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This document comprises a prospectus (the “**Document**” or “**Prospectus**”) for the purposes of Article 3 of the UK version of Regulation (EU) 2017/1129, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the “**Prospectus Regulation**”), relating to BSF Enterprise plc (the “**Company**”) prepared in accordance with the Prospectus Regulation Rules (the “**Prospectus Regulation Rules**”) of the Financial Conduct Authority (the “**FCA**”) made under section 73A of the Financial Services and Markets Act 2000, as amended (the “**FSMA**”). This Document has been approved by the FCA as competent authority under the Prospectus Regulation, and has been made available to the public in accordance with the Prospectus Regulation Rules.

The FCA only approves this Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company that is, or the quality of the securities that are, the subject of this Document. Investors should make their own assessment as to the suitability of investing in the securities.

The Company, each of the directors of the Company (the “**Directors**”) and the proposed director of the Company (the “**Proposed Director**”), whose names and functions appear in Part VI (Directors, Secretary Agents and Advisers) of this Document accepts responsibility for the information contained in this Document. To the best of the knowledge of the Company, the Directors and the Proposed Director, the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.

The current entire issued Ordinary Shares in the capital of the Company (the “**Existing Ordinary Shares**”) are admitted to listing as a Standard Listing maintained by the FCA, in its capacity as the competent authority under FSMA under chapter 14 of the Listing Rules and to trading on the Main Market of the London Stock Exchange.

The Company’s acquisition of the entire issued share capital of 3D Bio-Tissues Limited (“**3D Bio-Tissues**”) (the “**Acquisition**”) constitutes a “reverse takeover” under the Listing Rules (“**Reverse Takeover**”) and in accordance with the Listing Rules, the FCA is expected to cancel the Company’s existing Standard Listing at 8.00 a.m. on 17 May 2022. Further applications will be made to the UK Listing Authority for the Existing Ordinary Shares to be re-admitted and for the New Ordinary Shares to be admitted to the standard segment of the Official List and to the London Stock Exchange for the re-admission of the Existing Ordinary Shares and admission of the New Ordinary Shares to trading on the Main Market (together the “**Admission**”).

It is currently expected that the Admission will become effective post Completion at 8.00 a.m. on 17 May 2022 (whereupon an announcement will be made by the Company to a Regulatory Information Service).

THE WHOLE OF THE TEXT OF THIS DOCUMENT SHOULD BE READ BY PROSPECTIVE INVESTORS. YOUR ATTENTION IS SPECIFICALLY DRAWN TO THE DISCUSSION OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE ORDINARY SHARES CONTAINED AT PART II OF THIS DOCUMENT HEADED “RISK FACTORS”.

BSF Enterprise plc

(Incorporated in England and Wales with registered number 11554014)

Placing of 23,744,912 Ordinary Shares of £0.01 each at 7.37p per Ordinary Share

Issue of 33,900,004 Consideration Shares of £0.01 each at 7.37p per Ordinary Share

Issue of 7,798,491 Restricted Shares of £0.01 at 1p per Ordinary Share

**Admission to the Official List of 85,783,409 Ordinary Shares of £0.01 each
(by way of a Standard Listing under Chapter 14 of the Listing Rules)
and to trading on the London Stock Exchange’s main market for listed securities**

Broker and Placing Agent

SHARD CAPITAL PARTNERS LLP

This Document does not constitute an offer to sell, or the solicitation of an offer to buy or subscribe for Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. The Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933 as amended (the “**Securities Act**”) or qualified for sale under the laws of any state of the United States or under the applicable laws of any of Canada, Australia or Japan and, subject to certain exceptions, may not be offered or sold in the United States or to, or for the account or benefit of, US persons (as such term is defined in Regulation S under the Securities Act) or to any national, resident or citizen of Canada, Australia or Japan. Neither this Document, nor any copy of it, may be sent to or taken into the United States, Canada, Australia or Japan, nor may it be distributed to any US person (within the meaning of Regulation S under the Securities Act).

No person is authorised in connection with the Placing to give any information or to make any representation other than as contained in this Document and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Company.

The New Ordinary Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares on Admission including the right to receive all dividends and other distributions declared, made or paid after Admission.

This Document does not constitute an offer to sell or an invitation to purchase or subscribe for, or the solicitation of an offer or invitation to purchase or subscribe for, Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company.

The distribution of this Document in or into jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of securities laws of any such jurisdiction.

Apart from the responsibilities and liabilities, if any, which may be imposed on Shard Capital Partners LLP (“**Shard Capital**”) in its capacity as broker and placing agent to the Company, by FSMA or the regulatory regime established thereunder, Shard Capital does not accept any responsibility whatsoever for, or make any representation or warranty, express or implied, as to the contents of this Document or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Ordinary Shares, the Placing or Admission and nothing in this Document will be relied upon as a promise or representation in this respect, whether or not to the past or future. Shard Capital accordingly disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this Document or any such statement.

Neither Shard Capital nor any of its representatives, are making any representation to any prospective investor of the Ordinary Shares regarding the legality of an investment in the Ordinary Shares by such prospective investor under the laws applicable to such prospective investor. The contents of this Document should not be construed as legal, financial or tax advice. Each prospective investor should consult their own legal, financial or tax adviser for legal, financial or tax advice.

Shard Capital, which is authorised and regulated by the FCA, is acting exclusively for the Company and for no one else in connection with the Placing. Shard Capital will not regard any other person as a client in relation to the Placing, and Shard Capital will not be responsible to anyone (whether or not a recipient of this Document) other than the Company for providing the protections afforded to its clients, or for providing advice in relation to the Placing, or any other matter, transaction or arrangement referred to in this Document.

A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in companies with premium listings on the Official List, which are subject to additional obligations under the Listing Rules.

The contents of this Document are not to be construed as legal, business or tax advice. Each prospective investor should consult his, her or its own solicitor, independent financial adviser or tax adviser for legal, financial or tax advice.

This Document is dated 27 April 2022.

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PART I

SUMMARY

SECTION A—INTRODUCTION AND WARNINGS

Name and ISIN of the securities

The securities are the Ordinary Shares, which have the ISIN GB00BHNBDQ51.

Identity and contact details of the issuer

The issuer is BSF Enterprise plc, and its registered address is at c/o Locke Lord (UK) LLP, 201 Bishopsgate, London, United Kingdom, EC2M 3AB and telephone number is +44 (0)20 7861 9000. The Company's LEI is 2138007PJT69H8FYLC06.

Identity and contact details of the offeror or of the person asking for admission to trading on a regulated market

The Company is the offeror and the person asking for admission to trading of the Ordinary Shares on the Main Market, which is a regulated market.

Date of approval of the Prospectus

The Prospectus was approved on 27 April 2022

Identity and contact details of the competent authority approving the Prospectus

The competent authority approving the Prospectus is the FCA. The FCA's registered office address is at 12 Endeavour Square, London, E20 1JN, United Kingdom and telephone number is +44 (0)20 7066 1000.

Warnings

This summary should be read as an introduction to the Prospectus. Any decision to invest in Ordinary Shares should be based on a consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Civil liability attaches only to those persons who have tabled this summary including any translation thereof but only if this summary is misleading, inaccurate or inconsistent when read together with other parts of this Document or it does not provide, when read together with other parts of this Document, key information in order to aid investors when considering whether to invest in such securities.

SECTION B—KEY INFORMATION ON THE ISSUER

Who is the issuer of the securities?

Legal and commercial name

The legal and commercial name of the issuer is BSF Enterprise plc.

Domicile and legal form

The Company is a public limited company incorporated and registered under the Companies Act 2006 in England and Wales on 5 September 2018 with registered company number 11554014. The Company's LEI is 2138007PJT69H8FYLC06. The principal legislation under which the Company operates is the Companies Act and regulations thereunder.

Principal activities

As at the date of this Document, the Company does not have any current operations / principal activities, no products are sold or services performed by the Company, the Company does not operate or compete in any specific market, and the Company has no subsidiaries.

Following the Completion of the Acquisition of 3D Bio-Tissues Limited, the principal activity of the Company will be to act as a holding company for early-stage biotechnology businesses specialising in serum-free media, skin care and tissue engineering.

3D Bio-Tissues Limited has developed 2 products in serum-free media and skin care plus a proprietary platform technology termed "tissue templating" that facilitates the production of a variety of animal tissue types for multiple uses, commonly referred to as "tissue engineering". Tissue templating technology is bio-inspired, i.e. its methodology has been learnt by careful study of how cells behave in their natural environs.

On 23 December 2021, the Company entered into a sale and purchase agreement with the Sellers in connection with the acquisition of the entire issued share capital of 3D Bio-Tissues. The consideration payable under the Acquisition Agreement is to be satisfied wholly by the issue of the Consideration Shares to the Sellers.

As the Acquisition constitutes a Reverse Takeover, the Standard Listing of the Ordinary Shares has been suspended by the FCA on 16 August 2021. The Acquisition is expected to complete on 17 May 2022.

Major shareholders (over 3 per cent.) of the Company before and immediately following the issue of the New Ordinary Shares

Name of Shareholder*	Per Cent. of issued existing		Ordinary Shares held at Admission	Per Cent. of issued Share capital at Admission*
	Ordinary Shares held before Admission	Ordinary Share capital		
BSF Angel Funding Limited**	–	–	16,610,944	19.36
Che Connon	–	–	12,927,977	15.07
Newcastle University Holdings Limited	–	–	6,915,624	8.06
Advance Plan Investments Limited	5,000,000	24.58	5,000,000	5.83
Trade Hero Holdings Limited	6,000,000	29.50	6,000,000	6.99

*Note 1 – The holdings of substantial shareholders immediately following Admission are based on the following assumptions: (i) the Placing having occurred and the Placing Shares having been issued; (ii) the issue of the Consideration Shares and (iii) the issue of the Restricted Shares under the Restricted Share Plan or the Restricted Share Agreements. On Admission, the holders of the New Ordinary Shares will not have special voting rights and the Ordinary Shares owned by them will rank *pari passu* in all respects with the holders of the Existing Ordinary Shares.

**Note 2 – Min Yang is a director of and holds approximately 11 per cent. of shares in ASF Group Ltd (ASX:AFA) which indirectly owns 50 per cent. of the issued share capital of BSF Angel Funding Limited.

Directors on Admission

Existing Directors:

Min Yang (*Non-Executive Chairman*)
 Geoffrey Robert Baker (*Non-Executive Director*)
 Dennis Ow (*Non-Executive Director*)

Proposed additional Director:

Che Connon (*Executive Director*)

Statutory Auditors

PKF Littlejohn LLP, 15 Westferry Circus, London, E14 4HD, United Kingdom

What is the key financial information regarding the issuer?

Selected historical key financial information

Company

The tables below set out a summary of the key financial information of the Company for the period from incorporation on 5 September 2018 to 30 September 2019, the year ended 30 September 2020 and the year ended 30 September 2021, as extracted from the audited historical financial information of the Company.

Summary Statement of Financial Position

	Audited As at 30 September 2019 £	Audited As at 30 September 2020 £	Audited As at 30 September 2021 £
Total assets	552,202	455,398	401,446
Equity	516,986	423,141	364,816

Summary Statement of Comprehensive Income

	Audited Period ended 30 September 2019 £	Audited Year ended 30 September 2020 £	Audited Year ended 30 September 2021 £
Revenue	–	–	–
Operating loss for the period	(94,398)	(93,845)	(58,325)
Loss for the period after tax	(94,398)	(93,845)	(58,325)
Comprehensive loss for the year	(94,398)	(93,845)	(58,325)
Loss per Ordinary Share	(1.59)p	(0.51)p	(0.29)p

Summary Statement of Cash Flows

	<i>Audited</i> <i>Period ended</i> 30 September 2019 £	<i>Audited</i> <i>Year ended</i> 30 September 2020 £	<i>Audited</i> <i>Year ended</i> 30 September 2021 £
Cash from/(used in)			
Operating activities	(59,182)	(107,141)	(85,193)
Financing activities	611,384	–	–

3DBT

The tables below set out a summary of the key financial information of 3DBT for the period from incorporation on 8 November 2018 to 30 November 2019, the year ended 30 November 2020 and the six-month periods ended 31 May 2021 and 31 May 2020, as extracted from the audited historical financial information of 3DBT and the unaudited interim financial information of 3DBT.

Summary Statement of Financial Position

	<i>Audited</i> <i>As at</i> 30 November 2019 £	<i>Audited</i> <i>As at</i> 30 November 2020 £	<i>Unaudited</i> <i>As at</i> 31 May 2021 £
Total assets	64,988	579,960	471,172
Equity	62,455	380,603	299,130

Summary Statement of Comprehensive Income

	<i>Audited</i> <i>Period ended</i> 30 November 2019 £	<i>Audited</i> <i>Year ended</i> 30 November 2020 £	<i>Unaudited</i> <i>Period ended</i> 31 May 2021 £	<i>Unaudited</i> <i>Period ended</i> 31 May 2020 £
Revenue	–	–	19,343	–
Operating loss for the period	(17,392)	(88,743)	(105,321)	(25,325)
Loss for the period after tax	(17,604)	(101,852)	(81,473)	(25,325)
Comprehensive loss for the period	(17,604)	(101,852)	(81,473)	(25,325)

Summary Statement of Cash Flows

	<i>Audited</i> <i>Period ended</i> 30 November 2019 £	<i>Audited</i> <i>Year ended</i> 30 November 2020 £	<i>Unaudited</i> <i>Period ended</i> 31 May 2021 £	<i>Unaudited</i> <i>Period ended</i> 31 May 2020 £8
Cash from/(used in)				
Operating activities	(16,215)	(96,184)	(73,218)	(25,328)
Investing activities	(1,116)	(79,205)	(9,439)	(869)
Financing activities	80,024	420,035	(12,577)	35

Pro Forma Financial Information

The unaudited consolidated pro forma financial information (the “Pro Forma Financial Information”) has been prepared on the basis described, for illustrative purposes only, to provide financial information about how the Acquisition, the issues of the Placing Shares, the Placing Warrants and the Broker Warrants and settlement of associated costs might have affected the income, expenses and net assets presented on the basis of accounting policies adopted by the Company in preparing the audited financial information for the year ended 30 September 2021, as if these events had occurred on 30 September 2021 with respect to the pro forma Statement of Financial Position and on 1 October 2020 with respect to the pro forma Statement of Comprehensive Income.

The Pro Forma Financial Information has been prepared on the basis set out therein and in accordance with the requirement of item 18.4 of Annex 1 and in accordance with Annex 20 of the Prospectus Regulation Rules and is given for the purpose of complying with that requirement and for no other purposes.

Unaudited pro forma Statement of Financial Position

	<i>Company</i> <i>As at</i> 30 September 2021 (Note 1) £	<i>Adjustment</i> <i>3DBT</i> <i>As at</i> 31 May 2021 (Note 2) £	<i>Adjustment</i> <i>Acquisition</i> <i>of 3DBT</i> (Note 3) £	<i>Adjustment</i> <i>Placing,</i> <i>Warrants</i> <i>and</i> <i>settlement</i> <i>of costs</i> (Note 4) £	<i>Pro forma</i> <i>balances</i> <i>as at</i> 30 September 2021 £
Total assets	401,446	471,172	–	1,335,000	2,207,618
Equity	364,816	299,130	–	1,335,000	1,998,946

Unaudited pro forma Statement of Comprehensive Income

	<i>Company Year ended 30 September 2021 (Note 1) £</i>	<i>Adjustment 3DBT Year ended 30 November 2020 (Note 2) £</i>	<i>Adjustment Acquisition of 3DBT (Note 3) £</i>	<i>Adjustment Placing and Settlement of costs (Note 4) £</i>	<i>Pro forma results £</i>
Revenue	–	–	–	–	–
Operating loss	(58,325)	(88,743)	–	(82,419)	(229,487)
Loss after taxation	(58,325)	(101,852)	–	(82,419)	(242,596)

Notes

1. Represents the Company's audited assets and equity as at 30 September 2021 and the audited results for the year then ended.
2. Represents 3DBT's unaudited assets and equity as at 31 May 2021 and the audited results for the year ended 30 November 2020.
3. Represents the acquisition and consolidation of 3DBT.
4. Represents the effects of the issue of the Placing Shares, the issue of the Placing Warrants, the issue of the Broker Warrants and settlement of associated costs.

Brief description of any qualifications in the audit report

Not applicable. There are no qualifications in the accountant's report relating to the historical financial information.

What are the key risks that are specific to the issuer?

Brief description of the most material risk factors specific to the issuer contained in the Prospectus

- 3D Bio-Tissues Limited is still at an early stage of its development, has not generated revenues from its operations to date and has a history of operating losses. The generation of revenues is difficult to predict and there is no guarantee that the Enlarged Group will generate significant or any revenues in the foreseeable future.
- 3D Bio-Tissues Limited is engaged in the research and development of the molecule Etsyl™ for the promotion of collagen production in cells from structural tissues (e.g., skin, cartilage, muscle, bone). Etsyl™ is a bioactive ingredient shown to be effective in vitro, however there is currently no evidence of its effectiveness in clinical trials. Furthermore, even if Etsyl™ is effective, this may not result in sufficient therapeutic or cosmetic improvement in humans to deliver commercial success for an ingredient of this nature.
- 3D Bio-Tissues Limited is also engaged in the research and development of the City-mix™ medium supplements for the promotion of in vitro cell and tissue growth. The City-mix™ medium supplements have been shown to be effective for small-scale cultures of various cell lines in serum-containing, serum-reduced, and serum-free medium conditions. However, their effectiveness as universal serum substitutes or adjuvants in large-scale cultures remains to be assessed.
- All biotechnology and therapeutic research and development programmes carry technical risks, including the programme undertaken by 3D Bio-Tissues Limited. These risks include those associated with delays, third party suppliers of research services or materials essential to the programmes, the unpredictability of the biological processes associated with cell and tissue culture and bioprocessing, and outcomes of in vitro, pre-clinical, and clinical testing. There is no guarantee that these technical risks can be effectively overcome, and a successful, approved product can be developed.
- Whilst the Directors have carried out an assessment of 3DBT supported by third party due diligence (both commercial and technical) and determined that a valuation of £2.5 million was, in the opinion of the Directors, both reasonable and appropriate for 3DBT prior to the Company entering into the Acquisition Agreement, investors should note that no independent valuation report was commissioned by the Company to seek to ascertain the fair market value of 3DBT prior to agreeing to the terms of the proposed Acquisition. As such, there can be no guarantee that the valuation of £2.5 million for 3DBT is an accurate and fair market value, which may in turn adversely affect the Company's return on investment, the Company's share price, the returns available on an investment in the Company, and the ability of the Company to raise funds in future.
- Min Yang and Geoffrey Baker are directors of the Company and are also directors of 3D Bio-Tissues Limited and in addition Min Yang has an indirect equity interest in 3D Bio-Tissues Limited. The above circumstances give rise to actual and potential conflicts of directors' duties owed to each company and conflicts of personal interests and duties and the associated risks that may compromise judgement, decisions, or actions by any conflicted director. Whilst the Company has sought to address the conflicts and potential conflicts of interests by appointing Dennis OW as an independent director of the Company who has received advice from Novum Securities Limited in its capacity as independent financial adviser to the Company in relation to the Acquisition for the purposes of the Rule 9 Waiver, there can be no guarantee that all risks associated with conflicts or potential conflicts of interests have been fully eliminated from the Acquisition process, and there can be no guarantee that conflicts of interest and the associated risks will not arise in the future.
- 3DBT provides its products to third party businesses who may be subject to regulatory controls. It cannot guarantee that the proposed development work will result in an efficacious treatment, or even if it does, that Etsyl™ will be approved by regulatory authorities as used by such businesses.

SECTION E- KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?

Type, class and ISIN

The New Ordinary Shares will be fully paid ordinary shares in the capital of the Company with a nominal value of £0.01 each. Applications will be made for the Ordinary Shares to be admitted to the Official List of the FCA with a Standard Listing and to trading on the London Stock Exchange's Main Market. The Ordinary Shares are registered with ISIN GB00BHNBDQ5, SEDOL code BHNBDQ5 and TIDM BSFA.

Currency, denomination, par value, number of securities issued and the term of the securities

U.K. Pounds Sterling with a nominal value of £0.01 each.

20,340,002 Ordinary Shares have been issued at the date of this Document (the “Existing Ordinary Shares”), all of which have been fully paid up. The term of the securities is perpetual.

Rights attached to the securities

The Company may issue shares with such rights or restrictions as may be determined by ordinary resolution or as the Board shall determine, including shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder of such shares.

Shareholders will have the right to receive notice of and to attend and vote at any meetings of members. Each Shareholder entitled to attend and being present in person or by proxy at a meeting will, upon a show of hands, have one vote and upon a poll each such Shareholder present in person or by proxy will have one vote for each Ordinary Share held by him.

The Company shall hold an annual general meeting each year in addition to any general meeting held in the year. The Directors can call a general meeting at any time in accordance with the Articles. All members who are entitled to receive notice under the Articles must be given notice.

The Directors are generally empowered to allot shares. Pre-emption rights have been dis-applied up to an aggregate nominal value of £40,680 (in respect of future share issues whether for cash or otherwise) pursuant to a special resolution passed on 31 March 2021, such authority to expire at the next annual general meeting of the Company, or, if earlier, fifteen (15) months from the date of the resolution. Pursuant to Resolutions 2 and 3 proposed at the General Meeting, it is proposed to grant replacement authorities to allot shares and to disapply statutory pre-emption rights in respect of the proposed allotment and issue of the New Ordinary Shares, and further up to an aggregate nominal value of £128,675, such authority to expire at the annual general meeting of the Company to be held in 2023, or, if earlier, fifteen (15) months from the date of the resolution.

The Company may, subject to the provisions of the Companies Act and the Articles, by ordinary resolution from time to time declare dividends to be paid to members not exceeding the amount recommended by the Directors.

Relative seniority of the securities in the issuer's capital structure in the event of insolvency

On a winding-up, a liquidator may, with the sanction of a special resolution, divide among members the whole or any part of the assets of the Company and may value any assets and determine how the division shall be carried out between the members.

Restrictions on transferability

Not applicable. The Ordinary Shares are freely transferable and tradeable and there are no restrictions on transfer, save for a requirement that the Directors and the Sellers shall not transfer any Ordinary Shares for a period of 12 months from the date of Admission. Each Shareholder may transfer all or any of their Ordinary Shares which are in certified form by means of an instrument of transfer in any usual form or in any other form which the Directors may approve. Each Shareholder may transfer all or any of their Ordinary Shares which are in uncertified form by means of a ‘relevant system’ (i.e. the CREST System) in such manner provided for, and subject as provided in, the Uncertified Securities Regulations 2001 (SI 2001 No. 3755) (the “Regulations”).

Dividend policy

The Directors do not intend that the Company will declare a dividend in the near term, but instead apply the available cash resources of the Enlarged Group into funding its expansion. Thereafter, the Board intends to commence the payment of dividends only when it becomes commercially prudent to do so, having regard to the availability of distributable profits and the funds required to finance continuing future growth. The Company will only pay dividends to the extent that to do so is in accordance with the Companies Act and all other applicable laws.

Where will the securities be traded?

Application for admission to trading on a regulated market

The Existing Ordinary Shares are currently (and it is expected that the New Ordinary Shares will be) admitted to the standard segment of the Official List and to trading on the Main Market. As the Acquisition constitutes a Reverse Takeover, upon Completion, the listing of the Ordinary Shares on the standard segment of the Official List will be cancelled. Further applications will be made to the UK Listing Authority and to the London Stock Exchange for the Ordinary Shares (at such time comprising the Existing Ordinary Shares and New Ordinary Shares) to be re-admitted to the standard segment of the Official List. Completion of the Acquisition and the Placing will both be subject to Admission occurring. Completion will become effective at Admission which is currently expected to take place at 8.00 a.m on 17 May 2022 (whereupon an announcement will be made by the Company to a Regulatory Information Service).

Identity of other markets where the securities are to be traded

Not applicable. There is currently no other market for the Ordinary Shares and the Company does not intend to seek admission to trading of the Ordinary Shares on any market other than the Main Market of the London Stock Exchange.

SECTION F- KEY RISKS SPECIFIC TO THE SECURITIES

What are the key risks that are specific to the securities?

