or sale, if made prior to the expiration of a one-year Distribution Compliance Period, must be made pursuant to the following conditions:
    - The purchaser of the Shares (other than a Distributor) must certify that it is not a US Person and is not acquiring the Shares for the account or benefit of any US Person or is a US Person who purchased Shares in a transaction that did not require registration under the US Securities Act.
    - The purchaser of the Shares must agree to resell such Shares only in accordance with the provisions of Regulation S ("Regulation S") under the US Securities Act, pursuant to registration under the US Securities Act, or pursuant to an available exemption from registration; and must agree not to engage in hedging transactions with regard to such Shares unless in compliance with the US Securities Act.
    - The Shares of the Company must contain a legend to the effect that transfer is prohibited except in accordance with the provisions of Regulation S, pursuant to registration under the US Securities Act, or pursuant to an available exemption from registration; and that hedging transactions involving those Shares may not be conducted unless in accordance with the US Securities Act;
    - The Company is required, either by contract or a provision in its bylaws, articles, charter or comparable document, to refuse to register any transfer of the Shares not made in accordance with the provisions of Regulation S, pursuant to registration under the US Securities Act, or pursuant to an available exemption from registration; provided however, that if the Shares are in bearer form or foreign law prevents the Company from refusing to register securities transfers, other reasonable procedures (such as a legend as described immediately above) are implemented to prevent any transfer of the Shares not made in accordance with the provisions of Regulation S; and
    - Each Distributor selling Shares to a Distributor, a dealer (as defined in Section 2(a)(12) of the US Securities Act), or a person receiving a selling concession, fee or other remuneration, prior to the expiration of the one-year Distribution Compliance Period, must send a confirmation or other notice to the purchaser stating that the purchaser is subject to the same restrictions on offers and sales that apply to a Distributor.
- In the case of an offer or sale of Shares prior to the expiration of the one-year Distribution Compliance Period by a dealer (as defined in Section 2(a)(12) of the US Securities Act), or a person receiving a selling concession, fee or other remuneration in respect of the Shares offered or sold:
    - Neither the seller nor any person acting on its behalf may know that the offeree or buyer of the Shares is a US Person; and
    - If the seller or any person acting on the seller's behalf knows that the purchaser is a dealer (as defined in Section 2(a)(12) of the US Securities Act) or is a person receiving a selling concession, fee or other remuneration in respect of the Shares sold, the seller or a person acting on the seller's behalf must send to the purchaser a confirmation or other notice stating that the Shares may be offered and sold during the one-year Distribution Compliance Period only in accordance with the provisions of Regulation S; pursuant to registration of the Shares under the US Securities Act; or pursuant to an available exemption from the registration requirements of the US Securities Act.

- In the case of an offer or sale of Shares by an officer or director of the issuer or a Distributor, who is an affiliate of the issuer or Distributor solely by virtue of holding such position, no selling concession, fee or other remuneration may be paid in connection with such offer or sale other than the usual and customary broker's commission that would be received by a person executing such transaction as agent.

- Shares acquired from the Company, a Distributor, or any of their respective Affiliates in a transaction subject to the conditions of Rule 901 or Rule 903 are deemed to be "restricted securities" as defined in Rule 144 ("Rule 144") under the US Securities Act. Resales of any of such restricted securities by the offshore purchaser must be made in accordance with Regulation S, the registration requirements of the US Securities Act or an exemption therefrom. Any "restricted securities", as defined in Rule 144, will continue to be deemed to be restricted securities, notwithstanding that they were acquired in a resale transaction made pursuant to Rule 901 or 904."

Purchaser and Seller Certifications

While any Shares held in the CREST system have a "REG S Cat 3" markers, persons taking delivery of the Shares (including in connection with the Placing), acquiring Shares by way of transfer or otherwise, or, upon withdrawal of the Shares from CREST, selling Shares, will be required in advance of such transaction to make the certifications, acknowledgements and agreements (as applicable), on its own behalf and on behalf of each person for which it is acquiring or, in certain instances, selling the Shares, summarised below:

- The Shares have not been, and will not be, registered under the US Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, US Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.
- It is neither the Company nor an affiliate of the Company.
- It is not a US Person and is not acting for the account or benefit of any US Person.
- Unless the Company determines otherwise in compliance with applicable law, the Shares will bear a restrictive legend in substantially the form set out above.
- It has reviewed the restrictive legend (in substantially the form set out above), including the restrictions set forth in the text of the legend, and agrees to those restrictions.
- Unless the Shares are offered or sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act:
    - o the Company will not be required to accept for registration of transfer any Shares that are being transferred to a US Person; and
    - o the Company may require any person who is required to be a non-US Person, but is not, to transfer the Shares immediately in a manner consistent with the transfer restrictions.
- The Company's bylaws and articles may contain additional provisions that further limit your, or any such person's rights relating to these Shares.
- If it offers, resells, pledges or otherwise transfer the Shares, such Shares will be offered, resold, pledged or otherwise transferred only: (i) to the Company, (ii) to a transferee that agrees to also comply with the restrictions set forth in the certification (either in electronic form or in a form otherwise acceptable to the Company) and who is also a non-US Person in an offshore transaction in accordance with Regulation S of the Securities Act, or (iii) pursuant to registration, or an available exemption from registration, under the Securities Act.
- It will not engage, directly or indirectly, in hedging transactions with regard to the Shares unless in compliance with the US Securities Act.
- The Company, its Affiliates, Zeus Capital, Berenberg and others will rely on the acknowledgments, representations and warranties contained in this certification as a basis for establishing the exemption of the sale of the Shares under the US Securities Act and under the securities laws of all applicable states, and for other purposes.