Brief description of the most material risk factors to the securities contained in the Prospectus

Following Admission, the market in the Ordinary Shares is likely to be illiquid given the size of the Enlarged Group, the limited number of shares and shareholders. Therefore, it may be difficult for shareholders to easily realise their investment. As a result of such volatility, Shareholders may experience a negative or no return on monies invested in the Company.

The Company is applying for a Standard Listing of the issued and to be issued share capital of the Enlarged Group to the Official List in accordance with Chapter 14 of the Listing Rules. As a result, the Shareholders will be afforded a lower level of regulatory protection than that afforded to investors of a company with a Premium Listing. For example, the Company will not be appointing a sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The application of the Listing Rules regarding significant transactions and related party transactions (which requires shareholder approval if a company has a Premium Listing) will not apply to the Company. In addition, the UK Listing Authority will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules which the Company has indicated that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company so to comply.

SECTION G – KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND/OR THE ADMISSION TO TRADING ON A REGULATED MARKET

Under which conditions and timetable can I invest in this security?

General terms and conditions

The Company will issue 23,744,912 Placing Shares (with Placing Warrants attached) through the Placing at the Placing Price of 7.37p per Placing Share. The Placing is not being underwritten.

The net proceeds of the Placing, after deduction of expenses, will be £1,335,000 on the basis that the gross proceeds of the Placing are £1,750,000. The total expenses of the Acquisition, including the Placing and the preparation of this Document are estimated to be £415,000 (exclusive of VAT).

The Placing is conditional on:

- a. the Placing Agreement becoming wholly unconditional (save as to Admission) and not having been terminated in accordance with its terms prior to Admission;
- b. the Acquisition Agreement becoming unconditional (save as to Admission) and not having been terminated in accordance with its terms prior to Admission; and
- c. the Resolutions being passed at the General Meeting; and
- d. Admission occurring by 8am on 17 May 2022 (or such later date as the Company and Share Capital may agree).

The New Ordinary Shares will, upon issue, rank *pari passu* with the Existing Ordinary Shares. If Admission does not proceed, the Acquisition will not proceed, the Placing will not proceed, and all monies paid will be refunded to applicants in the Placing. At Admission, at least 25 per cent. of the Ordinary Shares will be in public hands (as defined in the Listing Rules).

Expected timetable of the offer

Publication of this Document	27 April 2022
Dispatch of the Circular and the Forms of Proxy	27 April 2022
Latest time and date for receipt of Forms of Proxy and CREST instructions	10.00 a.m. on 12 May 2022
Date and time of General Meeting	10.00 a.m. on 16 May 2022
Completion of the Acquisition	17 May 2022
Admission and commencement of dealings in Existing Ordinary Shares and New Ordinary Shares	8.00 am on 17 May 2022
CREST members' accounts credited in respect of Placing Shares	17 May 2022

All references to time in this Document are to London time (GMT), unless otherwise stated. Any changes to the expected timetable will be notified by the Company through a Regulatory Information Service.

Details of admission to trading on a regulated market

Application will be made for the Existing Ordinary Shares and the New Ordinary Shares to be admitted to a Standard Listing on the Official List and to trading on the Main Market. It is expected that Admission will become effective and that dealings in Ordinary Shares will commence at 8.00 am on 17 May 2022.

Plan for distribution

The Placing Shares have been offered to institutional and other investors including high net worth investors in the United Kingdom and (outside of the United States in offshore transactions) certain other jurisdictions. The Consideration Shares will be issued as consideration for the Acquisition and will not be available for subscription or otherwise offered to any investors. The Restricted Shares will be issued solely to Che Connon, Ricardo Gouveia, Yu Xiong, Min Yang and Geoff

Baker and will not be available for subscription or otherwise offered to any investors There will be no offer to the public of the Ordinary Shares and no intermediaries offer.

Amount and percentage of immediate dilution resulting from the offer

Shareholdings immediately prior to Admission will be diluted by approximately 76.29 per cent. as a result of New Ordinary Shares issued pursuant to the Placing, the Acquisition and the issue of the Restricted Shares.

Estimate of total expenses of the issue and/or offer

The expenses of the Placing will be borne by the Company in full and no expenses will be charged to any investor by the Company, which are estimated to be approximately £415,000 (exclusive of VAT).

The total expenses (including commission and expenses payable under the Placing Agreement, registration, listing, admission fees, stamp duty, printing, advertising and distribution costs and professional advisory fees, including legal fees, and any other applicable expenses) are not expected to exceed £415,000 (excluding VAT), representing approximately 23.7 per cent. of the gross proceeds of the Placing of £1,750,000.

The total Net Placing Proceeds on this basis are £1,335,000.

Why is this Prospectus being produced?

Reasons for the offer or for the admission to trading on a regulated market

The Company is making the Acquisition, which constitutes a Reverse Takeover, and therefore requires the publication of this Document. At the same time, the Company is conducting the Placing to raise funds to fulfil its objectives and strategy. The Enlarged Group's intention is to grow through a combination of organic growth and, where possible, selective acquisitions.

Use and estimated net amount of the proceeds

The net placing proceeds of £1,335,000, together with the cash held by the Company at 31 January 2022 of £280,000 are intended to be used for:

- lab space and consumables (£77,500);
- employing additional time from 3DBT's existing professional and technical people (£486,000);
- employing additional professional and technical people (£130,000);
- marketing and sales avenues for the serum free and cosmetics (£50,000);
- and general corporate overheads (£871,500).

Indication of whether the offer is subject to an underwriting agreement

The Placing is not being underwritten. Shard Capital, as the Company's agent, has procured irrevocable commitments to subscribe for the full amount of Placing Shares from subscribers in the Placing, and there are no conditions attached to such irrevocable commitments other than Admission.

Indication of the most material conflicts of interests relating to the offer or admission to trading

Min Yang and Geoffrey Baker are directors of the Company and are also directors of 3D Bio-Tissues Limited, the target company. Min Yang and Geoffrey Baker are also directors of BSF Angel Funding Limited, a shareholder of 3D Bio-Tissues Limited. In addition Min Yang has an indirect equity interest in BSF Angel Funding Limited Min Yang via her approximately 11 per cent. interest in the shares in ASF Group Ltd (ASX:AFA) which indirectly owns 50 per cent. of the issued share capital of BSF Angel Funding Limited. Dennis Ow has been appointed as an independent director of the Company to manage such conflicts of interests and has received advice from Novum Securities Limited in its capacity as independent financial adviser to the Company for the purposes of the Rule 9 Waiver.

PART II

RISK FACTORS

Any investment in the Ordinary Shares is subject to a number of risks. Prospective investors should note that the risks relating to the Enlarged Group, its markets and the Ordinary Shares summarised in Part I – (Summary) of this Document are the risks which the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Enlarged Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in Part I – (Summary) but also the risks set out below, together with all other information contained in this Document. Some of these risk factors apply to the conduct of business generally in the markets in which the Enlarged Group operates, whilst others are specific to the Enlarged Group. The categories below are not set out in any order of priority.

Additional risks and uncertainties currently unknown to the Company, or that it currently believes to be immaterial for taking investment decisions, may also have an adverse (or materially adverse) effect on the Enlarged Group's business. If any combination of the following risk factors materialise, the Enlarged Group's business, financial condition and/or operational performance could be materially adversely affected. In such case, the trading price of the Ordinary Shares may decline and potential investors may lose all or part of their investment. An investment in Ordinary Shares is only suitable for investors capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from the investment. Accordingly, prospective investors are recommended to obtain independent financial advice from an adviser authorised under FSMA (or another appropriately authorised independent professional adviser) who specialises in advising upon investments. Investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in light of the information in this Document and their personal circumstances.

RISKS RELATING TO ENLARGED GROUP'S BUSINESS

Pre-revenue business and there is no guarantee that the Enlarged Group will generate significant or any revenue in the near future

3DBT is still at an early stage of its development, has not generated revenues from its operations to date and has a history of operating losses. The generation of revenues is difficult to predict and there is no guarantee that the Enlarged Group will generate significant or any revenues in the foreseeable future.

There are a number of operational, strategic and financial risks associated with early stage companies. The Enlarged Group will face risks frequently encountered by pre-revenue companies looking to bring new products and devices to the market. There is also no guarantee that the intellectual property held will ultimately result in a commercially viable product. It is also possible that technical and/or regulatory hurdles could lengthen the time required for the delivery of such a testing product.

The Enlarged Group's future growth will also depend on its ability to secure commercialisation partnerships on appropriate terms, to manage growth and to expand and improve operational, financial and management information, quality control systems and its commercialisation function on a timely basis, whilst at the same time maintaining effective cost controls. Any failure to expand and improve operational, financial and management information and quality control systems in line with the Enlarged Group's growth could have a material adverse effect on the Company's business, financial condition and results of operations.

Risks of Etsyl™ and City-mix™ supplements as novel bioactive ingredient but there is currently no evidence of its effectiveness in clinical trials.

3DBT is engaged in the research and development of the novel molecule Etsyl™ for the promotion of collagen production in cells from structural tissues (e.g., skin, cartilage, muscle, bone). Etsyl™ is a novel bioactive ingredient shown to be effective in vitro, however there is currently no evidence of its effectiveness in clinical trials. Furthermore, even if Etsyl™ is effective, this may not result in sufficient therapeutic or cosmetic improvement in humans to deliver commercial success for an ingredient of this nature.

3DBT is also engaged in the research and development of the City-mix™ medium supplements for the promotion of in vitro cell and tissue growth. The City-mix™ medium supplements have been shown to be effective for small-scale cultures of various cell lines in serum-containing, serum-reduced, and serum-free

medium conditions. However, their effectiveness as universal serum substitutes or adjuvants in large-scale cultures remains to be assessed.

If any of the above products prove to be ineffective is likely to have a material adverse effect on the Company's business, financial condition and results of operations.

Research and development risks carry technical risks, including the programme undertaken by 3DBT and there is no guarantee that these technical risks can be effectively overcome, and a successful, approved product can be developed

All biotechnology and therapeutic research and development programmes carry technical risks, including the programme undertaken by 3DBT. These risks include those associated with delays, third party suppliers of research services or materials essential to the programmes, the unpredictability of the biological processes associated with cell and tissue culture and bioprocessing, and outcomes of in vitro, pre-clinical, and clinical testing. There is no guarantee that these technical risks can be effectively overcome, and a successful, approved product can be developed. Any failure to overcome these technical risks could have a material adverse effect on the Company's business, financial condition and results of operations.

Clinical trial, regulatory and commercialisation by 3DBT's business partners

Biotechnology and therapeutic programmes are subject to the most stringent regulatory oversight by various government agencies and ethics committees. Key regulatory focus areas are safety and efficacy, and clinical trials may be suspended or abandoned entirely in the event that regulatory agencies consider that continuation of these trials could expose participants to undue risks. Before obtaining regulatory approval of a product for a target indication, substantial evidence must be gathered in controlled clinical trials that the product candidate is safe and effective for use for that target indication. Similar approvals must be achieved from the relevant regulatory authorities in each country in which the product may be made available. 3DBT provides its products to third party businesses who may be subject to such regulatory controls. It cannot guarantee that the proposed development work will result in an efficacious treatment, or even if it does, that Etsyl™ will be approved by regulatory authorities as used by such businesses and there is no guarantee it will be successful in securing an appropriate licensing deal or achieving an alternative means of commercialising the technology.

Any failure by the licensee's of the Enlarged Group's products to achieve the necessary regulatory approvals (to the extent required) may impact the Enlarged Group's ability to secure or to continue by securing an appropriate licensing deal or an alternative means of commercialising the technology which would have a material adverse effect on the Company's business, financial condition and results of operations.

Regulatory environment in the future in respect of "tissue engineering" and other products

Any future changes in legislation or regulation, and in particular the regulations relating to tissue engineering, may have an adverse effect on the Enlarged Group's operations and the returns available on an investment in the Company. The Enlarged Group's ability to conduct business will be predicated on being in compliance with all licence requirements as specified by each relevant jurisdiction.

The Enlarged Group may not continue to hold all of the necessary consents, approvals and licences required to conduct its business, and where new permissions are required, these may be delayed or not forthcoming. If any new approvals or licences are required in order for the Enlarged Group to carry on its future business, the Enlarged Group could face delays or prohibitions on the development, manufacture, sale or distribution of its products, which may have a material adverse effect on the Enlarged Group's business, financial condition, capital resources, results and/or future operations.

This Document has been prepared on the basis of current legislation, regulations, rules and practices as they affect the current business of the Enlarged Group and the Directors' and the Proposed Director's interpretation thereof. Such interpretation may not be correct.

Tissue Engineering and Cultivated Protein Market

The industry remains nascent and largely pre-revenue and lacks clarity in respect of its regulatory framework. Providers may also face increased lobbying efforts from the traditional livestock industry as it seeks to defend its market share from cultivated protein products.

Ownership and protection of intellectual property rights

The Enlarged Group's ability to compete will depend in part, upon the successful protection of its intellectual property, in particular its patents and know-how. The Enlarged Group seeks to protect its intellectual property through the filing of patent applications, as well as robust confidentiality obligations on its employees. Filing, prosecuting and defending patents in all countries throughout the world would be prohibitively expensive. It is possible that competitors will use the technologies in jurisdictions where the Enlarged Group has not registered patents.

Any such claims are likely to be expensive to defend, and the other litigating parties may be able to sustain the costs of complex patent litigation more effectively than the Enlarged Group can, because they have substantially greater resources. Moreover, even if the Enlarged Group is successful in defending any infringement proceedings, it may incur substantial costs and divert management's time and attention in doing so, which may have a material adverse effect on the Enlarged Group's business, financial condition, capital resources, results and/or future operations. Further, disputes can often last for a number of years, and can be subject to lengthy appeals processes before any final resolution is achieved through the various different courts and/or tribunals. Furthermore, it cannot be guaranteed that a court will not rule against 3DBT were such claims to be defended.

Despite these precautions that may be taken by the Enlarged Group to protect its intellectual technology and products, unauthorised third parties may attempt to copy, or obtain and use its technology and products. A third party may infringe upon the Enlarged Group's intellectual property, release information considered confidential about the Group's intellectual property and/or claim technology that is registered to the Enlarged Group. In addition, the Enlarged Group may fail to discover infringement of its intellectual property, and/or any steps taken or that will be taken by it may not be sufficient to protect its intellectual property rights or prevent others from seeking to invalidate its intellectual property (for example, in response to a claim for infringement or where an attempt is made to "clear a path" for a new competing product) or block sales of its products by alleging a breach of their intellectual property. Third parties can bring material and arguments which the patent office granting the patent may not have seen at the time of granting the patent. Therefore, whilst a patent may be granted to the Enlarged Group it could in the future be found by a court of law or by a patent office to be invalid or unenforceable or in need of further restriction. As a result of a validity challenge, a patent may be amended so as to narrow its scope to an extent that it may be more difficult to restrict activities of competitors. Applications filed by the Enlarged Group in respect of new patents and trademarks may also not be granted or, if granted, may still be subject to opposition. In addition, there can be no guarantee that the patents or trademarks will be granted on a timely basis. Subject to certain time limits, there may, in certain circumstances, also be claims to entitlement, and/or compensation arising from contributions made, to granted patents by those who have assisted with the relevant research or project.

The Board intends to defend the Enlarged Group's intellectual property vigorously, where necessary through litigation and other means. In the event that litigation is necessary in the future in order to enforce the Enlarged Group's intellectual property rights, determine the scope and validity of proprietary rights of other companies, and/or defend claims of infringement or invalidity, it could require the Enlarged Group to commit significant resources to pursue the protection of its intellectual property and there is no guarantee that the result of such litigation would result in a favourable outcome to the Enlarged Group, or the damages or other remedies awarded, if any, may not be commercially meaningful or represent acceptable compensation in respect to the infringement. Any of these events may have a material adverse effect on the Enlarged Group's business, financial condition, capital resources, results and/or future operations.

The Company is not currently aware of any such active or pending litigation risk.

Competition and the pace of development in Tissue Engineering

3DBT operates within the biotechnology sector, a complex area of the healthcare industry. Rapid scientific and technological change within the biotechnology sector could lead to other market participants creating approaches, products and services equivalent or superior to the diagnostic testing products and services than those to be offered by the Enlarged Group, which could adversely affect the Enlarged Group's performance and success. Better resourced competitors may be able to devote more time and capital towards the research and development process, which, in turn, could lead to scientific and/or technological breakthroughs that may materially alter the outlook or focus for markets in which the Enlarged Group will operate.

If the Enlarged Group is unable to keep pace with the changes in the biotechnology sector and in the wider healthcare industry, the demand for its platforms, associated products and services could fall, which may have a material adverse effect on the Enlarged Group's business, financial condition, capital resources, results and/or future operations. In addition, certain competitors of the Enlarged Group may have significantly greater financial and human resource capacity and, therefore, better manufacturing capability or sales and marketing expertise. New companies with alternative technologies and products may also emerge. Any of these events may have a material adverse effect on the Enlarged Group's business, financial condition, capital resources, results and/or future operations.

Attraction and retention of key management and employees

The successful operation of the Enlarged Group will depend partly upon the performance and expertise of its current and future management and employees. The loss of the services of particular members of the Enlarged Group's key management, particularly Dr Che Connon, or the inability to identify, attract and retain a sufficient number of suitably skilled and qualified employees may have a material adverse effect on the Enlarged Group. Any future expansion of the Enlarged Group may require considerable management time which may, in turn, inhibit management's ability to conduct the day to day business of the Company.

Future product liability risks

The Enlarged Group's future business may expose it to potential product liability and indemnity risks. There can be no assurance that the necessary insurance cover will be available to the Enlarged Group at a commercially acceptable cost or that, in the event of any claim, the level or extent of insurance carried by the Enlarged Group now or in the future will be adequate, or that a product liability or other claim would not materially and adversely affect the business of the Enlarged Group.

Lack of manufacturing process for its products

3DBT currently has no manufacturing process for its products. Any future manufacturing process would be outsourced to a partner specialising in manufacture. These arrangements usually provide for an adequate volume of manufacturing capability. No assurance can be given that a future manufacturing partner (i) can be found to provide a product on commercially acceptable terms and (ii) will achieve and sustain the production yields required to meet the Enlarged Group's future customers' demand for the Enlarged Group's products, in either case whether by reason of quarantine restrictions imposed by governments in relation to the novel Coronavirus (COVID-19) or otherwise. This could have a material and adverse effect on the Enlarged Group's business.

The impact of the COVID-19 pandemic on the Enlarged Group is uncertain

The COVID-19 pandemic has created and may continue to create significant uncertainty in global markets, and the long-term economic impact of the COVID-19 pandemic is highly uncertain. The perceived risks of infection and health risk associated with COVID-19 and the number of people infected in the UK, Australia and across the world generally, has resulted in various restrictive measures being taken by governmental authorities to stop the spread of COVID-19. Fear of COVID-19 related risks as well as measures taken to fight the pandemic has affected, and could continue in the longer term to affect, the economies and markets of many countries globally, and could ultimately result in an economic downturn adversely affecting the Enlarged Group's business and results of operations or its ability to raise capital, to the extent required, following the expiry of the eighteen month period from the date of Admission. Additionally, the COVID-19 pandemic may disrupt the ability of the Directors and/or senior management to travel between the UK, Australia and China which may negatively impact the ability of the business to progress efficiently or at all.

Further, the COVID-19 pandemic may also negatively impact the operations of the Enlarged Group's future business partners for an indefinite period of time, including as a result of actions taken by governments in response to the COVID-19 pandemic and/or business shutdowns; all of the above could negatively impact the Enlarged Group's business, financial condition and results of operations. The impact of the COVID-19 pandemic on the industry and the Enlarged Group's business, financial condition and results of operations will depend on future developments, including the duration and spread of the pandemic and the effectiveness of vaccine distribution efforts globally, all of which cannot be predicted with certainty.

RISKS RELATING TO VALUATION OF 3DBT

Whilst the Directors have carried out an assessment of 3DBT supported by third party due diligence (both commercial and technical) and determined that a valuation of £2.5 million was, in the opinion of the Directors, both reasonable and appropriate for 3DBT prior to the Company entering into the Acquisition Agreement, investors should note that no independent valuation report was commissioned by the Company to seek to ascertain the fair market value of 3DBT prior to agreeing to the terms of the proposed Acquisition. As such, there can be no guarantee that the valuation of £2.5 million for 3DBT is an accurate and fair market value, which may in turn adversely affect the Company's return on investment, the Company's share price, the returns available on an investment in the Company, and the ability of the Company to raise funds in future.

RISKS RELATING TO THE ACQUISITION CONCERNING CONFLICTS OF INTEREST

Min Yang and Geoffrey Baker are directors of the Company and are also directors of 3D Bio-Tissues Limited, the target company. Min Yang and Geoffrey Baker are also directors of BSF Angel Funding Limited, a shareholder of 3D Bio-Tissues Limited. In addition Min Yang has an indirect equity interest in BSF Angel Funding Limited. Min Yang via her approximately 11 per cent. interest in the shares in ASF Group Ltd (ASX:AFA) indirectly owns 50 per cent. of the issued share capital of BSF Angel Funding Limited. The above circumstances give rise to actual and potential conflicts of directors' duties owed to each company and conflicts of personal interests and duties, and the associated risks that may compromise judgement, decisions, or actions by any conflicted director. As a result the Company has sought to address the conflicts and potential conflicts of interests as follows:

- Dennis Ow has been appointed as an independent director of the Company in order to monitor and manage such conflicts of interests and to ensure that the terms of the Acquisition are negotiated and agreed on an arm's length basis. Whilst no independent valuation report was commissioned by the Company in connection with the Acquisition, Dennis Ow has received advice from Novum Securities Limited in its capacity as independent financial adviser to the Company in relation to the Acquisition for the purposes of the Rule 9 Waiver.
- Min Yang has had no involvement in the negotiations for the Acquisition of 3DBT or the decision making by the Company to proceed with the Acquisition, which have been conducted by Dennis Ow and Mr Baker.
- Whilst Mr Baker is a director of BSF Angel Funding Limited, he has no interest in the equity of BSF Angel Funding Limited (directly or indirectly) and therefore he is entitled (in accordance with the Articles) to participate in the negotiations and the decision making by the Company, and has participated alongside Mr Ow.
- Any matters on which Min Yang and/or Geoffrey Baker have a conflict of interest (or potential conflict of interest) will continue be delegated to and considered by Dennis Ow in the first instance.

Notwithstanding the above approach, there can be no guarantee that all risks associated with conflicts or potential conflicts of interests have been fully eliminated from the Acquisition process, and there can be no guarantee that conflicts of interest and the associated risks will not arise in the future.

RISKS RELATING TO THE ORDINARY SHARES

The proposed Standard Listing of the Ordinary Shares will afford investors a lower level of regulatory protection than a Premium Listing

Application will be made for the Ordinary Shares to be admitted to a Standard Listing on the Official List. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under

the Listing Rules. For example, the ongoing obligations applicable to a company with a Premium Listing set out in chapter 9 of the Listing Rules do not apply to Ordinary Shares admitted to a Standard Listing and neither does the requirement to seek Shareholder approval in respect of a Reverse Takeover. Further details are set out in Part XII – Consequences of a Standard Listing of this Document.

Ordinary Shares may not be a suitable investment

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

There may be no or very limited public trading market for the Ordinary Shares, notwithstanding the Enlarged Group's intention to be admitted to trading on the Main Market of the London Stock Exchange. A market for the Ordinary Shares may not develop which would adversely affect the liquidity and price of the Ordinary Shares.

The Placing Price may not be indicative of the market price of the Existing Ordinary Shares or the New Ordinary Shares following Admission.

Although the Company has applied to the Financial Conduct Authority for Admission of its Existing Ordinary Shares and the New Ordinary Shares to the Official List and has applied to the London Stock Exchange for Admission of the Ordinary Shares to trading on the London Stock Exchange's Main Market for listed securities, there is no assurance that an active trading market for the Ordinary Shares will develop or, if developed, will be sustained following Admission. If an active trading market does not develop or is not maintained, the liquidity and trading price of the Ordinary Shares could be adversely affected. Even if an active trading market develops, the market price of the Existing Ordinary Share or the New Ordinary Shares may fall below the Placing Price. As a result of fluctuations in the market price of an Ordinary Share, investors may not be able to sell their Ordinary Shares at or above the Placing Price, or at all.

Investors will experience a dilution of their percentage ownership if the Warrants are exercised

The Company will issue an aggregate of 12,320,217 Warrants on Admission. Upon exercise of such Warrants, Shareholders will be subject to dilution of their existing percentage ownership in the Company. The principal terms and conditions of the Warrants that will be issued, effective on Admission are summarised below:

- 447,761 Broker Warrants. Each Broker Warrant entitles the warrant holder to subscribe for one new Ordinary Share at 15p per share. The Broker Warrants are exercisable within 3 years from the date of Admission. The Broker Warrants are non-transferable.
- 11,872,456 Placing Warrants. Each Placing Warrant entitles the holder to subscribe for one Ordinary Share at an exercise price of 15p per share at any time up and until the third anniversary of Admission. The Placing Warrants will be freely transferable and issued in registered form. The Placing Warrants will not be listed.

Assuming that there is no change to the Enlarged Share Capital and all conditions are met, the Broker Warrants and the Placing Warrants will represent up to approximately 12.56 per cent. of the fully diluted Enlarged Share Capital.

Future Acquisition may be affected by a change in regulation

In July 2021 the FCA circulated a consultation paper CP21/21. The consultation paper considered, amongst other things, an amendment to change the required minimum aggregate market value of an issuer's shares at admission from £700,000 to £50,000,000. On 2 December 2021, the FCA published its policy statement PS21/22 pursuant to which the Listing Rules were amended to require a minimum aggregate market value of £30,000,000. As the Company is applying to list shares following a reverse takeover, the threshold of £700,000 in terms of minimum market capitalisation still applies to the Company. This is provided the Company has completed submissions to the FCA for an eligibility review for listing and a prospectus review on or before 1 December 2023. In circumstances where the Company were to undertake a further reverse takeover (or analogous transaction) requiring the eligibility of the Company to be re-assessed following the

completion of the Acquisition, such transitional arrangements would cease to apply. The Directors do not have an intention of undertaking a further acquisition that may result in a reverse takeover under the listing rules (or an analogous transaction) which would result in the eligibility requirements of the Company being reassessed. In the event that the Company was unable to meet the minimum market capitalisation of £30,000,000 in the future, then the Company would need to seek admission to an alternative investment exchange such as, but not limited to, the AIM market of the London Stock Exchange or the Aquis Stock Exchange.

The price of Ordinary Shares may fluctuate

Following Admission, the trading price of the Ordinary Shares may be subject to wide fluctuations in response to many factors, including those referred to in this Part, as well as stock market fluctuations and general economic conditions or changes in political sentiment or changes in environmental impact sentiment, that may adversely affect the market price of the Ordinary Shares regardless of the Company's actual performance or condition in its key markets.

Publicly traded securities from time to time experience significant price and volume fluctuations that may be unrelated to the operating performance of the companies that have issued them. In addition, the market price of the Ordinary Shares may prove to be highly volatile. The market price of the Ordinary Shares may fluctuate significantly in response to a number of factors, some of which are beyond the Company's control. These may, without limitation, include variations in operating results in the Enlarged Group's reporting periods; changes in financial estimates by securities analysts; changes in market valuation of similar companies; announcements by the Enlarged Group of significant contracts, significant sales or purchases by shareholders in a personal capacity connected or not connected to the Enlarged Group, acquisitions, strategic alliances, joint ventures or capital commitments; additions or departures of key personnel; any shortfall in turnover or net profit or any increase in losses from levels expected by securities analysts; and future issues or sales of Ordinary Shares. Any or all of these events could result in a material decline in the price of the Ordinary Shares.

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

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

Effect of exchange rate fluctuations

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

RISKS RELATING TO TAXATION

The attention of potential investors is drawn to Part XI of this Document. The tax rules, and tax treaties, including stamp duty provisions, and their interpretation relating to an investment in the Enlarged Group, may change during the life of the Enlarged Group and may alter the tax benefit of an investment made by the Enlarged Group.

The levels of, and reliefs from, taxation may change. The tax reliefs referred to in this Documents are those that are currently available and their value may depend on investors' individual circumstances. Any change in the Enlarged Group's tax status or the tax applicable to holding New Ordinary Shares or in taxation legislation or its interpretation, could affect the value of the investments held by the Enlarged Group, its ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders. Statements in this Document concerning taxation of the Enlarged Group and its investors are based on current tax law and practice which is subject to change, possibly with retrospective effect. Shareholders should note that the tax

legislation of the country in which they are resident and of the Company's country of incorporation may have an impact on the income received from the New Ordinary Shares.

There can be no assurance that the Company will be able to make returns for Shareholders in a tax-efficient manner

It is intended that the Company will structure the group, including any company or business acquired, to maximise returns for Shareholders in as fiscally efficient a manner as is practicable. The Company has made certain assumptions regarding taxation. However, if these assumptions are not correct, taxes may be imposed with respect to the Company's assets, or the Company may be subject to tax on its income, profits, gains or distributions (either on a liquidation and dissolution or otherwise) in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated. This could alter the post-tax returns for Shareholders (or Shareholders in certain jurisdictions). The level of return for Shareholders may also be adversely affected. Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends (if any, which the Company does not envisage the payment of, at least in the short to medium term). In addition, the Company may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for Shareholders.

OTHER RISKS

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

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

PART III

IMPORTANT INFORMATION AND FORWARD LOOKING STATEMENTS

The distribution of this Document and the Placing may be restricted by law in certain jurisdictions and therefore persons into whose possession this Document comes should inform themselves about and observe any restrictions including those set out below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

General

No action has been or will be taken in any other jurisdiction that would permit a public offering of the Ordinary Shares, or possession or distribution of this Document or any other offering material in any other country or jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and neither this Document nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Document does not constitute an offer to subscribe for any of the Ordinary Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

This Document has been approved by the FCA as a prospectus which may be used to offer securities to the public for the purposes of section 85 of FSMA, and of the Prospectus Regulation. No arrangement has however been made with any competent authority in any EEA Member States (or any other jurisdiction) for the use of this Document as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdiction. Issue or circulation of this Document may be prohibited in Restricted Jurisdictions and in countries other than those in relation to which notices are given below.

For the attention of all investors

In deciding whether or not to invest in Ordinary Shares, prospective Placees 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, the Directors or Shard Capital. Without prejudice to the Company's obligations under FSMA, the Prospectus Regulation Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules, neither the delivery of this Document, nor any suspicion made under this Document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Document or that the information in this Document is correct as at any time after its date.

In making an investment decision, prospective investors must rely on their own examination of the Company, this Document and the terms of the Placing, including the merits and risks involved. The contents of this Document are not to be construed as advice relating to legal, financial, taxation, accounting, regulatory, investment or any other matter.

Prospective investors must rely upon their own representatives, including their own legal and financial advisers and accountants, as to legal, tax, financial, investment or any other related matters concerning the Company and an investment therein.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's objectives, financing and business strategies will be achieved.

It should be remembered that the price of the Ordinary Shares and any income from such Ordinary Shares can go down as well as up.

This Document should be read in its entirety before making any investment in the Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles of Association, which prospective investors should review.

A summary of the Articles is set out in paragraph 7 of Part XIII (Additional Information) and a copy of the Articles is available for inspection at the Company's registered office, c/o Locke Lord (UK) LLP, 201 Bishopsgate, London, United Kingdom, EC2M 3AB.

Information to Distributors

Solely for the purposes of product governance requirements contained within: (a) EU Directive 2014/ 65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined by MiFID II (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Shard Capital will only procure investors who will 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 MiFID II; 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 Ordinary Shares.

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

Selling Restrictions

The distribution of this Document and the offer of Ordinary Shares in certain jurisdictions may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any restrictions, including those set out in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. No action has been or will be taken in any jurisdiction that would permit a public offering of the Ordinary Shares, or possession or distribution of this Document or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and neither this Document nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published in or from any country or jurisdiction except in circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Persons into whose possession this Document comes should inform themselves about and observe any restrictions on the distribution of this Document and the offer of Ordinary Shares contained in this Document. Any failure to comply with these restrictions may constitute a violation of securities laws of any such jurisdiction. This Document does not constitute an offer to subscribe for or purchase any of the Ordinary Shares to any person in any jurisdiction to whom it is unlawful to make such offer of solicitation in such jurisdiction.

United States

The Ordinary 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. Subject to certain exceptions, the Ordinary Shares may not be offered, sold, resold, transferred or distributed, directly or indirectly, within, into or in the United States or to or for the account or benefit of persons in the United States.

The Ordinary Shares may not be taken up, offered, sold, resold, transferred, or distributed, directly or indirectly within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the US Securities Act. There will be no public offer in the United States.

The Company has not been and will not be registered under the US Investment Company Act pursuant to the exemption provided by Section 3 I (7) thereof, and investors will not be entitled to the benefits of the US Investment Company Act.

The Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, any State securities commission in the United States or another US regulatory authority, nor have any of the foregoing authorities passed comment upon or endorsed the merits of the Placing or adequacy of this Document. Any representations to the contrary is a criminal offence in the United States.

United Kingdom

This Document comprises a prospectus relating to the Company prepared in accordance with the Prospectus Regulation Rules and approved by the FCA under section 87A of FSMA. This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

This Document is being distributed only to and is directed at persons who (if they are in the UK) are (i) persons having professional experience in matters relating to investments falling within the definition of ‘investment professionals’ in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); or (ii) persons who are high net worth bodies corporate, unincorporated associations and partnerships and the trustees of high value trusts, as described in Article 49(2)(a) to (d) of the Order; or (iii) persons to whom it may otherwise be lawful to distribute (“**UK Relevant Persons**”).

European Economic Area

Pursuant to the EU Prospectus Regulation, an offer to the public of the Ordinary Shares may only be made once the prospectus has been approved by a competent authority in an EEA Member State in accordance with the EU Prospectus Regulation.

For any EEA Member State an offer to the public in that EEA Member State of any Ordinary Shares may only be made at any time under the following exemptions under the EU Prospectus Regulation, if they have been implemented in that EEA Member State:

- to any legal entity which is a Qualified Investor, within the meaning of Article 2 (e) of the EU Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than Qualified Investors, within the meaning of Article 2 (e) of the EU Prospectus Regulation) in such EEA Member State subject to obtaining prior consent of the Company for any such offer; or
- in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of Ordinary Shares shall result in a requirement of for the publication by the Company of a prospectus pursuant to Article 3 of the EU Prospectus Regulation in any EEA Member State and each person who initially acquires Ordinary Shares or to whom any offer is made will be deemed to have represented, warranted and agreed with Shard Capital and the Company that it is a “Qualified Investor” within the meaning of Article 2(e) of the EU Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to any offer of Ordinary Shares in any EEA Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares.

This Document may not be used for, or in connection with, and does not constitute, any offer of Ordinary Shares or an invitation to purchase or subscribe for Ordinary Shares in any EEA Member State in which such offer or invitation would be unlawful.

Forward Looking Statements

This Document includes statements that are, or may be deemed to be, 'forward looking statements'. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms 'targets', 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'should', or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout this Document and include statements regarding the intentions, beliefs or current expectations of the Company and the Board concerning, *inter alia*: (i) the Company's objective, financing and business strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of the Ordinary Shares and dividends; and (ii) future deal flow and implementation of active management strategies. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual performance, results of operations, financial condition and the development of its financing strategies may differ materially from the forward-looking statements contained in this Document. In addition, even if the Company's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this Document, those results or developments may not be indicative of results or developments in subsequent periods.

Prospective investors should carefully review Part II (Risk Factors) of this Document for a discussion of additional factors that could cause the Enlarged Group's actual results to differ materially, before making an investment decision. For the avoidance of doubt, nothing appearing under the heading 'Forward-looking statements' constitutes a qualification of the working capital statement set out in paragraph 22 of Part XIII (Additional Information) of this Document.

Forward-looking statements contained in this Document apply only as at the date of this Document. Subject to any obligations under the Listing Rules, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules and the Prospectus Regulation Rules, the Company undertakes no obligation publicly to update, or review any forward-looking statements, whether as a result of new information, future developments or otherwise.

PART IV

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of Placing	27 April 2022
Dispatch of the Circular and the Forms of Proxy	27 April 2022
Publication of this Document	27 April 2022
Latest time and date for receipt of Forms of Proxy and CREST instructions	10.00 a.m. on 12 May 2022
Date and time of General Meeting	10.00 a.m. on 16 May 2022
Placing funds due from Placees applying for Ordinary Shares in CREST	16 May 2022
Completion of Acquisition	17 May 2022
Admission and commencement of dealings	8.00 a.m. on 17 May 2022
Ordinary Shares to be issued in uncertificated form credited to stock accounts in CREST	17 May 2022
Ordinary Share certificates (for Placing Shares) despatched in week commencing	23 May 2022

All times are London times unless stated otherwise. The dates and times given are indicative only and are based on the Company's current expectations and may be subject to change. If any of the times and/or dates above change the revised and/or dates will be notified by announcement through the Regulatory News Service of the London Stock Exchange.

PART V

PLACING STATISTICS, DEALING CODES

Number of Existing Ordinary Shares in issue	20,340,002
Number of Ordinary Shares to be issued upon completion of the Acquisition	33,900,004
Issue Price of the Consideration Shares	7.37p
Number of Placing Shares	23,744,912
Placing Price	7.37p
Number of Placing Warrants to be issued pursuant to the Placing	11,872,456
Number of Broker Warrants to be issued pursuant to the Placing	447,761
Number of Restricted Shares to be issued upon Admission	7,798,491
Enlarged Ordinary Share Capital immediately on Admission	85,783,409
Consideration Shares as a percentage of the Enlarged Ordinary Share Capital immediately on Admission	39.52 per cent.
Placing Shares as a percentage of the Enlarged Ordinary Share Capital immediately on Admission	27.68 per cent.
Market Capitalisation of the Company at the Placing Price on Admission	approximately £6.32 million
Estimated gross proceeds of the Placing	£1,750,000
Estimated proceeds of the Placing (net of expenses of the Acquisition and the Placing)	£1,335,000

DEALING CODES

ISIN	GB00BHNBDQ51
SEDOL	BHNBDQ5
TIDM	BSFA

PART VI

DIRECTORS, SECRETARY, AGENTS AND ADVISERS

Directors	Min Yang (<i>Non-Executive Chairman</i>) Geoffrey Robert Baker (<i>Non-Executive Director</i>) Dennis Kian Jing Ow (<i>Non-Executive Director</i>)
Proposed Director	Dr Che John Connon <i>The business address of each of the Directors and the Proposed Director is the Company's registered office</i>
Company Secretary	Geoffrey Robert Baker
Registered Office of the Company	c/o Locke Lord (UK) LLP 201 Bishopsgate Second Floor London EC2M 3AB United Kingdom
Reporting Accountants to the Company	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW United Kingdom
Auditors to the Company	PKF Littlejohn LLP 5 Westferry Circus London, E14 4HD United Kingdom
Placing Agent and Adviser	Shard Capital Partners LLP 23 rd Floor, 20 Fenchurch St, London EC3M 3BY United Kingdom
Solicitors to the Company as to English law	Locke Lord (UK) LLP 201 Bishopsgate Second Floor London EC2M 3AB United Kingdom
Solicitors to the Sellers	Weightmans LLP 100 Old Hall Street Liverpool L3 9QJ United Kingdom
Registrar	Share Registrars Limited The Courtyard, 17 West Street Farnham Surrey GU9 7DR United Kingdom

PART VII

THE ACQUISITION AND BUSINESS OF THE ENLARGED GROUP

1. HISTORY AND OVERVIEW

The Company was incorporated on 5 September 2018 with the objective of creating value for its shareholders through an acquisition-led growth strategy with a focus on acquiring businesses in the biotechnology, innovative marketing and e-commerce sectors. The Company's ordinary shares were admitted to trading on the Official List on 26 July 2019 when it raised £767,000 via a placing at 5 pence per ordinary share.

On 23 December 2021, the Company conditionally agreed to acquire the entire issued share capital of 3DBT, to be satisfied by the issue and allotment to the Sellers of the Consideration Shares. The issue of Consideration Shares to the Sellers will represent 39.52 per cent. of the Enlarged Share Capital at Admission. The Acquisition constitutes a Reverse Takeover under the Listing Rules as it will result in a fundamental change in the business of the Company. In accordance with Listing Rule 5.6.19G, the FCA is expected to cancel the listing of the Existing Ordinary Shares immediately before 8.00 a.m. (London time) on 17 May 2022. Applications will be made for the Existing Ordinary Shares to be re-admitted and the Consideration Shares to be admitted to the standard listing segment of the Official List in accordance with Chapter 14 of the Listing Rules and to trading on the Main Market. The Acquisition is conditional, *inter alia*, upon Re-admission and the approval by Existing Shareholders of the Resolutions at the Company's General Meeting to be held on 16 May 2022. It is expected that Re-Admission will become effective at 8.00 a.m. (London time) on 17 May 2022. Following Admission, the Enlarged Group will comprise the Company and 3D Bio-Tissues.

In addition, the Company is undertaking a cash placing to raise £1,750,000 (before expenses) by the issue of the Placing Shares (with Placing Warrants attached) in order to provide the Enlarged Group with sufficient general working capital necessary to fulfil its objectives and strategy. The Placing Shares subscribed for in the Placing at the Placing Price will represent approximately 27.68 per cent. of the Enlarged Issued Share Capital. The Placing is conditional, *inter alia*, on the Acquisition Agreement becoming unconditional (save as to Admission) and the Resolutions being passed at the General Meeting.

The New Board believes that the acquisition of 3DBT presents a compelling potential value opportunity for the Company as it allows it to acquire technology which has benefitted from the development of products before entering into commercial terms with partners and licencing partners.

2. ACQUISITION STRUCTURE

Following Admission, the Enlarged Group will comprise the Company and 3DBT (and 3BDT will be a wholly owned subsidiary of the Company). The Company will act as the holding company of the Enlarged Group. The Enlarged Group's business will focus on the fulfilment of the strategy detailed in the paragraph headed 'Business Model' at Part VII of the Document. 3DBT does not have any subsidiaries.

3. THE ACQUISITION AGREEMENT

The Company has conditionally agreed to acquire the entire issued share capital of 3DBT in exchange for the issue of the Consideration Shares to the Sellers. Further terms of the proposed Acquisition Agreement are set out in Part XIII of this Document. Save for the proposed Acquisition, there are no investments in progress and there are no further investments on which the Directors have already made firm commitments which are significant to the Company. The proposed acquisition constitutes a Reverse Takeover under the Listing Rules since, *inter alia*, in substance it results in a fundamental change in the business of the Company. In accordance with Listing Rule 5.6.19G, the FCA is expected to cancel the listing of the Existing Ordinary Shares immediately before 8.00 a.m. (London time) on 17 May 2022. Applications will be made for the Existing Ordinary Shares to be re-admitted and the Consideration Shares to be admitted to the standard listing segment of the Official List in accordance with Chapter 14 of the Listing Rules and to trading on the Main Market. It is expected that Re-Admission will become effective at 8.00 a.m. (London time) on 17 May 2022. On Completion, 3DBT will become a wholly-owned subsidiary of the Company.

4. HISTORY OF 3DBT, ITS INTELLECTUAL PROPERTY, BUSINESS MODEL AND ACHIEVEMENTS TO DATE

History

3DBT is a biotechnology start-up and spin-out from the University of Newcastle upon Tyne (or Newcastle University). It was founded by Professor Che Connon and Dr. Ricardo Gouveia and was incorporated in England & Wales as a private company on 8 November 2018. Professor Che Connon has over 20 years' experience in extracellular matrix biology and is currently a professor of tissue engineering at the University of Newcastle. He has successfully spun-out three biotechnology companies. Dr. Ricardo Gouveia is a New Harvest Research Fellow and has expertise in cell biology and biomaterials.

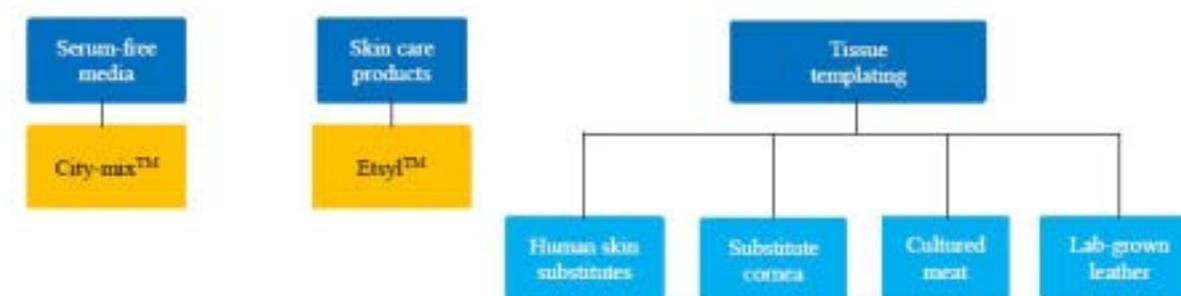
3DBT has developed a propriety platform technology termed "*tissue templating*" that facilitates the production of a variety of animal tissue types for multiple uses, commonly referred to as "*tissue engineering*". Tissue templating technology is bio-inspired, i.e., its methodology has been learnt by careful study of how cells behave in their natural environs (principally undertaken at Newcastle University with UK government funding). This bio-inspired approach differs from traditional tissue engineering approaches as it harnesses the power of cells to grow and create the entire tissue and does not involve the use of synthetic scaffolds.

The intellectual property of 3DBT relates, in part, to the ways cells receive instructions from their external environment and the subsequent arrangement of these cells as well as the highly ordered extracellular material the same cells deposit. Together, these processes create a functional tissue structure resembling down to the nanoscopic level the tissue from which the original cells were taken, e.g., cornea, muscle or skin. During the research and development of these 3DBT tissue constructs, significant and unexpected discoveries were made in the form of soluble components that sped up the tissue templating process. Human tissue growth in nature can take months or years to fully form, but 3DBT has found potential ways to accelerate this in the lab using patented (application stage) soluble factors. The New Board believes that these potent cell and tissue forming factors could be stand-alone products for 3DBT, acting as early revenue streams ahead of the longer-term plans for the 3DBT tissue constructs. Therefore, the City-mix™ serum-free media and Etsyl™ active ingredient for future skin care product lines were created.

City-mix™ is a plant-based environmentally-friendly direct replacement to animal-derived or synthetic proteins which are both expensive and commonly used in the culture of animal cells. 3DBT's City-mix™ products offer a cost-effective animal-free alternative to animal serum for the expansion of important cell types. Etsyl™ is another supplement. However, it stimulates collagen production from cells and in the New Board's opinion, holds great promise as an active ingredient in high-end skin care products.

3DBT's intellectual property portfolio

3DBT has undertaken research and development activities to date that have resulted in three strands of intellectual property being developed, with each strand having a different sectoral focus, timeline to development and ultimately, revenue. 3DBT has filed patent applications in the following sectors:



- **Serum-free media:** 3DBT's City-mix™ is a serum-free media for culturing muscle and fat cells (by way of an animal-free process) which can be used for lab-grown meat and leather production;
- **Skin Care Products:** Lipopeptide Etsyl™ is a product that actively increases collagen production in human skin cells. It can be used as an active ingredient in cosmetic skin cream and other topical dermatological products;

Tissue templating applications (using a platform to grow different tissues with natural structure and function)

- **Human skin substitutes:** native-like human skin substitutes, for clinical and industrial applications;
- **Substitute cornea:** a potential corneal substitute which is made from human cells in Serum-Free Media. Its purpose is to function as a comparable and a direct replacement to human corneal donor tissue;
- **Cultured meat:** highly structured muscle tissue for use in the cultivated protein market produced through the cultivation of animal cells; and
- **Lab-grown leather:** lab-grown leather which is an alternative source of animal leather.