- By completing the purchase your certifications and agreements contained herein may be relied on by the Company or any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.
- If you are a broker dealer, your customer has been advised of and understands the contents of this certification and has authorized you to make the acknowledgements, representations, warranties and covenants contained herein on its behalf.

The legends and form of certification are in standard form and cannot be amended or tailored to different situations. The form and text of the certifications and the legends are subject to change in event of a change in applicable laws or regulations, market practice or operational procedures.

Purchasers of Shares in certificated form will be required in advance of any transfer to make equivalent certifications, acknowledgements and agreements in a form acceptable to the Company.

Certificated Legend

Shares in certificated form will bear a legend in substantially the form set forth below, unless the Company determines otherwise in compliance with applicable law:

"THE SHARES REPRESENTED HEREBY HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "US SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. THE SHARES ARE "RESTRICTED SECURITIES" AS DEFINED UNDER RULE 144(a)(3) UNDER THE US SECURITIES ACT.

THE HOLDER HEREOF AGREES FOR THE BENEFIT OF THE COMPANY THAT THE SHARES MAY NOT BE TAKEN UP, OFFERED, SOLD, RESOLD, DELIVERED OR DISTRIBUTED, DIRECTLY OR INDIRECTLY WITHIN, INTO OR FROM THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE US SECURITIES ACT ("REGULATION S")) EXCEPT: (I) IN AN "OFFSHORE TRANSACTION" (AS DEFINED IN REGULATION S) MEETING THE REQUIREMENTS OF REGULATION S, (II) PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (III) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE US SECURITIES ACT (WHICH IT ACKNOWLEDGES THAT THE COMPANY IS UNDER NO OBLIGATION TO DO), IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE US SECURITIES LAWS AND, IN THE CASE OF (II), AN OPINION OF COUNSEL (OR SUCH OTHER EVIDENCE AS IS ACCEPTABLE TO THE COMPANY IN ITS SOLE DISCRETION) SHALL BE DELIVERED TO THE COMPANY (AND UPON WHICH THE COMPANY MAY RELY) REGARDING THE AVAILABILITY OF SUCH EXEMPTION. RESALES OR REOFFERS OF SHARES MADE OFFSHORE IN RELIANCE ON REGULATION S MAY NOT BE SOLD TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY US PERSON (AS DEFINED IN REGULATION S) DURING THE ONE YEAR DISTRIBUTION COMPLIANCE PERIOD UNDER REGULATION S. AS PROVIDED IN THE BYLAWS OF THE COMPANY, THE COMPANY MAY REFUSE TO REGISTER ANY TRANSFER OF THE SHARES NOT MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH ABOVE. HEDGING TRANSACTIONS INVOLVING THESE SHARES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE US SECURITIES ACT.

Rule 144 Restrictions

The Placing Shares are deemed to be restricted securities under the Securities Act. Non-Affiliates of the Company purchasing Placing Shares will need to comply with Rule 144 promulgated under the US Securities Act with respect to any resales of Placing Shares within the United States or to, or for the account or benefit of, US Persons on the market or otherwise until the later of (i) the first anniversary of the initial purchase of such Placing Shares and (ii) the expiration of the Distribution Compliance Period.

Rule 144 may be available for US resales of Shares by Affiliates of the Company, subject to various conditions including, among others, the availability of current information regarding the Company, applicable holding periods and volume and manner of sale restrictions. Shares held by Affiliates of the Company shall be held in certificated form and, accordingly, settlement shall not be permitted via the CREST system until such time as the relevant restrictions are no longer applicable. Affiliates of the Company at the time of the Placing, or investors that become Affiliates at any time after the Placing, should seek advice of independent US legal

counsel prior to selling or transferring any Shares. A liquid trading market for the Shares does not currently exist in the United States, and the Company does not expect such a market to develop soon.

Definition of US Person

In this Document, a "US Person" has the meaning set forth in Regulation S and includes:

- any natural person resident in the United States;
- any partnership or corporation organised or incorporated under the laws of the United States;
- any estate of which any executor or administrator is a US Person;
- any trust of which any trustee is a US Person;
- any agency or branch of a foreign entity located in the United States;
- any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person;
- any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States; and
- any partnership or corporation if it is organised or incorporated under the laws of any foreign jurisdiction and formed by a US Person principally for the purpose of investing in securities not registered under the US Securities Act, unless it is organised or incorporated and owned, by accredited investors (as defined in Rule 501(a) under the US Securities Act) who are not natural persons, estates or trusts.

The following are specifically identified as not being "US Persons":

- any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US Person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States;
- any estate of which any professional fiduciary acting as executor or administrator is a US Person if an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with respect to the assets of the estate; and the estate is governed by foreign law;
- any trust of which any professional fiduciary acting as trustee is a US Person, if a trustee who is not a US Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person;
- an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;
- any agency or branch of a US Person located outside the United States if the agency or branch operates for valid business reasons; and the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and
- the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans.

Zeus Capital

BERENBERG
PARTNERSHIP SINCE 1590

MemeryCrystal

PERKINSCOIE

Pinsent Masons

Yellow Jersey