Intellectual property (*serum-free media*)

Cell culture media are found in a liquid or gel form and act as a support system to encourage cell growth in a given culture. Growth media can be categorised as being serum-based, serum-free and chemically-defined animal (xeno)-free. One of the most commonly used animal serum supplements is fetal bovine serum. A major drawback from the use of serum is the wide range of possible contaminants. Available in either natural or artificial form, natural media is constrained by difficulties in reproducibility and limited knowledge of the exact composition of natural media. Artificial media (including serum-free media) are widely used due to a range of benefits (*MarketsandMarkets (2020), Cell Culture Market by Product*). A major confounding factor with cell culture is the use of serum and xeno products in the media. The addition of animal products introduces batch and lot variations that can lead to experimental variability, confounds studies with therapeutic outcomes for cultured cells, and represents a major cost associated with cell culture (*Gstraunthaler, G., Lindl, T. & van der Valk, (2013), A plea to reduce or replace fetal bovine serum in cell culture*). 3DBT's objective for commercial scale use of its City-mix™ serum free media product and widespread use of cellular meat production is to contribute to food, water and land resource security by reducing the costs of media and the concentrations of synthetic growth factors. Elimination of serum from media is also expected to help towards reducing the environmental impact and ethical issues associated with producing cellular meat. Serum-free media is also utilised in other biotechnologies including vaccine production and cell and gene therapy.

The advantages of 3DBT's City-mix™ over traditional media include:

- being chemically defined and animal-free;
- reducing batch to batch variation;
- reducing costs;
- reducing ethical concerns; and
- compatibility with cryopreservation.

City-mix™ can facilitate muscle, fibroblast and fat cell proliferation at comparable rates to traditional serum supplements. The use of City mix™ products reduces or removes the need entirely for expensive animal sera. City-mix™ is intended to initially be a business-to-business product sold to lab-grown meat companies and other biotech companies that can benefit from a replacement product with the benefits identified above.

Intellectual property (*skin care products*)

3DBT's proprietary lipopeptide Etsyl™ promotes cellular collagen production. These small molecules have potential cosmetic and pharmacological applications, namely as bioactive ingredients in skincare formulations for preventing and treating wrinkling due to collagen loss, as well as for enhancing wound repair.

Lipopeptides are biosurfactants produced synthetically by established means. They are non-toxic, inexpensive to produce, have excellent surface properties and biological activities suitable for cosmetic applications. Lipopeptides possess good skin compatibility with its importance as a multifunctional cosmetic ingredient. The appropriate molecular weight, structure and peptide sequence allows the formulation of several dosage forms with different activities. These alternative biosurfactants have good skin compatibility with low irritation and have previously been applied as a topical dermatological product. The diverse biological activities of lipopeptides facilitate applications in cosmetics such as anti-wrinkle, moisturising and cleansing cosmetics (*Kanlayavattanukul, M. and Lourith, N. (2010), Lipopeptides in Cosmetics*).

3DBT's lipopeptide Etsyl™ is intended serve as an active ingredient in skin cream and other topical dermatological products. This molecule actively increases collagen production in human skin cells, the hallmark of a dense, firm dermis.

3DBT aims to become the sole distributor of this product to established cosmetic companies, to be used as an active ingredient in skin cream and other topical dermatological products. Such products are expected be formulated by 3DBT's B2B customers into final consumer skincare products. Sales of the lipopeptide supplement is anticipated to occur within a period of 6 to 12 months.

3DBT has a Material Transfer Agreement in place with Natural Pharmaceuticals Australia, granting Natural Pharmaceuticals Australia access to up to 10kg of Etsyl™ at final working concentration for skin care. Although commercial terms have not yet been agreed, 3DBT is anticipating discussions will continue post-Admission. 3DBT is looking to sell Etsyl™ to third parties to use and formulate into their own skin care products.

Intellectual property (*tissue templating*)

Tissue engineering evolved from the field of biomaterials development and refers to the practice of combining scaffolds, cells, and biologically active molecules into functional tissues. The goal of tissue engineering is to assemble functional constructs that restore, maintain, or improve damaged tissues or whole organs. Artificial skin and cartilage are examples of engineered tissues that have been approved by the FDA; however, currently they have limited use in human patients (*National Institute of Biomedical Imaging and Bioengineering, Tissue Engineering and Regenerative Medicine*). 3DBT has developed a new process called "*tissue templating*", which is an in-house engineering platform that can be used to create structured, functional and scalable tissues.

3DBT adopts a cell-based approach to engineering tissues which allows for the creation of highly organised structures with nano-scale to macro-scale accuracy. The engineered tissue has good performance and functionality due to its hierarchical extracellular matrix arrangement. In addition, the production of this tissue suits a traditional centralised manufacturing approach, where hundreds of tissues can be produced daily and without using animal components.

The same approach may also be applied to generate structured tissues for the creation of lab-grown meat and lab-grown leather.

Tissue templating applications

Human skin substitutes

3DBT's patented proprietary technologies harness the natural regenerative ability of human skin cells to drive rapid tissue regeneration and repair. 3DBT's tissue templating technology allows for the fabrication of nativelike human skin substitutes for clinical, cosmetic and industrial applications. This technology can define the size, shape, and/or composition of skin substitutes according to specific needs and specifications.

3DBT does not expect to generate income through the sale of skin for clinical use during the immediate 18-month period post-Admission.

Substitute cornea

3DBT's substitute corneas are made from human cells in serum-free media conditions. Substitute cornea have the same physical characteristics as human corneal stroma and can potentially be seen as a direct replacement to donor tissue for anterior keratoplasty. The New Board believes that this product would have applications in the corrective vision market. 3DBT's first product aims to be a comparable and direct replacement to human corneal donor tissue in the Chinese and Indian markets. In order to provide alternatives to the shortage of graftable corneas, 3DBT has made considerable progress in the development of living corneal substitutes produced by tissue engineering. These living corneal substitutes are designed to mimic their *in vivo* counterparts in terms of cell phenotype and tissue architecture.

3DBT does not expect to generate income through the licensing of its intellectual property for substitute cornea during the immediate 18-month period post-Admission.

Cultured meat

Cultivated or cultured protein refers to terrestrial meat, dairy, egg, or seafood products produced through the cultivation of animal cells in lab settings. This stands in contrast to traditional methods of harvesting protein through slaughtering, farming or fishing. In response to growing interest in sustainability and increasing health awareness regarding protein sources, 3DBT is focusing on the supply of serum-free media and the development of structured animal tissue for human consumption. Cultivated protein has emerged as a field of synthetic biology that aims to develop as an alternative to traditional methods.

3DBT does not expect to generate income through the licensing of its intellectual property for cultured meat production during the immediate 18-month period post-Admission.

Lab-grown leather

A range of factors are driving demand for cell-based leather alternatives, including GHG emissions from raising livestock, exposure of workers to toxic chemicals in the leather production process and the inhumane treatment of cows in farming leather. The New Board believes that tissue-engineered cell-based leathers may therefore emerge as a sustainable alternative to animal leather. In particular, cultured leather can be tweaked molecularly to achieve desired properties such as strength, thickness and texture. 3DBT's tissue templating technology is able to be utilised to produce lab-grown leather.

3DBT does not expect to generate income through the licensing of its intellectual property for lab-grown leather during the immediate 18-month period post-Admission.

Business model

3DBT's business model has the objective to develop intellectual property around each of the above applications, and to then licence out the patent-protected intellectual property to manufacturers, wholesalers and distributors of the end products. 3DBT currently manufactures product for serum-free media and an active ingredient for skin care products. With regards to the tissue templating applications, 3DBT will not manufacture any of the products itself, thereby intending to keep its capital requirements to a minimum and remove associated manufacturing, production, distribution and retail to risks from its business model.

3DBT has entered into a Material Transfer Agreement with a large medical device company. Although the commercial terms have not been agreed upon, 3DBT is anticipating the implementation of a licence model for access to the means of production for 3DBT corneas and associated intellectual property. Similar agreements with different commercial parties will be sought for skin, leather and meat applications. Skin and corneal products would likely be limited by their applications whereas leather and meat products would be limited by geographic location. The New Board believes that the reason is that skin and corneas, as medical devices, would play into large international medical device companies but could also be used for different clinical indications. Cultured meat and leather are expected to be sought after by smaller companies with limited geographic reach, but are likely to have the same application i.e. food or material to manufacture.

Achievements to date

Funding

Since its incorporation on 8 November 2018, 3DBT has approximately received equity funding of £500,000 and government grants of £211,085 for a collaborative research project, to undertake research and development activities on its tissue templating technology.

Employees

3DBT currently employs two full-time research professionals and a further two part-time research professionals (including Che Connon, a 3DBT director). In October 2020, 3DBT moved to The Biosphere, a fit-for-purpose laboratory and office building that supports new biotech and life science companies in Newcastle, UK. The new lab space is situated in the heart of the Newcastle Helix science park. North East England is a vibrant and well-connected region by air, road, sea and rail and is one of the fastest growing economies in the UK.

IP and patents

Research activities to date have resulted in four patents being filed in connection with 3DBT's tissue templating technology. The recently filed patents are in connection with the production of structured tissues, rates of collagen production and serum-free media supplements. Patents were also filed in connection with 3DBT's tissue templating technology for the fabrication of native-like human skin substitutes and clinical, cosmetic, and industrial applications. This technology allows for the defining of the size, shape, and/or composition of skin substitutes according to particular needs and specifications.

3DBT has filed applications for the following patents which are pending and which are integral to the business:

<i>Country</i>	<i>Application Number</i>	<i>Applicant</i>	<i>Title</i>	<i>Case Status</i>	<i>Expiry Date</i>
International	PCT/GB2020/053190 Priority Claim: 6	3D Bio-Tissues Limited	Collagen Production	Pending	30 month deadline for filing an overseas application: 11 June 2022 (national/ regional phase)
International	PCT/GB2021/050209 Priority Claim: 2	3D Bio-Tissues Limited	Novel Corneal Tissues And Methods Of Making The Same	Pending	30 month deadline for filing an overseas application: 30 July 2022
UK	GB2110036.7	3D Bio-Tissues Limited	Cell Culture Medium And Supplements For Cellular Meat Production	Pending	–
UK	GB2110035.9	3D Bio-Tissues Limited	Cell Culture Medium And Supplements For Corneal And Skin Cell Culture	Pending	–

Patents generally have a 20-year life and extending protection through additional filings may provide a further potential extension.

Future licensing applications

3DBT is continuing its research and development activities to extend its tissue templating technology with a view to produce intellectual property in the remaining identified applications, being

- human skin substitutes;
- substitute cornea;
- cultured meat; and
- lab-grown leather.

In order to further develop intellectual property for use in these tissue template applications, significant research and development expenditure will be required. Such expenditure will be in excess of the Placing Proceeds and will be the subject of a future financing round and prospectus.

Regulatory Environment

The Company is not aware of any governmental, economic, fiscal, monetary or political policies or factors that have materially affected 3DBT's business, and the New Board are not aware of any that could do so in the immediate future. As 3DBT is currently selling serum free media and collagen stimulating molecules for research use only it is not itself currently subject to any regulatory requirements or controls. 3DBT anticipates that its customers on production of the various products will be subject to certain regulatory controls in the relevant jurisdictions.

5. REASONS FOR ADMISSION, USE OF PROCEEDS AND THE PLACING

The Directors believe that Admission will position the Enlarged Group for its next phase of development. The Net Placing Proceeds of £1,335,000 are intended to be used for the following:

- lab space and consumables (£77,500);
- employing additional time from 3DBT's existing professional and technical people (£486,000);
- employing additional professional and technical people (£130,000);
- marketing and sales avenues for the serum free and cosmetics (£50,000); and
- general corporate overheads (£871,500).

The Placing is conditional, amongst other things, upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms prior to Admission and Admission becoming effective not later than 8.00 a.m. on 17 May 2022, or such later date as Shard Capital and the Company may agree, being not later than 31 May 2022. The Placing Agreement is conditional on the passing of the Resolutions. The Placing Shares and the Consideration Shares will rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends and other distributions declared, paid or made after the date of issue. None of the Placing Shares have been marketed to or will be made available in whole or in part to the public in conjunction with the application for Admission. The Placing is not being underwritten. Shard Capital, as the Company's agent, has procured irrevocable commitments to subscribe for the full amount of Placing Shares from subscribers in the Placing, and there are no conditions attached to such irrevocable commitments other than Admission.

Further details of the Placing Agreement are set out in paragraph 13.7 of Part XIII of this Document.

On Admission the Company will have 85,783,409 Ordinary Shares in issue and a market capitalisation of approximately £6.32 million (at the Placing Price).

6. MANAGEMENT AND EMPLOYEES

Non-Executive Chairman

Min Yang (age 54), Non-Executive Chairman

Ms. Yang is an entrepreneur with over 30 years of experience in international business. In particular, Ms Yang's experience lies in the identification, acceleration and realisation of investments across a range of industries including but not limited to technology, property, and resources. She has commercialised numerous innovations in the telecommunications industry and built an Australasian telecommunications delivery company between China and Australia. Furthermore, she has led the development, marketing and commercialisation of a high-performance engine technology now being developed in China as an auxiliary power unit for electric engines. Ms Yang is currently the Executive Chairman of ASF Group Ltd (ASX: AFA) and Non-Executive Chairman of ActivEX Limited (ASX: AIV), Rey Resources Limited (ASX: REY) and Non-Executive Director of Key Petroleum Limited (ASX: KEY).

Non-Executive Director

Geoffrey Robert Baker (age 65), Non-Executive Director

Mr Baker is a qualified lawyer in Australia and Hong Kong with a Commerce degree (Accounting and Financial Management), a Law degree and Master of Business Administration (MBA). Mr Baker has extensive corporate and commercial legal and property expertise developed over 40 years of practising law and representing companies in Australia, China, Hong Kong, Japan and recently the UK and Europe.

Mr Baker also co-authored a number of books including the critically acclaimed book “Think Like Chinese” first released in June 2008 (Federation Press, 2008). Mr Baker has commercialised a number of innovations including bio-medical apparatus for sleep-apnoea as well as high performance engine technology now being developed in China as an auxiliary power unit for electric engines. He is also a director of Redstrike Group Ltd, a sports marketing company in the UK, which promotes and markets various sports events and activities and sports related technologies world-wide. Mr Baker is currently also the Non-Executive Director of ASF Group Ltd (ASX: AFA), Rey Resources Limited (ASX: REY), ActivEX Limited (ASX: AIV) and Key Petroleum Limited (ASX: KEY).

Non-Executive Director

Dennis Kian Jing Ow (age 55), Non-Executive Director

Dennis Ow has been an experienced corporate finance practitioner in the Asia market since 2003. He is a Sponsor Principal regulated under the Hong Kong SFC (Securities & Futures Commission) and is currently the Managing Director of FDB Financial Group Ltd based in Hong Kong and is responsible for its Asian Corporate Finance business. He was formerly the Head of numerous Investment Banking Division in Hong Kong including SinoPac Asia Securities Limited, Ping An of China Securities, South China Financial Holdings Limited and Guolian Securities International. Mr. Ow also worked as the Senior Business Manager of Asia Pacific for the London Stock Exchange for over 2 years in which time he successfully brought numerous companies from Southeast Asia to AIM and two Main Market listings from Indonesia and the Philippines. Before joining the London Stock Exchange, Mr. Ow worked for over 5 years for an entity under a public listed American company called First Data Corporation specialising in global credit cards processing and money transfer, where he was responsible for their operations and business development for Greater China. Mr. Ow holds a Postgraduate Diploma in Management from the University of Technology, Sydney.

The details of the Proposed Director is set out below.

The Proposed Director

Dr Che John Connon (age 50), Executive Director

Professor Connon is Director of Business Development for the Faculty of Medical Sciences, Newcastle University. He has lead an academic research team that seeks to engineer functional replacement tissues using a cell derived, bio-inspired approach. He was the first to 3d bio-print a human cornea and understand the bio-mechanical properties of the corneal stem cell niche. Professor Connon has received continuous UK government research funding since 2007 and has published over 100 papers in international journals and has edited several books in regenerative medicine, stem cell bioprocessing and hydrogels in tissue engineering. Professor Connon has embraced academic entrepreneurial activities and has successfully founded (and remains a Director of) three Bio-tech spin-outs from Newcastle University:

- Atelerix Ltd a company that supplies hydrogels for the storage and shipment of cells at controlled room temperature for clinical and scientific purposes.
- 3D Bio-Tissues Ltd has developed a powerful platform that allows for the production of structured tissues.
- CellulaREvolution Ltd supplies technologies to assist in the manufacture of adherent cells for biotechnology needs.

7. CORPORATE GOVERNANCE

The Directors acknowledge the importance of high standards of corporate governance and intend, given the Company’s size and the constitution of the Board, to comply with the principles set out in the QCA Code. The QCA Code sets out a standard of minimum best practice for small and mid-size quoted companies.

Upon Admission, the Board will comprise four Directors, one of whom one will be an Executive Director and the remaining three Non-Executive Directors, reflecting a blend of different experiences and backgrounds.

The QCA Code states that a company should have at least two independent non-executive directors. At Admission the Company will only have one independent non-executive directors being Mr Dennis Ow. The Board believes that the composition of the Board brings a desirable range of skills and experience in

light of the Company's challenges and opportunities following Admission, while at the same time ensuring that no individual (or a small group of individuals) can dominate the Board's decision making. The Company will appraise the structure of the Board on an ongoing basis.

The Board intends to meet regularly to review, formulate and approve the Enlarged Group's strategy, budgets, and corporate actions and oversee the Enlarged Group's progress towards its goals. The Company has established an Audit Committee, a Remuneration Committee and a Nomination Committee, each with formally delegated duties and responsibilities and with written terms of reference.

The Company will review its compliance with the recommendations of the QCA Code and, following Admission, report in its annual report and accounts and on its website where it complies and explain where it does not comply.

Conflicts of Interest

Min Yang and Geoffrey Baker are directors of the Company and are also directors of 3D Bio-Tissues Limited, the target company. Min Yang and Geoffrey Baker are also directors of BSF Angel Funding Limited, a shareholder of 3D Bio-Tissues Limited. In addition Min Yang has an indirect equity interest in BSF Angel Funding Limited Min Yang via her approximately 11 per cent. interest in the shares in ASF Group Ltd (ASX:AFA) which indirectly owns 50 per cent. of the issued share capital of BSF Angel Funding Limited. Dennis Ow has been appointed as an independent director of the Company in order to monitor and manage such conflicts of interests and to ensure that the terms of the Acquisition are negotiated and agreed on an arm's length basis. Whilst no independent valuation report was commissioned by the Company in connection with the Acquisition, Dennis Ow has received advice from Novum Securities Limited in its capacity as independent financial adviser to the Company in relation to the Acquisition for the purposes of the Rule 9 Waiver.

Min Yang has had no involvement in the negotiations for the Acquisition of 3DBT or the decision making by the Company to proceed with the Acquisition, which have been conducted by Dennis Ow and Mr Baker. Whilst Mr Baker is a director of BSF Angel Funding Limited, he has no interest in the equity of BSF Angel Funding Limited (directly or indirectly) and therefore he is entitled (in accordance with the Articles) to participate in the negotiations and the decision making by the Company, and has so participated alongside Mr Ow.

Any matters on which Min Yang and/or Geoffrey Baker have a conflict of interest (or potential conflict of interest) will continue to be delegated to and considered by Dennis Ow in the first instance.

Audit Committee

The Audit Committee will have the primary responsibility of monitoring the quality of internal controls to ensure that the financial performance of the Enlarged Group is properly measured and reported on. It will receive and review reports from the Enlarged Group's management and external auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Enlarged Group. The Audit Committee will meet not less than three times in each financial year and will have unrestricted access to the Enlarged Group's external auditors. The members of the Audit Committee shall include two Non-Executive Directors. The Audit Committee will comprise Dennis Ow (as Chairman) and Geoff Baker.

Remuneration Committee

The Remuneration Committee will review the performance of the Executive Director, Chairman of the Board and senior management of the Enlarged Group and make recommendations to the Board on matters relating to their remuneration and terms of service. The Remuneration Committee will also make recommendations to the Board on proposals for the granting of share options and other equity incentives pursuant to any employee share option scheme or equity incentive plans in operation from time to time. The Remuneration Committee will meet as and when necessary, but at least twice each year. In exercising this role, the Directors shall have regard to the recommendations put forward in the QCA Code and, where appropriate, the QCA Remuneration Committee Guide and associated guidance. The members of the Remuneration Committee

shall include two Non-Executive Directors. The Remuneration Committee will comprise Min Yang (as Chairman) and Dennis Ow.

Nomination Committee

The Nomination Committee will lead the process for board appointments and make recommendations to the Board. The Nomination Committee shall evaluate the balance of skills, experience, independence and knowledge on the board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. The Nomination Committee will meet as and when necessary, but at least twice each year. The Nomination Committee will comprise Geoff Baker (as Chairman) and Dennis Ow.

8. SHARE DEALING POLICY

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

9. DIVIDEND POLICY

The primary purpose of seeking admission to listing on the London Stock Exchange is to provide growth capital with which to fund and accelerate the continued expansion and development of the business. Accordingly, the Directors do not intend that the Company will declare a dividend in the near term, but instead channel the available cash resources of the Enlarged Group into funding its expansion. Thereafter, the Board intends to commence the payment of dividends only when it becomes commercially prudent to do so, having regard to the availability of distributable profits and the funds required to finance continuing future growth.

10. CURRENT TRADING AND PROSPECTUS

3DBT

3DBT’s recent accounting transactions are minimal and have primarily related to payments relating to the maintenance of 3DBT’s intellectual property. 3DBT is currently non-trading and has benefited from low and consistent levels of costs.

Company

Prior to the Proposals being effected, the Company’s ordinary shares were admitted to trading on the Official List. The majority of the Company’s recent accounting transactions have related to the payment of professional advisers in connection with the Proposals.

No significant change in the financial position of the Company has occurred since 30 September 2021, being the date of the latest audited financial information included in Section A “*Historical Financial Information of the Company*” of Part IX “*Historical Financial Information*” of this Document.

11. DETAILS OF THE PLACING

The Company will issue 23,744,912 Placing Shares (with Placing Warrants attached) through the Placing at the Placing Price of 7.37p per Placing Share. The Placing is not being underwritten.

Under the Placing, each Placee will also receive one Placing Warrant for every two Placing Shares subscribed for in the Placing and with each Placing Warrant entitling the holder to subscribe for one Ordinary Share at an exercise price of 15p per share at any time up and until the third anniversary of Admission. The Placing Warrants will be freely transferable and issued in registered form. The Placing Warrants will not be listed.

The Placing is not being underwritten. Shard Capital, as the Company’s agent, has procured irrevocable commitments to subscribe for the full amount of Placing Shares from subscribers in the Placing, and there are no conditions attached to such irrevocable commitments other than Admission.

The net proceeds of the Placing, after deduction of expenses of £415,000, will be £1,335,000 on the basis that the gross proceeds of the Placing are £1,750,000.

The Placing Shares, will, upon issue, rank *pari passu* with the Existing Ordinary Shares. If Admission does not proceed, the Acquisition will not proceed, the Placing will not proceed, and all monies paid will be refunded to applicants in the Placing.

The Placing Agreement

The Company and Shard Capital entered into the Placing Agreement on 26 April 2022 pursuant to which, subject to certain conditions (which includes, among other things, the passing of the Resolutions at the General Meeting), Shard Capital agreed to use reasonable endeavours to procure subscribers for the Placing Shares (with Placing Warrants attached) at the Placing Price.

The Placing Agreement contains, among other things, the following provisions:

- The Company appointed Shard Capital as placing agent to the Placing.
- The Company gave certain customary representations, warranties and undertakings to Shard Capital including, among others, warranties in relation to the information contained in this Document.
- The Company agreed to pay six per cent. of commissions and a corporate finance fee and out of pocket expenses including Shard Capital's legal fees.
- The Placing Agreement is governed by English Law.

Pursuant to the Placing Agreement and the Acquisition Agreement, each of the Directors and the Sellers have agreed to lock in restrictions, the details of which are summarised in paragraph 13.8 Part XIII of this Document.

12. COMPANY SHARE INCENTIVE ARRANGEMENTS

Subject to the passing of Resolution 4 at the General Meeting, the Company will adopt the Restricted Share Plan, which will allow for the grant of shares to selected employees subject to restrictions and forfeiture risks which will be lifted after a certain period. It is intended that participants will be executive directors and senior employees of the Company. No more than 15 per cent. of the issued share capital of the Company from time to time can be issued or issuable under the plan and other grant of shares by the Company which are subject to restrictions and forfeiture risks.

Further details of the Restricted Share Plan are set out in paragraph 13.5 of Part XIII of this Document.

On Admission, the Company will issue Restricted Shares at nominal value as follows:

<i>Name</i>	<i>No. of Restricted Shares</i>
Professor Che Connon	3,899,246
Dr Ricardo Gouveia	779,849
Professor Yu Xiong	779,849
Min Yang	779,849
Geoff Baker	1,559,698
Total	<u><u>7,798,491</u></u>

The Restricted Shares to be issued to Professor Che Connon and Dr Ricardo Gouveia will be subject to the rules of the Restricted Share Plan, which are summarised in paragraph 13.5 of Part XIII of this Document.

The Restricted Shares to be issued to Min Yang, Geoff Baker and Professor Yu Xiong will be subject to the terms and conditions of the Restricted Share Agreements, which are substantially the same as the terms and conditions contained in the rules of the Restricted Share Plan.

The Restricted Share Agreements are further summarised in paragraph 13.9 of Part XIII of this Document.

None of the Restricted Shares to be issued will be subject to any performance conditions.

Subject to the passing of Resolution 5 the Company proposes to adopt the Employee Share Option Plan (“ESOP”), which allows for the grant of EMI options and non-approved share options. As at the date of this Document, no options to subscribe for Ordinary Shares have been granted under the ESOP. No more than 5 per cent. of the issued share capital of the Company from time to time shall be issued or issuable under the ESOP and other share option arrangements of the Company. At any time, the total market value (at the relevant dates of grant) of the shares that can be acquired on the exercise of all EMI options over the shares will not exceed £3 million (or any other amount as may be specified by the legislation governing EMI options at the relevant time).

Further details of the ESOP are set out in paragraph 13.4 of Part XIII of this Document.

13. ADMISSION, SETTLEMENT AND DEALINGS

Application will be made to the Financial Conduct Authority for all of the Ordinary Shares, issued and to be issued in connection with the Placing, the Acquisition and the issue of Restricted Shares to be admitted to the Official List of the Financial Conduct Authority and to the London Stock Exchange for such Ordinary Shares to be admitted to trading on the London Stock Exchange’s Main Market for listed securities. It is expected that Admission will become effective and that dealings in the Shares will commence on 17 May 2022. In addition, to the Document being available on the Company’s website at: <https://www.bsenterprise.com> copies of this Document will be available to the public, free of charge, from the Company’s registered office until expiry of one month from the date of Admission.

The Articles permit the Company to issue shares in uncertificated form in accordance with the CREST Regulations. Depositary Interests will be admitted to and settled through CREST, where investors choose to settle interests in the Ordinary Shares through the CREST system. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place in the CREST system if the relevant Shareholder wishes. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

14. TAXATION

Your attention is drawn to the taxation section contained in Part XI of this Document. If you are in any doubt as to your tax position, you should consult your own independent financial adviser immediately.

15. THE TAKEOVER CODE AND THE CONCERT PARTY

The Company is a public company incorporated in England and Wales, and applications will be made to the FCA and the London Stock Exchange for the Enlarged Share Capital to be admitted to the Official List of the FCA and to be admitted to trading on the London Stock Exchange’s Main Market for listed securities. The Takeover Code applies, amongst others, to all companies who have their registered office in the UK, Channel Islands or Isle of Man and whose securities are traded on a regulated market in the UK or a multilateral trading facility (such as the London Stock Exchange) or a stock exchange in the Channel Islands or Isle of Man. Accordingly, the Company is subject to the Takeover Code and therefore all Shareholders are entitled to the protections afforded by it.

The Takeover Code, which is issued and administered by the Takeover Panel, operates principally to ensure that shareholders of the Company are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment. The Takeover Code governs, amongst other things, transactions which may result in a change of control of a company to which the Takeover Code applies.

Under Rule 9 of the Code, any person who acquires an interest (as defined in the Code) in shares which, taken together with shares in which he/she is already interested and shares in which persons acting in concert with him/her are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Code, is normally required to make a general offer to all the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with him/her, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of such a company, but does not hold shares carrying more than 50 per cent. of such voting rights, a general offer will normally be required if any

further interests in shares are acquired by any such person. An offer under Rule 9 must be made in cash and at the highest price paid by the person required to make the offer, or any person acting in concert with him/her, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

Where any person who, together with persons acting in concert with him/her, holds over 50 per cent. of the voting rights of a company, acquires any further shares carrying voting rights, they will not generally be required to make a general offer to the other shareholders to acquire the balance of their shares, though Rule 9 of the Takeover Code would remain applicable to individual members of a concert party who would not be able to increase their percentage interests in the voting rights of such company through or between Rule 9 thresholds without complying with the requirements of Rule 9 or the consent of the Takeover Panel. An offer under Rule 9 must be in cash and must be at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company in question during the 12 months prior to the announcement of the offer.

The Company has agreed with the Takeover Panel that the members of the Concert Party are considered to be acting in concert for the purposes of the Takeover Code. Persons acting in concert include persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate, to obtain or consolidate control of that company. The Concert Party, on Admission, (including Ordinary Shares to be issued as Restricted Shares) will together hold Ordinary Shares representing an aggregate of 66.19 per cent. of the Enlarged Share Capital. Further details of the Concert Party's holding are set out in paragraph 27 of Part XIII of this Document.

As, immediately following Admission, the Concert Party will hold, in aggregate), more than 50 per cent. of the voting rights in in the Company, members of the Concert Party may acquire further interests in the Ordinary Shares of the Company without incurring any obligation under Rule 9 to make a general offer. However, individual members of the Concert Party will not be able to increase their percentage interests in shares through or between a Rule 9 threshold without Panel consent.

16. GENERAL MEETING

At the General Meeting, resolutions will be proposed as follows in order to implement the Acquisition and the Placing:

- Resolution 1 will be proposed as an ordinary resolution to approve the waiver by the Takeover Panel of the obligation on any member of the Concert Party to make a general offer that would otherwise arise as a result of the issue of the Consideration Shares and the Restricted Shares upon Admission. In order to comply with the Code, the Rule 9 Waiver will be taken on a poll to be passed by more than 50 per cent. of votes cast by the Independent Shareholders present and voting at the General Meeting in person or by proxy and therefore no members of the Concert Party will vote on the Rule 9 Waiver.
- Resolution 2 will be proposed as an ordinary resolution to grant authority to the Directors to allot shares or grant rights to subscribe for, or convert any security into shares, in respect of the New Ordinary Shares and Warrants and, otherwise: (i) to an aggregate nominal amount of £571,889 (representing a maximum of 57,188,900 Ordinary Shares) provided the allotments are used for rights issues or other pre-emptive offers to Shareholders (this amount represents approximately two-thirds of the Enlarged Share Capital); and (ii) otherwise up to an aggregate nominal amount of £285,945 (representing a maximum of 28,594,500 Ordinary Shares). This amount represents approximately one-third of the Enlarged Share Capital. These authorities shall expire at the conclusion of the annual general meeting of the Company to be held in 2023 or, if earlier, fifteen (15) months from the date of passing the resolution.
- Resolution 3 is proposed as a special resolution to dis-apply statutory pre-emption rights that would otherwise apply to allotments of shares for cash. This Resolution will disapply the statutory pre-emption rights in respect of the allotment of the New Ordinary Shares and the grant of the Warrants, on a rights issue or other pre-emptive offer so as to allow the Directors to make exclusions or such other arrangements as may be appropriate to resolve legal or practical problems, which, for example, might arise with overseas shareholders or entitlements to fractions, and otherwise in respect of equity securities up to an aggregate nominal amount of £128,675 (representing a maximum of 12,867,500 Ordinary Shares) This amount represents approximately 15 per cent. of the Enlarged Share Capital (there being no current intention to use this further authority). This power shall expire at the conclusion of the

annual general meeting of the Company to be held in 2023 or, if earlier, fifteen (15) months from the date of passing the resolution.

- Resolution 4 is proposed as an ordinary resolution and seeks approval from Shareholders of the Restricted Share Plan and for the implementation of the Restricted Share Plan which will allow for the grant of shares to selected employees subject to restrictions and forfeiture risks which will be lifted after a certain period. It is intended that participants will be executive directors and senior employees of the Company.
- Resolution 5 is proposed as an ordinary resolution and seeks approval from Shareholders of the Employee Share Option Plan and for the implementation of the ESOP, which will allow for the grant of EMI options and non-approved share options over shares in the Company to be granted to selected individuals.
- Resolution 6 seeks authority from Shareholders for the proposed issue of: (a) 779,849 new Ordinary Shares to Min Yang at the issue price of £0.01 per share; and (b) 1,559,698 new Ordinary Shares to Geoff Baker at the issue price of £0.01 per share, in each case pursuant to and subject to the terms and conditions of the Restricted Share Agreements.

PART VIII

PART A – OPERATING AND FINANCIAL REVIEW OF THE COMPANY

The following operating and financial review contains financial information that has been extracted or derived, without material adjustment, from the Company's financial information for the period from incorporation on 5 September 2018 to 30 September 2019, the year ended 30 September 2020 and the year ended 30 September 2021, incorporated by reference in Part IX "Historical Financial Information" of this Document.

The following discussion should be read in conjunction with the other information in this Document, in particular with the entire Part IX "Historical Financial Information" and Part X "Pro Forma Financial Information of the Enlarged Group" of this Document. This discussion contains forward-looking statements, which, although based on assumptions that the Directors consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements.

The key risks and uncertainties include, but are not limited to, those described in the Part II "Risk Factors" of this Document.

Statement of Comprehensive Income

	<i>Audited Period ended 30 September 2019 £</i>	<i>Audited Year ended 30 September 2020 £</i>	<i>Audited Year ended 30 September 2021 £</i>
Other income	–	–	52,344
Administrative expenses	(27,378)	(93,845)	(110,669)
Listing expenses	(67,020)	–	–
Loss before taxation	(94,398)	(93,845)	(58,325)
Taxation	–	–	–
Loss after taxation	(94,398)	(93,845)	(58,325)
Total comprehensive loss for the year	(94,398)	(93,845)	(58,325)

Statement of Financial Position

	<i>Audited As at 30 September 2019 £</i>	<i>Audited As at 30 September 2020 £</i>	<i>Audited As at 30 September 2021 £</i>
ASSETS			
Cash and cash equivalents	552,202	445,061	359,868
Prepayments	–	10,337	12,760
VAT control	–	–	28,818
Current assets	552,202	455,398	401,446
Total assets	552,202	455,398	401,446

	<i>Audited</i> <i>As at</i> <i>30 September</i> <i>2019</i> £	<i>Audited</i> <i>As at</i> <i>30 September</i> <i>2020</i> £	<i>Audited</i> <i>As at</i> <i>30 September</i> <i>2021</i> £
EQUITY AND LIABILITIES			
Share capital	203,400	203,400	203,400
Share premium	407,984	407,984	407,984
Retained deficit	(94,398)	(188,243)	(246,568)
Total equity	<u>516,986</u>	<u>423,141</u>	<u>364,816</u>
Other payables	35,216	32,257	36,630
Total current liabilities	<u>35,216</u>	<u>32,257</u>	<u>36,630</u>
Total liabilities and equity	<u><u>552,202</u></u>	<u><u>455,398</u></u>	<u><u>401,446</u></u>

Statement of Cash Flows

	<i>Audited</i> <i>Period</i> <i>ended</i> <i>30 September</i> <i>2019</i> £	<i>Audited</i> <i>Year</i> <i>ended</i> <i>30 September</i> <i>2020</i> £	<i>Audited</i> <i>Year</i> <i>ended</i> <i>30 September</i> <i>2021</i> £
Cash flows from operating activities			
Loss before taxation	(94,398)	(93,845)	(58,325)
<i>Working capital adjustments:</i>			
Movement in trade and other receivables	–	(10,337)	(31,241)
Movement in other payables	35,216	(2,959)	4,373
Net cash used in operating activities	<u>(59,182)</u>	<u>(107,141)</u>	<u>(85,193)</u>
Cash flows from financing activities			
Proceeds from issues of shares, net of issue costs	611,384	–	–
Net cash from financing activities	<u>611,384</u>	<u>–</u>	<u>–</u>
Net increase/(decrease) in cash and cash equivalents	<u><u>552,202</u></u>	<u><u>(107,141)</u></u>	<u><u>(85,193)</u></u>
Cash and cash equivalents – beginning of the period / year	–	552,202	445,061
Cash and cash equivalents – end of the period/ year	<u><u>552,202</u></u>	<u><u>445,061</u></u>	<u><u>359,868</u></u>

Overview

The Company was listed on the standard segment of London Stock Exchange's Main Market for listed securities on 26 July 2019 as a special purpose acquisition company to undertake one or more acquisitions of a company or businesses in the biotechnology sector.

As part of the listing on 26 July 2019, the Company undertook a fundraising of approximately £497,000, after expenses.

Period from incorporation on 5 September 2018 to 30 September 2019

Statement of Comprehensive Income commentary

The Company reported a total comprehensive loss of £94,398 for the period ended 30 September 2019, due to listing expenses of £67,020 and administrative expenses of £27,378. Administrative expenses comprised £9,300 of accounting fees, £18,000 of audit fees and £78 in bank charges.

Statement of Financial Position commentary

Current and total assets

Total assets of the Company were £552,202 as at 30 September 2019, which included £552,202 of current assets. Current assets comprised £552,202 of cash and cash equivalents.

Current and total liabilities

Total liabilities and current liabilities of the Company were £35,216 as at 30 September 2019. Current liabilities comprised other payables of £35,216, which included £27,300 of accruals and £7,916 of trade payables.

Cash flows

The Company held cash and cash equivalents of £552,202 as at 30 September 2019, which amounted to a net increase in cash and cash equivalents of the same amount. The net cash used in operating activities was £59,182, which comprised the operating loss of £94,398 and an increase in trade and other payables of £35,216. The net cash generated from financing activities was £611,384 which comprised £611,384 of proceeds from the issue of shares, net of issue costs.

Capital resources

Total equity as at 30 September 2019 was £516,986, comprising £203,400 of share capital, £407,984 of share premium and a retained deficit of £94,398.

Share capital

On incorporation, the Company issued two Ordinary Shares of nominal value £0.01. During the period ended 30 September 2019, 20,340,000 Ordinary Shares of £0.01 nominal value were issued, equating to an increase in share capital of £203,400. The increase in share premium of £407,984 in the period ended 30 September 2019 was due to £613,600 relating to the issue of the above Ordinary Shares, offset by £205,616 of share issue costs.

Year ended 30 September 2020

Statement of Comprehensive Income commentary

The Company reported a total comprehensive loss of £93,845 (2019: £94,398) for year ended 30 September 2020, due principally to administrative expenses of £93,845 (2019: £27,378). Administrative expenses comprised £64,996 (2019: £nil) of legal and professional fees, £10,762 (2019: £9,300) of accounting fees, £18,000 (2019: £18,000) of audit fees and £87 (2019: £78) in bank charges.

Statement of Financial Position commentary

Current and total assets

Total assets of the Company were £455,398 (2019: £552,202) as at 30 September 2020, which included £445,398 (2019: £552,202) of current assets. Current assets comprised £445,061 (2019: £552,202) of cash and cash equivalents and £10,337 (2019: £nil) of prepayments.

Current and total liabilities

Total liabilities of the Company were £32,257 (2019: £35,216) as at 30 September 2020, which included £32,257 (2019: £35,216) of current liabilities. Current liabilities comprised other payables of £32,257 (2019: £35,216), which included £4,957 (2019: £7,916) of trade payables and £27,300 (2019: £27,300) of accruals.

Cash flows

The Company held cash and cash equivalents of £445,061 (2019: £552,202) as at 30 September 2020, which amounted to a net decrease in cash and cash equivalents of £107,141 (2019: increase of £552,202). The net cash used in operating activities was £107,141 (2019: £59,182), which comprised the operating loss of £93,845 (2019: loss of £94,398), a decrease in trade and other payables of £2,959 (2019: increase of £35,216) and an increase in trade and other receivables of £10,337 (2019: £nil). The net cash generated from financing activities was £nil (2019: £611,384).

Capital resources

Total equity as at 30 September 2021 was £423,141 (2019: £516,986), comprising £203,400 of share capital, £407,984 of share premium and a retained deficit of £188,243 (2019: £94,398). There was no change in share capital or share premium in the year ended 30 September 2020.

Year ended 30 September 2021

Statement of Comprehensive Income commentary

The Company reported a total comprehensive loss of £58,325 (2020: £93,845) for year ended 30 September 2021, due principally to administrative expenses of £110,669 (2020: £93,845). Administrative expenses comprised £59,162 (2020: £64,996) of legal and professional fees, £17,500 (2020: £nil) of Directors' remuneration, £17,900 (2020: £10,762) of accounting fees, £16,000 (2020: £18,000) of audit fees and £107 (2020: £87) in bank charges.

The Company's administrative expenditure was partially offset by £52,344 (2020: £nil) of other income, which comprised a VAT refund.

Statement of Financial Position commentary

Current and total assets

Current and total assets of the Company were £401,446 (2020: £455,398) as at 30 September 2021. The Company's assets comprised £359,868 (2020: £445,061) of cash and cash equivalents, a VAT receivables of £28,818 (2020: £nil) and £12,760 (2020: £10,337) of prepayments.

Current and total liabilities

Current and total liabilities of the Company were £36,630 (2020: £32,257) as at 30 September 2021. Current liabilities comprised trade payables of £12,880 (2020: £4,957) and £23,750 (2020: £27,300) of accruals.

Cash flows

The Company held cash and cash equivalents of £359,868 (2020: £445,061) as at 30 September 2021, which amounted to a net decrease in cash and cash equivalents of £85,193 (2020: decrease of £107,141). The net cash used in operating activities was £85,193 (2020: £107,141), which comprised the operating loss of £58,325 (2020: loss of £93,845), an increase in other payables of £4,373 (2020: decrease of £2,959) and an increase in trade and other receivables of £31,241 (2020: £10,337). No other cash flows were reported during the year.

Capital resources

Total equity as at 30 September 2021 was £364,816 (2020: £423,141), comprising £203,400 (2020: £203,400) of share capital, £407,984 (2020: £407,984) of share premium and a retained deficit of £246,568 (2020: £188,243). There was no change in either the Company's share capital or share premium in the year ended 30 September 2021. The movement in the retained deficit in the year of £58,325 represents the reported loss for the year.

PART B – OPERATIONAL AND FINANCIAL REVIEW OF 3DBT

Operating and Financial Review of 3DBT

The following operating and financial review contains financial information that has been extracted or derived, without material adjustment, from 3DBT’s audited financial information for the period from incorporation on 8 November 2018 to 30 November 2019, the year ended 30 November 2020 included in Section C “*Historical Financial Information of 3DBT*” of Part IX “*Historical Financial Information*” of this Document and the unaudited interim financial information for the six-month period ended 31 May 2021 included in Section D “*Condensed Interim Financial Information of 3DBT*” of Part IX “*Historical Financial Information*” of this Document.

The following discussion should be read in conjunction with the other information in this Document, in particular with the entire Part IX “*Historical Financial Information*” and Part X “*Pro Forma Financial Information of the Enlarged Group*” of this Document. This discussion contains forward-looking statements, which, although based on assumptions that the Directors consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements.

The key risks and uncertainties include, but are not limited to, those described in the Part II “*Risk Factors*” of this Document.

Statement of Comprehensive Income

	<i>Audited Period ended 30 November 2019 £</i>	<i>Audited Year ended 30 November 2020 £</i>	<i>Unaudited Period ended 31 May 2021 £</i>
Revenue	–	–	19,343
Cost of sales	–	(10,339)	(4,602)
	<hr/>	<hr/>	<hr/>
Gross (loss)/profit	–	(10,339)	14,741
Administrative expenses	(17,851)	(97,010)	(138,646)
Other operating income	459	18,606	18,584
	<hr/>	<hr/>	<hr/>
Operating loss	(17,392)	(88,743)	(105,321)
Finance income	–	21	–
Finance expense – lease liabilities	–	(1,038)	(3,030)
	<hr/>	<hr/>	<hr/>
Loss before taxation	(17,392)	(89,760)	(108,351)
Taxation	(212)	(12,092)	26,878
	<hr/>	<hr/>	<hr/>
Loss after taxation	(17,604)	(101,852)	(81,473)
	<hr/>	<hr/>	<hr/>
Total comprehensive loss for the period/year	<u>(17,604)</u>	<u>(101,852)</u>	<u>(81,473)</u>

Statement of Financial Position

	<i>Audited</i> <i>As at</i> <i>30 November</i> <i>2019</i> £	<i>Audited</i> <i>As at</i> <i>30 November</i> <i>2020</i> £	<i>Unaudited</i> <i>As at</i> <i>31 May</i> <i>2021</i> £
ASSETS			
Property, plant and equipment	1,116	77,631	78,205
Right-of-use assets	–	150,467	134,901
Non-current assets	<u>1,116</u>	<u>228,098</u>	<u>213,106</u>
Inventories	–	6,515	16,441
Trade receivables	–	–	10,000
Other receivables and prepayments	1,179	38,008	19,520
Cash and cash equivalents	62,693	307,339	212,105
Current assets	<u>63,872</u>	<u>351,862</u>	<u>258,066</u>
Total assets	<u><u>64,988</u></u>	<u><u>579,960</u></u>	<u><u>471,172</u></u>
EQUITY AND LIABILITIES			
Share capital	60	68	68
Share premium	79,999	499,991	499,991
Retained deficit	(17,604)	(119,456)	(200,929)
Total equity	<u>62,455</u>	<u>380,603</u>	<u>299,130</u>
Right-of-use lease liabilities	–	125,115	112,026
Deferred tax liability	212	14,430	14,859
Total non-current liabilities	<u>212</u>	<u>139,545</u>	<u>126,885</u>
Trade and other payables	1,044	22,582	12,881
Accrued liabilities	1,277	6,690	1,224
Right-of-use lease liabilities	–	30,540	31,052
Total current liabilities	<u>2,321</u>	<u>59,812</u>	<u>45,157</u>
Total liabilities	<u><u>2,533</u></u>	<u><u>199,357</u></u>	<u><u>172,042</u></u>
Total liabilities and equity	<u><u>64,988</u></u>	<u><u>579,960</u></u>	<u><u>471,172</u></u>

Statement of Cash Flows

	<i>Audited Period ended 30 November 2019 £</i>	<i>Audited Year ended 30 November 2020 £</i>	<i>Unaudited Period ended 31 May 2021 £</i>
<i>Cash flows from operating activities</i>			
Loss before taxation	(17,392)	(89,760)	(108,351)
<i>Cash flow from operations reconciliation:</i>			
Depreciation and amortisation	–	7,899	24,431
Finance income	–	(21)	–
<i>Working capital adjustments:</i>			
Increase in inventories	–	(6,515)	(9,926)
(Increase)/decrease in trade and other receivables	(1,144)	(36,864)	8,488
Increase/(decrease) in trade and other payables	2,321	26,951	(15,167)
Cash used in operations	<u>(16,215)</u>	<u>(98,310)</u>	<u>(100,525)</u>
Taxes received	–	2,126	27,307
Net cash used in operating activities	<u>(16,215)</u>	<u>(96,184)</u>	<u>(73,218)</u>
<i>Cash flows from investing activities</i>			
Purchase of property, plant and equipment	(1,116)	(79,412)	(9,439)
Proceeds from disposals of property, plant and equipment	–	186	–
Finance income	–	21	–
Net cash used in investing activities	<u>(1,116)</u>	<u>(79,205)</u>	<u>(9,439)</u>
<i>Cash flows from financing activities</i>			
Repayment of lease liabilities	–	–	(12,577)
Proceeds from issues of shares	80,024	420,035	–
Net cash from/(used in) financing activities	<u>80,024</u>	<u>420,035</u>	<u>(12,577)</u>
<i>Net increase/(decrease) in cash and cash equivalents</i>	<u>62,693</u>	<u>244,646</u>	<u>(95,234)</u>
Cash and cash equivalents – beginning of the period/ year	–	62,693	307,399
Cash and cash equivalents at the end of the period	<u>62,693</u>	<u>307,339</u>	<u>212,105</u>

Period from incorporation on 8 November 2018 to 30 November 2019

Statement of Comprehensive Income commentary

3DBT recorded a total comprehensive loss of £17,604 in the period ended 30 November 2019. The loss was attributable to administrative expenses of £17,851, a taxation charge of £212 and other operating income of £459. Of the £17,851 of administrative expenses, £6,655 was for staff costs, £9,206 for legal and professional costs and £1,990 for other expenses. Included within staff costs were £6,422 of wages and salaries, £107 of pension costs and £126 of social security and other payroll taxes. The other operating income of £459 related to grant income.

Statement of Financial Position commentary

Current and total assets

Non-current assets as at 30 November 2019 were £1,116, of which all was attributable to property, plant and equipment. There were £1,116 of additions in the year and £nil depreciation charge.

Current assets as at 30 November 2019 were £63,872. Included within current assets were £1,179 of other receivables and prepayments and £62,693 of cash and cash equivalents. Other receivables and prepayments include prepayments of £1,144 and other receivables of £35.

This resulted in total assets as at 30 November 2019 of £64,988.

Current and total liabilities

Non-current liabilities as at 30 November 2019 were £212, of which all was attributable to a deferred tax liability.

Current liabilities as at 30 November 2019 were £2,321. Included within current liabilities was £1,044 of trade and other payables and £1,277 accrued liabilities.

This resulted in total liabilities of £2,533.

Cash flows

There were cash and cash equivalents as at 30 November 2019 of £62,693. This is the result of £16,215 of cash used in operations, £1,116 of cash used in investing activities and £80,024 net cash from financing activities.

The cash used in operations of £16,215 is attributable to the operating loss of £17,392, an increase in trade and other receivables of £1,144 and an increase in trade and other payables of £2,321. The £1,116 of cash used in investing activities related to the purchase of property, plant and equipment. The net cash from financing activities was due to proceeds from the issuance of shares.

The overall increase in cash and cash equivalents in this period was £62,693.

Capital resources

Total equity as at 30 November 2019 was £62,455. This comprised £60 of share capital, £79,999 of share premium and a retained deficit of £17,604.

On 9 August 2019, 590,000 shares of £0.0001 were issued. Of these, 10,000 ordinary shares which had an aggregate nominal value of £1 were allotted for aggregate consideration of £80,000. On the same date 500,000 X shares of £0.0001 were issued at par. Included within share capital is 600,000 ordinary shares of £0.0001 nominal value. On 1 June 2020, the 500,000 X shares were deferred with no capital or income or voting rights.

Total proceeds from the issuance of shares in the year were £80,059, which led to a share premium balance of £79,999 after considering the £60 of share capital as at 30 November 2019.

Year ended 30 November 2020

Statement of Comprehensive Income commentary

3DBT recorded a total comprehensive loss of £101,852 (2019: £17,604) in the year ended 30 November 2020. The loss was attributable to cost of sales of £10,339 (2019: £nil), administrative expenses of £97,010 (2019: £17,851), other income of £18,606 (2019: £459), a taxation charge of £12,092 (2019: £212), finance expenses of £1,038 (2019: £nil) and finance income £21 (2019: £nil).

The cost of sales charge of £10,339 related to research costs.

Of the £97,010 of administrative expenses, £73,300 (2019: £6,655) related to staff costs, £1,890 (2019: £nil) related to property costs, £11,442 (2019: £9,206) related to legal and professional costs, £7,899 (2019: £nil) depreciation and £2,479 (2019: £1,990) to other expenses. Included within staff costs were £70,715 (2019: £6,422) of wages and salaries, social security and other payroll taxes of £1,223 (2019: £126) and £1,362 (2019: £107) of pension costs. The finance expense of £1,038 related to the lease liabilities.

Statement of Financial Position commentary

Current and total assets

Non-current assets as at 30 November 2020 were £228,098 (2019: £1,116), of which £77,631 (2019: £1,116) was attributable to property, plant and equipment and £150,467 (2019: £nil) attributable to right-of-use assets. There were £79,412 (2019: £1,116) of additions in the year, £186 (2019: £nil) of disposals and a £2,711 (2019: £nil) depreciation charge.

Current assets as at 30 November 2020 were £351,862 (2019: £63,872). Included within current assets were £38,008 (2019: £1,179) of other receivables and prepayments, £6,515 (2019: £nil) of inventories and £307,339 (2019: £62,693) of cash and cash equivalents.

Other receivables and prepayments include prepayments of £5,310 (2019: £1,144), a VAT receivable of £14,086 (2020: £nil) and other receivables of £18,612 (2019: £35).

Inventories comprise £6,515 (2020: £nil) of raw materials and laboratory consumables.

This resulted in total assets as at 30 November 2020 of £579,960 (2019: £64,988).

Current and total liabilities

Non-current liabilities as at 30 November 2020 were £139,545 (2019: £212), of which £125,115 (2019: £nil) was attributable to right-of-use lease liabilities and a deferred tax liability of £14,430 (2019: £212).

Current liabilities as at 30 November 2020 were £59,812 (2019: £2,321). Included within current liabilities were £22,582 (2019: £1,044) of trade and other payables, £30,540 (2019: £nil) of right-of-use liabilities and £6,690 (2019: £1,277) accrued liabilities.

This resulted in total liabilities of £199,357 (2019: £2,533).

Cash flows

There were cash and cash equivalents as at 30 November 2020 of £307,339 (2019: £62,693). This is the result of £96,184 (2019: £16,215) of net cash used in operations, £79,205 (2019: £1,116) of cash used in investing activities and £420,035 (2020: £80,024) net cash from financing activities.

The cash used in operations of £96,184 is attributable to the operating loss of £89,760 (2019: £17,392), an increase in trade and other receivables of £36,864 (2019: £1,144), an increase in trade and other payables of £26,951 (2019: £2,321), an increase in inventories of £6,515 (2019: £nil) and taxes received of £2,126 (2019: £nil). The £79,205 (2019: £1,116) of cash used in investing activities related to the purchase of property, plant and equipment, £21 (2019: £nil) of finance income and £186 (2019: £nil) of proceeds from disposals of property, plant and equipment. The £420,035 (2019: £80,024) net cash from financing activities was due to proceeds from the issuance of shares.

The overall increase in cash and cash equivalents in this period was £244,646 (2019: £62,693).

Capital resources

Total equity as at 30 November 2020 was £380,603 (2019: £62,455). This comprised £68 (2019: £60) of share capital, £499,991 (2019: £79,999) of share premium and a retained deficit of £119,456 (2019: £17,604).

On 1 June 2020, 76,470 ordinary shares of £0.0001 each were allotted for an aggregate consideration of £420,000. This resulted in an increase of £8 in share capital and £419,992 in share premium.

Six-month period ended 31 May 2021

Statement of Comprehensive Income commentary

3DBT recorded a total comprehensive loss of £81,473 (2020: £25,325) in the six-month period ended 31 May 2021. The loss was attributable to revenue of £19,343 (2020: £nil), cost of sales of £4,602 (2020: £120), administrative expenses of £138,646 (2020: £25,205), finance expenses of £3,030 (2020: £nil), other operating income £18,584 (2020: £nil) and a tax credit of £26,878 (2020: £nil).

Of the £4,602 of cost of sales, £4,413 (2020: £120) related to purchases and consumables and £189 (2020: £nil) relates to import duty.

Of the £138,646 (2020: £25,205) of administrative expenses, £67,385 (2020: £22,990) related to staff costs, £23,200 (2020: £nil) to property costs, £35,386 (2020: £711) to legal and professional costs, £9,314 (2020: £187) to depreciation and £3,361 (2020: £1,317) to other expenses. Included within staff costs were £62,354 (2020: £22,500) of wages and salaries, social security and other payroll taxes of £4,042 (2020: £nil) and £989 (2020: £490) of pension costs.

The other operating income of £18,584 (2020: £nil) related to grant income.

The finance expense of £3,030 (2020: £nil) related to the lease liabilities.

The taxation credit of £26,878 arose due to a research and development credit of £27,307 (2020: £nil) which was offset by a deferred tax expense of £429 (2020: £nil).

Statement of Financial Position commentary

Current and total assets

Non-current assets as at 31 May 2021 were £213,106 (2020: £228,098), of which £78,205 (2020: £77,631) was attributable to property, plant and equipment and £134,901 (2020: £150,467) attributable to Right-of-use assets.

Property, plant and equipment included £9,439 (2020: £79,412) of additions in the year, £nil (2020: £186) of disposals and a £8,865 (2020: £2,711) depreciation charge.

Right-of-use assets included £nil (2020: £155,655) of additions in the year, £nil (2020: £nil) of disposals and a £15,566 (2020: £5,188) depreciation charge.

Current assets as at 31 May 2021 were £258,066 (2020: £351,862). Included within current assets were £16,441 (2020: £6,515) of inventories, £10,000 (2020: £nil) trade receivables, £19,520 (2020: £38,008) of other receivables and prepayments and £212,105 (2020: £307,339) of cash and cash equivalents.

Inventories comprise £16,441 (2020: £6,515) of raw materials and laboratory consumables.

Other receivables and prepayments include prepayments of £10,764 (2020: £5,310), a VAT receivable of £8,750 (2020: £14,086) and other receivables of £6 (2020: £18,612).

This resulted in total assets as at 31 May 2021 of £471,172 (2020: £579,960).

Current and total liabilities

Non-current liabilities as at 31 May 2021 were £126,885 (2020: £139,545), of which £112,026 (2020: £125,115) was attributable to right-of-use lease liabilities and a deferred tax liability of £14,859 (2020: £14,430).

Current liabilities as at 31 May 2021 were £45,157 (2020: £59,812). Included within current liabilities were £12,881 (2020: £22,582) of trade and other payables, £31,052 (2020: £30,540) of right-of-use liabilities and £1,224 (2020: £6,690) accrued liabilities.

This resulted in total liabilities of £172,042 (2020: £199,357).

Cash flows

There were cash and cash equivalents as at 31 May 2021 of £212,105 (2020: £36,531). This is the result of £73,218 (2020: £25,328) of net cash used in operations, £9,439 (2020: £869) of cash used in investing activities and £12,577 (2020: net cash from investing activities from £35) net cash used in financing activities.

The cash used in operations of £73,218 (2020: £25,328) is attributable to the operating loss of £108,351 (2020: £25,325), depreciation and amortisation of £24,431 (2020: £187), a decrease in trade and other receivables of £8,488 (2020: increase of £108), a decrease in trade and other payables of £15,167 (2020: increase of £321), an increase in inventories of £9,926 (2020: £403) and taxes received of £27,307 (2020: £nil). The £9,439 (2020: £869) of cash used in investing activities related to the purchase of property, plant and equipment. The £12,577 (2020: £nil) net cash from financing activities was due to repayment of lease liabilities.

The overall decrease in cash and cash equivalents in this period was £95,234 (2020: £26,162).

Capital resources

Total equity as at 31 May 2021 was £299,130 (2020: £380,603). This comprised £68 (2020: £68) of share capital, £499,991 (2020: £499,991) of share premium and a retained deficit of £200,929 (2020: £119,456). There was no change in the period ended 31 May 2021 in either share capital or share premium.

PART IX

HISTORICAL FINANCIAL INFORMATION

SECTION A – HISTORICAL FINANCIAL INFORMATION OF THE COMPANY

The Company has published its audited annual report and accounts for the financial period from the date of incorporation on 5 September 2018 to 30 September 2019, the year ended 30 September 2020 and the year ended 30 September 2021 (together, the “Company Financial Information”).

The Company Financial Information is available free of charge from the Company’s website at <https://www.bsenterprise.com/> and also from the Company’s registered office at c/o Locke Lord (UK) LLP, 201 Bishopsgate, London EC2M 3AB up to and including the date of Admission and therefore have not been reproduced in this Document, instead being incorporated by reference.

The Company Financial Information was prepared in accordance with IFRS and includes, on the pages specified below, the following information:

Audited financial information for the year ended 30 September 2021

The Company’s audited financial information for the year ended 30 September 2021 can be viewed on the Company’s website at <https://www.bsenterprise.com/investors>.

The audited financial information for the year ended 30 September 2021 includes the following:

- Chairman’s Statement (page 1);
- Board of Directors (page 2);
- Strategic Report (pages 3 to 6);
- Directors’ Report (pages 7 to 11);
- Directors’ Remuneration Report (pages 12 to 14);
- Directors’ Responsibilities (pages 15 to 16);
- Independent Auditor’s Report (pages 17 to 20);
- Statement of Comprehensive Income (page 21);
- Statement of Financial Position (page 22);
- Statement of Changes in Equity (page 23);
- Statement of Cash Flows (page 24); and
- Notes to the Financial Statements (pages 25 to 34).

Audit report

The Independent Auditor’s Report included on pages 17 to 20 of the Company’s audited financial information incorporated by reference above concluded that the financial statements have been properly prepared in accordance with IFRS and give a true and fair view of the state of the Company’s affairs as at 30 September 2021.

Audited financial information for the year ended 30 September 2020

The Company’s audited financial information for the year ended 30 September 2020 can be viewed on the Company’s website at:

<https://irp-cdn.multiscreensite.com/d4c4d923/files/uploaded/BSF%20Enterprise%20Plc%20-%20Final%20Accounts%20SIGNED%20Final%2030%20September%202020.pdf>

The audited financial information for the year ended 30 September 2020 includes the following:

- Chairman’s Statement (page 1);
- Board of Directors (page 2);

- Strategic Report (pages 3 to 6);
- Directors' Report (pages 7 to 11);
- Directors' Remuneration Report (pages 12 to 14);
- Directors' Responsibilities (pages 15 to 16);
- Independent Auditor's Report (pages 17 to 20);
- Statement of Comprehensive Income (page 21);
- Statement of Financial Position (page 22);
- Statement of Changes in Equity (page 23);
- Statement of Cash Flows (page 24); and
- Notes to the Financial Statements (pages 25 to 34).

Audit report

The Independent Auditor's Report included on pages 17 to 20 of the Company's audited financial information incorporated by reference above concluded that the financial statements have been properly prepared in accordance with IFRS and give a true and fair view of the state of the Company's affairs as at 30 September 2020.

Audited financial information for the period ended 30 September 2019

The Company's audited financial information for the period from incorporation on 5 September 2018 to 30 September 2019 can be viewed on the Company's website at:

<https://irp-cdn.multiscreensite.com/d4c4d923/files/uploaded/Signed%20financial%20statements.pdf>

The audited financial information for the period from incorporation on 5 September 2018 to 30 September 2019 includes the following:

- Company Information (page 1);
- Chairman's Statement (page 2);
- Board of Directors (page 3);
- Strategic Report (pages 4 to 7);
- Directors' Report (pages 8 to 12);
- Directors' Remuneration Report (pages 13 to 14);
- Directors' Responsibilities (pages 15 to 16);
- Independent Auditor's Report (pages 17 to 20);
- Statement of Comprehensive Income (page 21);
- Statement of Financial Position (page 22);
- Statement of Changes in Equity (page 23);
- Statement of Cash Flows (page 24); and
- Notes to the Financial Statements (pages 25 to 32).

Audit report

The Independent Auditor's Report included on pages 17 to 20 of the Company's audited financial information incorporated by reference above concluded that the financial statements have been properly prepared in accordance with IFRS and give a true and fair view of the state of the Company's affairs as at 30 September 2019.

The sections of the Company Financial Information which are not highlighted above and are therefore not incorporated by reference are either not relevant for the investor or are covered elsewhere in this Document.

SECTION B – ACCOUNTANT’S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF 3DBT



Crowe U.K. LLP
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27 April 2022

The Directors
BSF Enterprise plc
C/o Locke Lord (UK) LLP
201 Bishopsgate
London EC2M 3AB

Dear Sirs,

We report on the audited financial information of 3D Bio-Tissues Limited (“3DBT”) for the period from the date of incorporation on 8 November 2018 to 30 November 2019 and the year ended 30 November 2020 (together, the “3DBT Financial Information”).

Opinion

In our opinion, the 3DBT Financial Information gives, for the purpose of BSF Enterprise plc’s (the “Company”) prospectus dated 27 April 2022 (this “Document”), a true and fair view of the state of affairs of 3DBT as at 30 November 2019 and 30 November 2020 and of its results, cash flows and changes in equity for the periods then ended in accordance with UK-adopted international accounting standards (“IFRS”).

Responsibilities

The directors of the Company (the “Directors”) are responsible for preparing the 3DBT Financial Information in accordance with IFRS.

It is our responsibility to form an opinion on the 3DBT Financial Information, and to report our opinion to you.

Basis of preparation

The 3DBT Financial Information has been prepared for inclusion in Section B “*Historical Financial Information of 3DBT*” of Part X “*Historical Financial Information*” of this Document, on the basis of the accounting policies set out in note 3 to the 3DBT Financial Information. This report is given for the purpose of complying with item 18.3.1 of Annex 1 to the UK version of Regulation number 2019/980 of the European Commission, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (together, the “Prospectus Regulation”) and is given for the purpose of complying with that requirement 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 3DBT in accordance with the Financial Reporting Council'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 3DBT Financial Information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the 3DBT Financial Information and whether the accounting policies are appropriate to 3DBT'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 3DBT Financial Information is free from material misstatement whether caused by fraud or other irregularity or error.

Conclusions relating to going concern

We have not identified a material uncertainty related to events or conditions that, individually or collectively, may cast doubt on the ability of 3DBT to continue as a going concern for a period of at least 12 months from the date of this report. We therefore conclude that the Directors' use of the going concern basis of accounting in the preparation of the 3DBT Financial Information is appropriate.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2 R (2)(f), we are responsible for this report as part of this Document and we 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 this Document in compliance with item 1.2 of Annex 1 to the Prospectus Regulation.

Yours faithfully,

Crowe U.K. LLP
Chartered Accountants

SECTION C – HISTORICAL FINANCIAL INFORMATION OF 3DBT

Statements of Comprehensive Income

The audited Statements of Comprehensive Income of 3DBT for the period from the date of incorporation on 8 November 2018 to 30 November 2019 and the year ended 30 November 2020 are set out below:

		<i>Audited Period ended 30 November 2019</i>	<i>Audited Year ended 30 November 2020</i>
	<i>Note</i>	<i>£</i>	<i>£</i>
Revenue		–	–
Cost of sales	6	–	(10,339)
		<hr/>	<hr/>
Gross loss		–	(10,339)
Administrative expenses	6, 7	(17,851)	(97,010)
Other operating income	5	459	18,606
		<hr/>	<hr/>
Operating loss		(17,392)	(88,743)
Finance income		–	21
Finance expense – right-of-use lease liabilities	10	–	(1,038)
		<hr/>	<hr/>
Loss before taxation		(17,392)	(89,760)
Taxation	8	(212)	(12,092)
		<hr/>	<hr/>
Loss after taxation		(17,604)	(101,852)
		<hr/>	<hr/>
Total comprehensive loss for the period/year		<u>(17,604)</u>	<u>(101,852)</u>

Statements of Financial Position

The audited Statements of Financial Position of 3DBT as at 30 November 2019 and 30 November 2020 are set out below:

	<i>Audited</i>	<i>Audited</i>
	<i>As at</i>	<i>As at</i>
	<i>30 November</i>	<i>30 November</i>
<i>Note</i>	<i>2019</i>	<i>2020</i>
	<i>£</i>	<i>£</i>
ASSETS		
Property, plant and equipment	9 1,116	77,631
Right-of-use assets	10 –	150,467
Non-current assets	<u>1,116</u>	<u>228,098</u>
Inventories	11 –	6,515
Other receivables and prepayments	12 1,179	38,008
Cash and cash equivalents	62,693	307,339
Current assets	<u>63,872</u>	<u>351,862</u>
Total assets	<u>64,988</u>	<u>579,960</u>
EQUITY AND LIABILITIES		
Share capital	13 60	68
Share premium	13 79,999	499,991
Retained deficit	(17,604)	(119,456)
Total equity	<u>62,455</u>	<u>380,603</u>
Right-of-use lease liabilities	10 –	125,115
Deferred tax liability	8 212	14,430
Total non-current liabilities	<u>212</u>	<u>139,545</u>
Trade and other payables	1,044	22,582
Accrued liabilities	1,277	6,690
Right-of-use lease liabilities	10 –	30,540
Total current liabilities	<u>2,321</u>	<u>59,812</u>
Total liabilities	<u>2,533</u>	<u>199,357</u>
Total liabilities and equity	<u>64,988</u>	<u>579,960</u>

Statements of Changes in Shareholders' Equity

The audited Statements of Changes in Shareholders' Equity of 3DBT for the period from the date of incorporation on 8 November 2018 to 30 November 2019 and the year ended 30 November 2020 are set out below:

	<i>Note</i>	<i>Share capital £</i>	<i>Share premium £</i>	<i>Retained deficit £</i>	<i>Total equity £</i>
Balance on incorporation on 8 November 2018		–	–	–	–
Loss after taxation		–	–	(17,604)	(17,604)
<i>Total comprehensive loss for the period</i>		–	–	(17,604)	(17,604)
Issue of shares	13	60	79,999	–	80,059
<i>Transactions with owners</i>		60	79,999	–	80,059
Balance as at 30 November 2019 (Audited)		<u>60</u>	<u>79,999</u>	<u>(17,604)</u>	<u>62,455</u>
Loss after taxation		–	–	(101,852)	(101,852)
<i>Total comprehensive loss for the year</i>		–	–	(101,852)	(101,852)
Issue of shares	13	8	419,992	–	420,000
<i>Transactions with owners</i>		8	419,992	–	420,000
Balance as at 30 November 2020 (Audited)		<u>68</u>	<u>499,991</u>	<u>(119,456)</u>	<u>380,603</u>

Statements of Cash Flows

The audited Statements of Cash Flows of 3DBT for the period from the date of incorporation on 8 November 2018 to 30 November 2019 and the year ended 30 November 2020 are set out below:

	<i>Audited Period ended 30 November 2019 £</i>	<i>Audited Year ended 30 November 2020 £</i>
<i>Cash flows from operating activities</i>		
Loss before taxation	(17,392)	(89,760)
<i>Cash flow from operations reconciliation:</i>		
Depreciation and amortisation	–	7,899
Finance income	–	(21)
<i>Working capital adjustments:</i>		
Increase in inventories	–	(6,515)
Increase in other receivables and prepayments	(1,144)	(36,864)
Increase in trade and other payables	2,321	26,951
	<u>(16,215)</u>	<u>(98,310)</u>
Cash used in operations	(16,215)	(98,310)
Taxes received	–	2,126
	<u>(16,215)</u>	<u>(96,184)</u>
Net cash used in operating activities	(16,215)	(96,184)
<i>Cash flows from investing activities</i>		
Purchase of property, plant and equipment	(1,116)	(79,412)
Proceeds from disposals of property, plant and equipment	–	186
Finance income	–	21
	<u>(1,116)</u>	<u>(79,205)</u>
Net cash used in investing activities	(1,116)	(79,205)
<i>Cash flows from financing activities</i>		
Proceeds from issues of shares	80,024	420,035
	<u>80,024</u>	<u>420,035</u>
Net cash from financing activities	80,024	420,035
Net increase in cash and cash equivalents	<u>62,693</u>	<u>244,646</u>
Cash and cash equivalents – beginning of the period / year	–	62,693
Cash and cash equivalents – end of the year / period	<u>62,693</u>	<u>307,339</u>

Notes to the 3DBT Financial Information

1. General information

3DBT was incorporated on 8 November 2018 with registered number 11666403 as a private company with limited liability under the Companies Act 2006.

Its principal activities are that of bio-tech research into tissue materials for clinical and consumer use.

The registered office is The Biosphere, Draymans Way, Newcastle Helix, Newcastle upon Tyne NE4 5BX.

2. Basis of preparation and measurement

(a) *Basis of preparation*

The 3DBT Financial Information has been prepared in accordance with UK-adopted international accounting standards (“IFRS”).

Unless otherwise stated, the 3DBT Financial Information is presented in Pounds Sterling (£) which is the currency of the primary economic environment in which 3DBT operates.

The 3DBT Financial Information has been prepared under the historical cost convention except for certain financial instruments that have been measured at fair value.

The 3DBT Financial Information has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. The Directors have reviewed 3DBT’s overall position and outlook and are of the opinion that 3DBT is sufficiently well funded to be able to operate as a going concern for at least the next twelve months from the date of this Document.

(b) *New standards and interpretations*

Adopted

IFRS 16 “Leases”

In January 2016, the IASB issued IFRS 16 “Leases”. The standard establishes the principles for the recognition, measurement, presentation and disclosure of leases for both the lessee and lessor. The standard requires all lease transactions (with terms in excess of 12 months) to be recognised on the Statement of Financial Position as lease assets and lease liabilities, and to depreciate lease assets separately from interest on lease liabilities in the Statement of Comprehensive Income. IFRS 16 “Leases” replaces the previous lease standard, IAS 17 “Leases”, and related interpretations. This standard became effective on 1 January 2019. Early adoption is permitted only if 3DBT also applies IFRS 15 “Revenue from Contracts with Customers”. The standard can be applied using either the full retrospective approach or a modified retrospective approach at the date of adoption. 3DBT has adopted IFRS 16 “Leases” with effect from entering its first lease arrangements in October 2020.

3DBT has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

IAS 1 “Presentation of Financial Statements” and IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors (Amendment – Definition of Material)”

The amendments provide a new definition of material that states “*information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.*”

The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the 3DBT Financial Information. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the 3DBT Financial Information.

Definition of Material - Amendments to IAS 1 “*Presentation of Financial Statements*” and IAS 8 “*Accounting Policies, Changes in Accounting Estimates and Errors*”. The new definition states that “*information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting group*”.

Except for IFRS 16, these amendments had no impact on the 3DBT Financial Information.

New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that 3DBT has decided not to adopt early. The most significant of these are as follows:

Effective for annual periods beginning on or after 1 January 2021:

IBOR reform and its effects on financial report – phase 2:

In April 2020, the IASB issued exposure draft 2020/1, proposing amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 relating to interest rate benchmark reform (‘IBOR – phase 2’). The IASB issued the final amendments in August 2020, which are mandatorily effective for annual periods beginning on or after 1 January 2021.

Effective for annual periods beginning on or after 1 January 2022:

- Annual Improvements to IFRSs - 2018- 2020 cycle
- IAS 16 Property, Plant and Equipment (Amendment – Proceeds before Intended Use)
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment – Onerous Contracts – Cost of Fulfilling a Contract)
- IFRS 3 Business Combinations (Amendment – Reference to the Conceptual Framework)

Effective for annual periods beginning on or after 1 January 2023

- IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment – Classification of Liabilities as Current or Non-current)*

* In January 2020, the IASB issued amendments to IAS 1 “*Presentation of Financial Statements*”, which clarify the criteria used to determine whether liabilities are classified as current or non-current. These amendments clarify that current or non-current classification is based on whether an entity has a right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. The amendments also clarify that “*settlement*” includes the transfer of cash, goods, services, or equity instruments unless the obligation to transfer equity instruments arises from a conversion feature classified as an equity instrument separately from the liability component of a compound financial instrument.

The Directors anticipate that these new standards, interpretations and amendments will be adopted in future financial information of 3DBT as and when they are applicable and adoption of these new standards, interpretations and amendments, will be reviewed for their impact on future financial information of 3DBT prior to their initial application.

3. Significant accounting policies

The preparation of the 3DBT Financial Information in compliance with IFRS requires the Directors to exercise judgement in applying 3DBT’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the 3DBT Financial Information are disclosed in Note 4 “*Significant accounting judgements, estimates and assumptions*” to the 3DBT Financial Information.

(a) Property, plant and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment initially recognised includes its purchase price

and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by 3DBT.

Property, plant and equipment are generally depreciated on a straight-line basis over their estimated useful lives:

Plant and equipment	20-33 per cent. straight line
---------------------	-------------------------------

Property and equipment held under leases are depreciated over the shorter of the lease term and estimated useful life.

(b) ***Research and development expenditure***

Research expenditure is recognised as an expense when it is incurred.

Development expenditure is recognised as an expense except that costs incurred on development projects are capitalised as long-term assets to the extent that such expenditure is expected to generate future economic benefits. Development expenditure is capitalised if, and only if an entity can demonstrate all of the following:

- its ability to measure reliably the expenditure attributable to the asset under development;
- the product or process is technically and commercially feasible;
- its future economic benefits are probable;
- its ability to use or sell the developed asset; and
- the availability of adequate technical, financial and other resources to complete the asset under development.

(c) ***Impairment of financial assets***

IFRS 9 “*Financial Instruments*” requires an expected credit loss model to be adopted. The expected credit loss model requires 3DBT to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. The credit event does not have to occur before credit losses are recognised. IFRS 9 “*Financial Instruments*” allows for a simplified approach for measuring the loss allowance at an amount equal to lifetime expected credit losses for trade receivables and contract assets.

3DBT has one type of financial asset subject to the expected credit loss model: receivables.

The expected loss rates are based on the company’s historical credit loss experience, adjusted for current and forward-looking information on macroeconomic factors affecting 3DBT’s customers.

(d) ***Impairment of non-financial assets***

At each reporting date, the Directors assess whether indications exist that an asset may be impaired. If indications do exist, or when annual impairment testing for an asset is required, the Directors estimate the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or cash-generating unit’s fair value less costs to sell and its value-in-use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the Directors consider the asset impaired and write the subject asset down to its recoverable amount. In assessing value-in-use, the Directors discount the estimated future cash flows 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. In determining fair value less costs to sell, the Directors consider recent market transactions, if available. If no such transactions can be identified, the directors utilise an appropriate valuation model.

When applicable, 3DBT recognises impairment losses of continuing operations in the “*Statements of Comprehensive Income*” in those expense categories consistent with the function of the impaired asset.

(e) ***Right-of-use assets***

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Right-of-use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

3DBT has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(f) ***Leases***

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of 12 months or less.

Identifying leases

3DBT accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

- there is an identified asset;
- the company obtains substantially all the economic benefits from use of the asset; and
- the company has the right to direct use of the asset.

The Directors consider whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether 3DBT obtains substantially all the economic benefits that arise from use of the asset, the Directors consider only the economic benefits that arise from use of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether 3DBT has the right to direct use of the asset, the Directors consider whether 3DBT directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Directors consider whether 3DBT was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, 3DBT applies other applicable IFRSs rather than IFRS 16 “*Leases*”.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case 3DBT’s incremental borrowing rate on commencement of the lease is used.

Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the company if it is reasonably certain to assess that option; and
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When 3DBT revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

(g) **Taxation**

Deferred taxation

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the 3DBT Financial Information. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and expected to apply when the related deferred tax is realised or the deferred liability is settled.

Deferred tax assets are recognised to the extent that it is probable that the future taxable profit will be available against which the temporary differences can be utilised.

Income taxation

Current income tax assets and liabilities are measured at the amount to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the jurisdictions where 3DBT operates and generates taxable income.

(h) **Revenue from contracts with customers**

3DBT's revenue represents the fair value of the consideration received or receivable for the rendering of services and sale of goods, net of value added tax. In particular:

Research revenues

3DBT provides research services to other third-party research companies. Revenue for these services are recognised as the services are performed and the obligations are discharged, or if there are no key performance obligations, straight line over the relevant period.

(i) **Grants receivable**

3DBT recognises grant income only when there is reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received. Grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

(j) **Employee benefits**

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if 3DBT has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Long-term benefits

Defined contribution plans

The “*Statements of Comprehensive Income*” expense for the defined contribution pension plans operated represent the contributions payable for the year.

(k) **Cash and cash equivalents**

For the purpose of presentation in the “*Statements of Cash Flows*”, cash and cash equivalents include cash on hand and deposits held at call with financial institutions.

(l) **Trade and other receivables**

Trade and receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(m) **Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is based on the first-in-first-out principle and includes expenditure incurred in acquiring the inventories and other costs in bringing them to their existing location and condition.

(n) **Provisions**

A provision is recognised when 3DBT has a present obligation, legal or constructive, as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

(o) **Contingent liabilities**

Contingent liabilities are possible obligations whose existence depends on the outcome of uncertain future events or present obligations where the outflow of resources is uncertain or cannot be measured reliably. Contingent liabilities are not recognised in the 3DBT Financial Information but are disclosed unless they are remote.

(p) **Segmental reporting**

The Directors consider that 3DBT has one reportable segment, namely that of bio-tech research.

4. Significant accounting judgements, estimates and assumptions

The Directors have made the following judgements which may have a significant effect on the amounts recognised in the 3DBT Financial Information:

(a) **Impairment of non-financial assets**

IFRS requires the Directors to undertake an annual test for impairment of indefinite lived assets and, for finite lived assets, to test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Impairment testing is an area involving judgement in determining estimates, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including the Directors' expectations of:

- growth in EBITDA, calculated as adjusted operating profit before depreciation and amortisation;
- the level of capital expenditure to support long-term growth; and
- the selection of discount rates to reflect the risks involved.

The Directors prepare and approve cash flow projections which are used in the fair value calculations.

Changing the assumptions selected by the Directors, in particular the discount rate and growth rate assumptions used in the cash flow projections, could significantly affect their impairment evaluation and hence 3DBT's results.

(b) **Research and development costs**

Research expenditure is recognised in the "Statements of Comprehensive Income" in the period in which it is incurred. Development expenditure is recognised in the "Statements of Comprehensive Income" in the period in which it is incurred unless it is probable that economic benefits will flow to 3DBT from the asset being developed, the cost of the asset can be reliably measured and technical feasibility can be demonstrated, in which case it is capitalised as an intangible asset on the statement of financial position.

Initial capitalisation of costs is based on the Directors' judgement that technological and economic feasibility of the asset is confirmed, usually when a development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, the Directors have made assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. Capitalisation ceases when the asset being developed is ready for use.

Cost of internally generated intangible assets comprise of directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by the company. More specifically, time spent that is eligible for capitalisation includes time that is intrinsic to the development of know-how. Development costs that do not meet the above criteria are expensed as it is incurred.

At 30 November 2020, the carrying amount of capitalised development costs was £nil (30 November 2019: £nil).

(c) **Right-of-use assets**

At the commencement of a lease, an initial assessment is made as to whether or not it is likely that a renewal option will be exercised and therefore the lease term is determined at this point. Judgement as to the likely lease term has a direct impact on the calculation of right-of-use assets and lease liabilities as well as related depreciation and finance expenses. The Directors have assumed that the company will not extend its lease terms.

5. Other operating income

	<i>Audited Period ended 30 November 2019</i>	<i>Audited Year ended 30 November 2020</i>
<i>Other operating income</i>	£	£
Grant income	459	18,606
Total other operating income	<u>459</u>	<u>18,606</u>

6. Expenses by nature

	<i>Audited Period ended 30 November 2019</i>	<i>Audited Year ended 30 November 2020</i>
	£	£
<i>Cost of sales</i>	–	–
Research costs	–	10,339
Total cost of sales	<u>–</u>	<u>10,339</u>
	<i>Audited Period ended 30 November 2019</i>	<i>Audited Year ended 30 November 2020</i>
	£	£
<i>Administrative expenses</i>		
Staff costs	6,655	73,300
Property costs	–	1,890
Legal and professional costs	9,206	11,442
Depreciation	–	7,899
Other	1,990	2,479
Total administrative expenses	<u>17,851</u>	<u>97,010</u>

An audit fee of £2,000 for each of the period ended 30 November 2019 and the year ended 30 November 2020 was paid by the Company, a company whose directors are both non-executive directors of 3DBT.

7. Staff costs

	<i>Audited Period ended 30 November 2019</i>	<i>Audited Year ended 30 November 2020</i>
	£	£
<i>Aggregate staff costs (including directors)</i>		
Wages and salaries	6,422	70,715
Social security and other payroll taxes	126	1,223
Pension costs	107	1,362
Total staff costs	<u>6,655</u>	<u>73,300</u>
	<i>Audited Period ended 30 November 2019</i>	<i>Audited Year ended 30 November 2020</i>
	No.	No.
<i>Average monthly number of employees</i>		
Directors	1	1
Research staff	1	2
	<u>2</u>	<u>3</u>

Remuneration of key management personnel

Key management personnel of 3DBT comprised the directors. The emoluments and benefits of key management personnel were as follows:

	<i>Audited Period ended 30 November 2019</i>	<i>Audited Year ended 30 November 2020</i>
	<i>£</i>	<i>£</i>
<i>Remuneration of key management personnel</i>		
Wages and salaries	–	10,000
Social security costs	–	153
Totals	<u>–</u>	<u>10,153</u>

8. Taxation

Income taxes are provided for the tax effects of transactions reported in the 3DBT Financial Information and consist of taxes currently due, plus deferred taxes related to differences between the basis of assets and liabilities for financial and income tax reporting.

For the taxable year ended 30 November 2020, 3DBT had a tax expense of £12,092 (30 November 2019: £212). The effective tax rate was 13.5 per cent. for the year ended 30 November 2020 (30 November 2019: (1.2) per cent.). The effective tax rate was primarily impacted by loss carryovers for which no deferred tax asset was recognised, and other deferred tax and permanent differences, such as disallowable expenditure.

The components of the provision for taxation on income included in the “*Statements of Comprehensive Income*” for the periods presented are summarised below:

	<i>Audited Period ended 30 November 2019</i>	<i>Audited Year ended 30 November 2020</i>
	<i>£</i>	<i>£</i>
<i>Current income tax credit</i>		
Research and development tax credit	–	(2,126)
Total current income tax credit	–	(2,126)
Deferred income tax expense		
Deferred tax expense	212	14,218
Total deferred income tax expense	212	14,218
Total income tax expense	<u>212</u>	<u>12,092</u>

The differences between the statutory income tax rate and the effective tax rates are summarised as follows:

	<i>Audited Period ended 30 November 2019</i>	
	<i>£</i>	<i>%</i>
Expected tax at statutory UK income tax rate of 19%	(3,304)	19.0
Increase/(decrease) in tax resulting from:		
Tax losses/(utilised) carried forward	1,809	(10.4)
Capital allowances less depreciation	212	(1.2)
Non-deductible expenditure	1,495	(8.6)
	<u>212</u>	<u>(1.2)</u>

	<i>Audited</i>	
	<i>Year ended</i>	
	<i>30 November 2020</i>	
	£	%
Expected tax at statutory UK income tax rate of 19%	(17,054)	19.0
Increase/(decrease) in tax resulting from:		
Research and development enhanced allowance	(2,126)	2.4
Tax losses/(utilised) carried forward	15,701	(17.5)
Capital allowances less depreciation	14,218	(15.7)
Non-deductible expenditure	1,457	(1.6)
Other	(104)	(0.1)
	<u>12,092</u>	<u>(13.5)</u>

3DBT had a deferred tax liability of £14,430 as at 30 November 2020 (30 November 2019: £212). The deferred tax liabilities relate to taxable temporary differences.

The movements in deferred tax liabilities are summarised as follows:

	<i>Audited</i>	<i>Audited</i>
	<i>Period</i>	<i>Year</i>
	<i>ended</i>	<i>ended</i>
	<i>30 November</i>	<i>30 November</i>
	<i>2019</i>	<i>2020</i>
	£	£
Balance brought forward	–	212
Deferred tax expense	212	14,218
Balance carried forward	<u>212</u>	<u>14,430</u>

As at 30 November 2020, 3DBT had £98,089 of tax losses available to be carried forward against future profits, (30 November 2019: £3,841).

9. Property, plant and equipment

<i>Cost</i>	<i>Equipment</i>
	£
As at 8 November 2018	–
Additions	1,116
As at 30 November 2019	<u>1,116</u>
Additions	79,412
Disposals	(186)
As at 30 November 2020	<u>80,342</u>
Depreciation	
As at 8 November 2018	–
Charge for the period	–
As at 30 November 2019	<u>–</u>
Charge for the period	2,711
As at 30 November 2020	<u>2,711</u>
Net book value	
As at 30 November 2019	<u>1,116</u>
As at 30 November 2020	<u>77,631</u>

10. Right-of-use assets

	<i>Land and buildings</i>
<i>Cost</i>	<i>£</i>
As at 8 November 2018	–
Additions	–
As at 30 November 2019	<u>–</u>
Additions	155,655
As at 30 November 2020	<u><u>155,655</u></u>
<i>Depreciation</i>	
As at 8 November 2018	–
Depreciation	–
As at 30 November 2019	<u>–</u>
Depreciation	5,188
As at 30 November 2020	<u><u>5,188</u></u>
Net book value	
As at 30 November 2019	<u>–</u>
As at 30 November 2020	<u><u>150,467</u></u>

3DBT leases land and buildings for its offices and laboratory under a five-year agreement. The lease has an initial rent-free period with break-clauses annually after 12 months. The lease does not provide for an extension to the five-year term and no extension to the lease has been assumed.

Lease liabilities

	<i>Audited</i>	<i>Audited</i>
	<i>As at</i>	<i>As at</i>
	<i>30 November</i>	<i>30 November</i>
	<i>2019</i>	<i>2020</i>
	<i>£</i>	<i>£</i>
Balance brought forward	–	–
Additions	–	155,655
Lease payments	–	–
Balance carried forward	<u>–</u>	<u><u>155,655</u></u>

Future minimum lease payments associated with the land and building leases were as follows:

	<i>Audited</i> <i>As at</i> <i>30 November</i> <i>2019</i> £	<i>Audited</i> <i>As at</i> <i>30 November</i> <i>2020</i> £
Not later than one year	–	33,711
Later than one year and not later than two years	–	36,210
Later than two years and not later than five years	–	101,684
Total minimum lease payments	–	171,605
Less: Future finance charges	–	(15,950)
Present value of minimum lease payments	–	155,655
<i>Analysed as:</i>		
Non-current liabilities	–	125,115
Current liabilities	–	30,540
Right-of-use lease liabilities	–	155,655

Impact of IFRS 16 “Leases” on the statements of comprehensive income

The following tables summarises the effect of IFRS 16 “Leases” on the company’s profit/loss before tax for each period presented:

	<i>Audited</i> <i>Period ended</i> <i>30 November</i> <i>2019</i> £	<i>Audited</i> <i>Year ended</i> <i>30 November</i> <i>2020</i> £
Loss before tax excluding lease charges	(17,392)	(83,534)
Depreciation of right-of use assets	–	(5,188)
Lease finance expense	–	(1,038)
Loss before tax and after lease charges	(17,392)	(89,760)

11. Inventories

	<i>Audited</i> <i>As at</i> <i>30 November</i> <i>2019</i> £	<i>Audited</i> <i>As at</i> <i>30 November</i> <i>2020</i> £
Raw materials and laboratory consumables	–	6,515
Total inventories	–	6,515
Cost of inventory recognised in profit and loss	–	6,357

12. Other receivables and prepayments

	<i>Audited</i> <i>As at</i> <i>30 November</i> <i>2019</i> <i>£</i>	<i>Audited</i> <i>As at</i> <i>30 November</i> <i>2020</i> <i>£</i>
Prepayments	1,144	5,310
VAT receivable	–	14,086
Other receivables	35	18,612
Total other receivables and prepayments	<u>1,179</u>	<u>38,008</u>

13. Share capital and share premium

The following table summarises the share capital of 3DBT for the periods presented:

	<i>Number of</i> <i>ordinary</i> <i>shares</i>	<i>Number of</i> <i>X shares</i>	<i>Number of</i> <i>deferred</i> <i>shares</i>	Share capital £	Share premium £	Totals £
<i>Note</i>	<i>No.</i>	<i>No.</i>	<i>No.</i>			
Balance as of 8 November 2018	(a) 1	–	–	1	–	1
Sub-division of ordinary shares	9,999	–	–	–	–	–
Issue of ordinary shares and X shares	(b) 90,000	500,000	–	59	79,999	80,058
Balance as at 30 November 2019	<u>100,000</u>	<u>500,000</u>	<u>–</u>	<u>60</u>	<u>79,999</u>	<u>80,059</u>
Reclassification	(c) –	(500,000)	500,000	–	–	–
Issue of ordinary shares	(e) 76,470	–	–	8	419,992	420,000
Balance as at 30 November 2020	<u>176,470</u>	<u>–</u>	<u>500,000</u>	<u>68</u>	<u>499,991</u>	<u>500,059</u>

The changes to the issued share capital of 3DBT during the period are as follows:

- (a) The initial share capital on incorporation was 1 ordinary share of £1.00 par value. This was converted into 10,000 ordinary shares of £0.0001 each 9 August 2019.
- (b) On 9 August 2019, a further 90,000 ordinary shares of £0.0001 shares were issued. Of these, 10,000 ordinary shares which had an aggregate nominal value of £1 were allotted for an aggregate consideration of £80,000. The remaining 80,000 Ordinary shares were allotted for an aggregate consideration of £8. On the same date 500,000 X shares of £0.0001 were issued at par for an aggregate consideration of £50.
- (c) On 1 June 2020, the X shares were reclassified as deferred shares with no capital or income or voting rights.
- (d) As at 30 November 2019, 54,000 ordinary shares were unpaid and 300,000 X shares (totalling £35) were unpaid (of which 250,000 X shares had been issued to a 3DBT director. Settlement for these shares was made on 18 December 2019.
- (e) On 1 June 2020, 76,470 ordinary shares of £0.0001 each were allotted for an aggregate consideration of £420,000.

Ordinary shareholders are entitled to receive dividends as declared from time-to-time and are entitled to one vote per ordinary share.

14. Fair value and financial instruments

(a) *Fair value*

The fair value of an asset or liability is the price that would be received to sell that asset or paid to transfer that liability in an orderly transaction occurring in the principal market (or most advantageous market in the absence of a principal market) for such asset or liability. In estimating fair value, the Directors utilise valuation techniques that are consistent with the market approach, the income approach and/or the cost approach. Such valuation techniques are consistently applied. Inputs to valuation techniques include the assumptions that market participants would use in pricing an asset or liability. IFRS 13 “*Fair Value Measurement*” establishes a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is defined as follows:

Level 1: Inputs are unadjusted, quoted prices in active markets for identical assets at the measurement date.

Level 2: Inputs (other than quoted prices included in Level 1) can include the following:

- observable prices in active markets for similar assets;
- prices for identical assets in markets that are not active;
- directly observable market inputs for substantially the full term of the asset; and
- market inputs that are not directly observable but are derived from or corroborated by observable market data.

Level 3: Unobservable inputs which reflect the Directors’ best estimates of what market participants would use in pricing the asset at the measurement date.

All financial instruments measured at fair value use Level 3 valuation techniques for the each of periods presented.

Level 2 fair value measurements are those including inputs other than quoted prices included within Level 1 that are observable for the asset or liability directly or indirectly.

There were no transfers between fair value levels during the periods presented.

(b) *Financial instruments*

For trade receivables, 3DBT applies the simplified approach permitted by IFRS 9 “*Financial Instruments*”, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities are initially measured at fair value and subsequently measured at amortised cost.

3DBT is not a financial institution. 3DBT does not apply hedge accounting and its customers are considered creditworthy and pay consistently within agreed payments terms.

A classification of 3DBT's financial instruments for the periods presented is included in the table below:

	<i>Audited</i> <i>As at</i> <i>30 November</i> <i>2019</i> £	<i>Audited</i> <i>As at</i> <i>30 November</i> <i>2020</i> £
Cash and cash equivalents held at amortised cost	62,693	307,339
Financial assets at amortised cost	35	32,698
Financial liabilities at amortised cost	(2,321)	(29,272)
Right-of-use leases liabilities	–	(155,655)
Total	60,407	155,110

15. Financial risk management

For the purposes of capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of 3DBT. The primary objective of 3DBT's capital management is to ensure that 3DBT maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

To maintain or adjust the capital structure, the Directors may adjust any future dividend payments to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the periods presented.

The Directors manage 3DBT's capital structure and adjust it, in light of changes in economic conditions and the requirements of its financial covenants. 3DBT includes in its net debt, all loans and borrowings less cash and short-term deposits.

3DBT's principal financial liabilities comprise of borrowings and trade and other payables, which it uses primarily to finance its operations.

3DBT's principal financial assets include cash and cash equivalents and other receivables derived from its operations.

(a) *Market risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect 3DBT's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. 3DBT considers such risks are minimal as 3DBT is not exposed to significant foreign currency transactions and does not have borrowings other than right-of-use lease liabilities.

(b) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. 3DBT is not subject to this risk exposure as it has no borrowings.

(c) *Credit risk*

Credit risk is the risk that a customer or counterparty to a financial instrument will not meet its obligations under a contract and arises primarily from 3DBT's cash in banks and trade receivables.

(d) *Cash and cash equivalents*

3DBT assesses credit risk from its cash and cash equivalents on a regular basis before any credit losses are experienced. 3DBT considers such risk is limited as cash is held with banks with high credit ratings.

(e) *Other receivables*

The collectability of other receivables is dependent on the financial condition of each individual company as well as the general economic conditions of the industry. The Directors review the financial condition of companies prior to extending them credit and generally do not require collateral in support of 3DBT's other receivables. All other receivables are current and the Directors believe these receivables are collectible.

(f) *Liquidity risk*

Liquidity risk is the risk that 3DBT will not be able to meet its financial obligations as they are due. The Directors manage this risk by:

- maintaining adequate cash reserves through the use of 3DBT's cash from operations and the issue of shares; and
- continuously monitoring projected and actual cash flows to ensure the company maintains an appropriate amount of liquidity.

With the exception of its lease liabilities disclosed in Note 10 to the 3DBT Financial Information, all of 3DBT's financial obligations fall due for payment in less than 12 months.

16. Contingencies

There are no known contingencies which might impact on 3DBT's operations or financial position.

17. Related party transactions

The only related party transactions are the amounts of unpaid share capital described in Note 13 and the audit fees paid by the Company (Note 6 to the 3DBT Financial Information).

18. Material subsequent events

On 23 December 2021, 3DBT Limited and BSF Enterprise plc entered into a conditional share sale and purchase agreement (the "SPA"), pursuant to which BSF agreed to acquire the entire issued and to be issued share capital of 3DBT for a consideration of £2.5 million to be satisfied by the issue of the Consideration Shares to the Sellers fully paid at the Placing Price.

19. Ultimate controlling party

As at 30 November 2020, 3DBT did not have any one identifiable controlling party.

20. Nature of the 3DBT Financial Information

The 3DBT Financial Information presented above does not constitute statutory financial statements for the periods under review.

SECTION D – CONDENSED INTERIM FINANCIAL INFORMATION OF 3DBT

Condensed Statements of Comprehensive Income

The unaudited Condensed Statements of Comprehensive Income of 3DBT for the six-month periods ended 31 May 2020 and 31 May 2021 are set out below:

		<i>Unaudited Period ended 31 May 2020 £</i>	<i>Unaudited Period ended 31 May 2021 £</i>
Revenue	5	–	19,343
Cost of sales	6	(120)	(4,602)
		<u>(120)</u>	<u>14,741</u>
Gross (loss)/profit			
Administrative expenses	6,7	(25,205)	(138,646)
Other operating income	8	–	18,584
		<u>(25,325)</u>	<u>(105,321)</u>
Operating loss			
Finance expense – right-of-use lease liabilities	11	–	(3,030)
		<u>(25,325)</u>	<u>(108,351)</u>
Loss before taxation			
Taxation	9	–	26,878
		<u>(25,325)</u>	<u>(81,473)</u>
Loss after taxation			
Total comprehensive loss for the period		<u><u>(25,325)</u></u>	<u><u>(81,473)</u></u>

Condensed Statements of Financial Position

The unaudited Condensed Statement of Financial Position of 3DBT as at 31 May 2021, together with the audited Statement of Financial Position as at 30 November 2020 are set out below:

	<i>Audited</i>	<i>Unaudited</i>
	<i>As at</i>	<i>As at</i>
	<i>30 November</i>	<i>31 May</i>
<i>Note</i>	<i>2020</i>	<i>2021</i>
	<i>£</i>	<i>£</i>
ASSETS		
Property, plant and equipment	10 77,631	78,205
Right-of-use assets	11 150,467	134,901
Non-current assets	<u>228,098</u>	<u>213,106</u>
Inventories	12 6,515	16,441
Trade receivables	13 –	10,000
Other receivables and prepayments	14 38,008	19,520
Cash and cash equivalents	<u>307,339</u>	<u>212,105</u>
Current assets	<u>351,862</u>	<u>258,066</u>
Total assets	<u>579,960</u>	<u>471,172</u>
EQUITY AND LIABILITIES		
Share capital	68	68
Share premium	499,991	499,991
Retained deficit	<u>(119,456)</u>	<u>(200,929)</u>
Total equity	<u>380,603</u>	<u>299,130</u>
Right-of-use lease liabilities	11 125,115	112,026
Deferred tax liability	9 14,430	14,859
Total non-current liabilities	<u>139,545</u>	<u>126,885</u>
Trade and other payables	22,582	12,881
Accrued liabilities	6,690	1,224
Right-of-use lease liabilities	11 30,540	31,052
Total current liabilities	<u>59,812</u>	<u>45,157</u>
Total liabilities	<u>199,357</u>	<u>172,042</u>
Total liabilities and equity	<u>579,960</u>	<u>471,172</u>

Condensed Statements of Changes in Shareholders' Equity

The unaudited Condensed Statements of Changes in Shareholders' Equity of 3DBT for the six-month periods ended 31 May 2021 and 31 May 2020 are set out below:

	<i>Share capital</i> £	<i>Share premium</i> £	<i>Retained deficit</i> £	<i>Total equity</i> £
Balance as at 30 November 2019 (audited)	60	79,999	(17,604)	62,455
Loss after taxation	–	–	(25,325)	(25,325)
<i>Total comprehensive loss for the period</i>	–	–	(25,325)	(25,325)
Balance as at 31 May 2020 (Unaudited)	60	79,999	(42,929)	37,130
Balance as at 30 November 2020 (audited)	68	499,991	(119,456)	380,603
Loss after taxation	–	–	(81,473)	(81,473)
<i>Total comprehensive loss for the period</i>	–	–	(81,473)	(81,473)
Balance as at 31 May 2021 (Unaudited)	68	499,991	(200,929)	299,130

Condensed Statements of Cash Flows

The unaudited Condensed Statements of Cash Flows of 3DBT for the six-month periods ended 31 May 2020 and 30 May 2021 are set out below:

	<i>Unaudited Period ended 31 May 2020</i>	<i>Unaudited Period ended 31 May 2021</i>
	£	£
<i>Cash flows from operating activities</i>		
Loss before taxation	(25,325)	(108,351)
<i>Cash flow from operations reconciliation:</i>		
Depreciation and amortisation	187	24,431
<i>Working capital adjustments:</i>		
(Increase) in inventories	(403)	(9,926)
(Increase)/decrease in other receivables and prepayments	(108)	8,488
Increase/(decrease) in trade and other payables	321	(15,167)
Net cash used in operations	<u>(25,328)</u>	<u>(100,525)</u>
Taxes received	–	27,307
Net cash used in operating activities	<u>(25,328)</u>	<u>(73,218)</u>
<i>Cash flows from investing activities</i>		
Purchase of property, plant and equipment	(869)	(9,439)
Net cash used in investing activities	<u>(869)</u>	<u>(9,439)</u>
<i>Cash flows from financing activities</i>		
Proceeds from issue of shares	35	–
Repayment of lease liabilities	–	(12,577)
Net cash from/(used in) financing activities	<u>35</u>	<u>(12,577)</u>
Net decrease in cash and cash equivalents	<u>(26,162)</u>	<u>(95,234)</u>
Cash and cash equivalents – beginning of the period	62,693	307,339
Cash and cash equivalents – end of the period	<u>36,531</u>	<u>212,105</u>

Notes to the 3DBT Condensed Interim Financial Information

1. General information

3DBT was incorporated on 8 November 2018 with registered number 11666403 as a private company with limited liability under the Companies Act 2006.

Its principal activities are that of bio-tech research into tissue materials for clinical and consumer use.

The registered office is The Biosphere, Draymans Way, Newcastle Helix, Newcastle upon Tyne NE4 5BX.

2. Basis of preparation

The 3DBT Condensed Interim Financial Information has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and International Accounting Standard 34 “*Interim Financial Reporting*” (IAS 34).

Unless otherwise stated, the 3DBT Condensed Interim Financial Information is presented in Pounds Sterling (£) which is the currency of the primary economic environment in which 3DBT operates.

The 3DBT Condensed Interim Financial Information has been prepared under the historical cost convention except for certain financial instruments that have been measured at fair value.

The 3DBT Condensed Interim Financial Information has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. The Directors have reviewed 3DBT’s overall position and outlook and are of the opinion that 3DBT is sufficiently well funded to be able to operate as a going concern for at least the next twelve months from the date of this Document.

3. Significant accounting policies

The 3DBT Condensed Interim Financial Information has been prepared in accordance with the accounting policies used in preparing the 3DBT Financial Information set out in Note 3 “*Significant accounting policies*” of Section C “*Historical Financial Information of 3DBT*” of Part IX “*Historical Financial Information*” of this Document.

4. Significant accounting judgements, estimates and assumptions

The 3DBT Condensed Interim Financial Information has been prepared in accordance with the judgements, estimates and assumptions used in preparing the 3DBT Financial Information set out in Note 4 “*Significant accounting judgements, estimates and assumptions*” of Section C “*Historical Financial Information of 3DBT*” of Part IX “*Historical Financial Information*” of this Document.

5. Revenue

	<i>Unaudited</i> <i>Period ended</i> <i>31 May</i> <i>2020</i> <i>£</i>	<i>Unaudited</i> <i>Period ended</i> <i>31 May</i> <i>2021</i> <i>£</i>
Research revenues	–	19,343
Total revenue	<u>–</u>	<u>19,343</u>

3DBT provides research services to other third-party research companies. Revenue for these services is recognised as the services are performed and the obligations are discharged, or if there are no key performance obligations, on a straight-line basis over the relevant period.

6. Expenses by nature

	<i>Unaudited</i> <i>Period ended</i> <i>31 May</i> <i>2020</i> <i>£</i>	<i>Unaudited</i> <i>Period ended</i> <i>31 May</i> <i>2021</i> <i>£</i>
<i>Cost of sales</i>		
Purchases and consumables	120	4,413
Import duty	–	189
Total cost of sales	<u>120</u>	<u>4,602</u>

	<i>Unaudited</i> <i>Period ended</i> <i>31 May</i> <i>2020</i> <i>£</i>	<i>Unaudited</i> <i>Period ended</i> <i>31 May</i> <i>2021</i> <i>£</i>
<i>Administrative expenses</i>		
Staff costs	22,990	67,385
Property costs	–	23,200
Legal and professional costs	711	35,386
Depreciation	187	9,314
Other	1,317	3,361
Total administrative expenses	<u>25,205</u>	<u>138,646</u>

7. Staff costs

	<i>Unaudited</i> <i>Period ended</i> <i>31 May</i> <i>2020</i> <i>£</i>	<i>Unaudited</i> <i>Period ended</i> <i>31 May</i> <i>2021</i> <i>£</i>
<i>Aggregate staff costs (including directors)</i>		
Wages and salaries	22,500	62,354
Social security and other payroll taxes	–	4,042
Pension costs	490	989
Total staff costs	<u>22,990</u>	<u>67,385</u>

	<i>Unaudited</i> <i>Period ended</i> <i>31 May</i> <i>2020</i> <i>No.</i>	<i>Unaudited</i> <i>Period ended</i> <i>31 May</i> <i>2021</i> <i>No.</i>
<i>Average monthly number of employees</i>		
Directors	1	1
Research staff	2	3
	<u>3</u>	<u>4</u>

Remuneration of key management personnel

Key management personnel of 3DBT comprised the directors. The emoluments and benefits of key management personnel were as follows:

	<i>Unaudited</i> <i>Period ended</i> <i>31 May</i> <i>2020</i> <i>£</i>	<i>Unaudited</i> <i>Period ended</i> <i>31 May</i> <i>2021</i> <i>£</i>
<i>Remuneration of key management personnel</i>		
Wages and salaries	–	20,000
Social security costs	–	2,153
Totals	<u>–</u>	<u>22,153</u>

8. Other operating income

	<i>Unaudited</i> <i>Period ended</i> <i>31 May</i> <i>2020</i> <i>£</i>	<i>Unaudited</i> <i>Period ended</i> <i>31 May</i> <i>2021</i> <i>£</i>
<i>Other operating income</i>		
Grant income	–	18,584
Total other operating income	<u>–</u>	<u>18,584</u>

The grant income comprises government grants to undertake research and development activities on 3DBT's templating technology.

9. Taxation

Income taxes are provided for the tax effects of transactions reported in the 3DBT Financial Information and consist of taxes currently due, plus deferred taxes related to differences between the basis of assets and liabilities for financial and income tax reporting.

For the taxable period ended 31 May 2021, 3DBT had a tax credit of £26,878 (31 May 2020: expense of £nil). The effective tax rate was 24.8 per cent. for the six-month period ended 31 May 2021 (31 May 2020: nil per cent.). The effective tax rate was primarily impacted by loss carryovers for which no deferred tax asset was recognised, and other deferred tax and permanent differences, such as disallowable expenditure.

The components of the provision for taxation on income included in the “*Condensed Statements of Comprehensive Income*” for the periods presented are summarised below:

	<i>Unaudited</i> <i>Period ended</i> <i>31 May</i> <i>2020</i> <i>£</i>	<i>Unaudited</i> <i>Period ended</i> <i>31 May</i> <i>2021</i> <i>£</i>
<i>Current income tax credit</i>		
Research and development tax credit	–	(27,307)
Total current income tax credit	<u>–</u>	<u>(27,307)</u>
Deferred income tax expense		
Deferred tax expense	–	429
Total deferred income tax expense	<u>–</u>	<u>429</u>
Total income tax credit	<u>–</u>	<u>(26,878)</u>

The differences between the statutory income tax rate and the effective tax rates are summarised as follows:

	<i>Unaudited</i>	
	<i>Period ended 31 May 2021</i>	
	<i>£</i>	<i>per cent.</i>
Expected tax at statutory UK income tax rate of 19 per cent.	(20,587)	19.0
Increase/(decrease) in tax resulting from:		
Research and development tax credits	(9,673)	8.9
Capital allowances less depreciation	(166)	0.2
Tax losses carried forward	3,535	(3.3)
Non-deductible expenditure	13	–
	<u>(26,878)</u>	<u>24.8</u>
	<i>Unaudited</i>	
	<i>Period ended 31 May 2020</i>	
	<i>£</i>	<i>per cent.</i>
Expected tax at statutory UK income tax rate of 19 per cent.	(4,812)	19.0
Increase/(decrease) in tax resulting from:		
Tax losses/(utilised) carried forward	5,135	(20.3)
Capital allowances less depreciation	(342)	1.3
Non-deductible expenditure	19	–
	<u>–</u>	<u>–</u>
	<u>–</u>	<u>–</u>

3DBT had a deferred tax liability of £14,859 as at 31 May 2021 (31 May 2020: £342). The deferred tax liabilities relate to taxable temporary differences.

The movements in deferred tax liabilities are summarised as follows:

	<i>Unaudited</i>	<i>Unaudited</i>
	<i>Period ended</i>	<i>Period ended</i>
	<i>31 May</i>	<i>31 May</i>
	<i>2020</i>	<i>2021</i>
	<i>£</i>	<i>£</i>
Balance brought forward	212	14,430
Deferred tax expense	130	429
Balance carried forward	<u>342</u>	<u>14,859</u>

As at 31 May 2021, 3DBT had £124,710 of tax losses available to be carried forward against future profits, (31 May 2020: £30,864).

10. Property, plant and equipment

<i>Cost</i>	<i>Equipment</i>
	<i>£</i>
As at 30 November 2020 (<i>audited</i>)	80,342
Additions	9,439
As at 31 May 2021 (<i>unaudited</i>)	<u>89,781</u>
Depreciation	
As at 30 November 2020 (<i>audited</i>)	2,711
Charge for the period	8,865
As at 30 November 2020	<u>11,576</u>
Net book value	
As at 30 November 2020 (<i>audited</i>)	<u>77,631</u>
As at 31 May 2021 (<i>unaudited</i>)	<u>78,205</u>

11. Right-of-use assets

	<i>Land and buildings £</i>
<i>Cost</i>	
As at 30 November 2020 (<i>audited</i>)	155,655
Additions	–
As at 31 May 2021 (<i>unaudited</i>)	<u>155,655</u>
Depreciation	
As at 30 November 2020 (<i>audited</i>)	5,188
Depreciation	15,566
As at 31 May 2021 (<i>unaudited</i>)	<u>20,754</u>
Net book value	
As at 30 November 2020 (<i>audited</i>)	<u>150,467</u>
As at 31 May 2021 (<i>unaudited</i>)	<u>134,901</u>

3DBT leases land and buildings for its offices and laboratory under a five-year agreement. The lease has an initial rent-free period with break-clauses annually after 12 months. No extension to the lease has been assumed.

Lease liabilities

	<i>Audited As at 30 November 2020 £</i>	<i>Unaudited As at 31 May 2021 £</i>
Balance brought forward	–	155,655
Additions	155,655	–
Lease payments	–	(12,577)
Balance carried forward	<u>155,655</u>	<u>143,078</u>

Future minimum lease payments associated with the land and building leases were as follows:

	<i>Audited As at 30 November 2020 £</i>	<i>Unaudited As at 31 May 2021 £</i>
Not later than one year	33,711	36,210
Later than one year and not later than two years	36,210	36,210
Later than two years and not later than five years	101,684	83,579
Total minimum lease payments	171,605	155,999
Less: Future finance charges	(15,950)	(12,921)
Present value of minimum lease payments	<u>155,655</u>	<u>143,078</u>
<i>Analysed as:</i>		
Non-current liabilities	125,115	112,026
Current liabilities	30,540	31,052
Right-of-use lease liabilities	<u>155,655</u>	<u>143,078</u>

Impact of IFRS 16 “Leases” on the statement of comprehensive income

The following tables summarises the effect of IFRS 16 “Leases” on the company’s profit / loss before tax for each period presented:

	<i>Unaudited Period ended 31 May 2020 £</i>	<i>Unaudited Period ended 31 May 2021 £</i>
Loss before tax excluding lease charges	(25,325)	(89,755)
Depreciation of right-of use assets	–	(15,566)
Lease finance expense	–	(3,030)
Loss before tax and after lease charges	(25,325)	(108,351)

12. Inventories

	<i>Audited As at 30 November 2020 £</i>	<i>Unaudited As at 31 May 2021 £</i>
Raw materials and laboratory consumables	6,515	16,441
Provision for obsolescence	–	–
Total inventories	6,515	16,441
Cost of inventory recognised in profit and loss	6,357	4,602

13. Trade receivables

Trade receivables are current and the Directors believe these receivables are fully collectible. The Directors consistently assess the collectability of these receivables.

	<i>Audited As at 30 November 2020 £</i>	<i>Unaudited As at 31 May 2021 £</i>
Trade receivables	–	10,000
Total trade receivables	–	10,000

14. Other receivables and prepayments

	<i>Audited As at 30 November 2020 £</i>	<i>Unaudited As at 31 May 2021 £</i>
Prepayments	5,310	10,764
VAT receivable	14,086	8,750
Other receivables	18,612	6
Total other receivables and prepayments	38,008	19,520

15. Material subsequent events

On 23 December 2021, 3DBT Limited and BSF Enterprise plc entered into a conditional share sale and purchase agreement (the “SPA”), pursuant to which BSF agreed to acquire the entire issued and to be issued share capital of 3DBT for a consideration of £2.5 million to be satisfied by the issue of the Consideration Shares to the Sellers fully paid at the Placing Price.

16. Ultimate controlling party

As at 31 May 2021, 3DBT did not have any one identifiable controlling party.

17. Nature of the 3DBT Condensed Interim Financial Information

The 3DBT Condensed Interim Financial Information presented above does not constitute statutory financial statements for the periods under review.

PART X

PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

SECTION A – ACCOUNTANT’S REPORT ON THE PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP



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27 April 2022

The Directors
BSF Enterprise plc
C/o Locke Lord (UK) LLP
201 Bishopsgate
London EC2M 3AB

Dear Sirs and Madams,

Introduction

We report on the unaudited pro forma Statement of Financial Position of BSF Enterprise plc (the “Company”) as at 30 September 2021 and on the unaudited pro forma Statement of Comprehensive Income for the year then ended (together, the “Pro Forma Financial Information”) set out in Section B “*Pro Forma Financial Information*” of Part X “*Pro Forma Financial Information of the Enlarged Group*” of the Company’s prospectus dated 27 April 2022 (the “Document”).

Opinion

In our opinion:

- the Pro Forma Financial Information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of the Company.

Responsibilities

It is the responsibility of the directors of the Company (the “Directors”) to prepare the Pro Forma Financial Information in accordance with Section 1 and Section 2 of Annex 20 of the UK version of the Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the “Prospectus Regulation”).

It is our responsibility to form an opinion, in accordance with Section 3 of Annex 20 of the Prospectus Regulation, as to the proper compilation of the Pro-Forma Financial Information and to report that opinion to you in accordance with Section 3 of Annex 20 of the Prospectus Regulation.

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

Basis of preparation

The Pro Forma Financial Information has been prepared on the basis described, for illustrative purposes only, to provide information about how:

- the acquisition by the Company of 3D Bio-Tissues Limited (“3DBT”); and
- the issues of the placing shares and the warrants to the placees and the broker; and
- and settlement of the associated costs

might have affected the assets, liabilities, equity and earnings presented on the basis of the accounting policies adopted by the Company in preparing the Company’s audited financial information for the year ended 30 September 2021. This report is required by Section 3 of Annex 20 of the UK Prospectus Regulation and is given for the purpose of complying with that requirement and for no other purpose.

Basis of opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of the Company and 3DBT in accordance with the Financial Reporting Council’s Ethical Standard, as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the Directors.

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 reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Declaration

For the purpose of Prospectus Regulation Rule 5.3.2R(2)(f), we are responsible for this report as part of the 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 Document in compliance with item 1.2 of Annex 1 of the Prospectus Regulation.

Yours faithfully,

Crowe U.K. LLP
Chartered Accountants

SECTION B – PRO FORMA FINANCIAL INFORMATION

Set out below is the unaudited pro forma Statement of Financial Position of the Company as at 30 September 2021 and the unaudited pro forma Statement of Comprehensive Income for the year then ended (together, the “Pro Forma Financial Information”). The Pro Forma Financial Information has been prepared on the basis of the accounting policies adopted by the Company in preparing its audited financial information for the year ended 30 September 2021, incorporated by reference in Section A “*Historical Financial Information of the Company*” of Part IX “*Historical Financial Information*” of this Document and on the basis set out in the notes below, to illustrate the effects of:

- the Acquisition;
- the issues of the Placing Shares, the Placing Warrants and the Broker Warrants; and
- settlement of the Placing and Admission costs,

on the assets, liabilities and equity of the Company had the Acquisition, the issues of the Placing Shares, the Placing Warrants, the Broker Warrants and settlement of the Placing and Admission costs occurred on 30 September 2021 and on its earnings for the year then ended had the Acquisition, the issues of the Placing Shares, the Placing Warrants, the Broker Warrants and settlement of the Placing and Admission costs occurred on 1 October 2020.

The Pro Forma Financial Information has been prepared for illustrative purposes only. Due of its nature, the Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent the Company’s actual financial position as at 30 September 2021 or of its earnings for the year then ended. It is based on:

- the Company Financial Information incorporated by reference in Section A “*Historical Financial Information of the Company*” of Part IX “*Historical Financial Information*” of this Document;
- the 3DBT Financial Information included Section C “*Historical Financial Information of 3DBT*” of Part IX “*Historical Financial Information*” of this Document; and
- the 3DBT Condensed Interim Financial Information included Section D “*Condensed Interim Financial Information of 3DBT*” of Part IX “*Historical Financial Information*” of this Document.

Users should read the whole of this Document and not rely solely on the Pro Forma Financial Information contained in this Section B “*Pro Forma Financial Information*” of Part X “*Pro Forma Financial Information of the Enlarged Group*” of this Document.

The report on the Pro Forma Financial Information is set out in Section A “*Accountant’s Report on the Pro Forma Financial Information of the Enlarged Group*” of Part X “*Pro Forma Financial Information of the Enlarged Group*” of this Document.

Unaudited pro forma Statement of Financial Position

	<i>Company As at 30 September 2021 (Note 1) £</i>	<i>Adjustment 3DBT As at 31 May 2021 (Note 2) £</i>	<i>Adjustment Acquisition of 3DBT (Note 3) £</i>	<i>Adjustment Placing, Warrants and settlement of costs (Note 4) £</i>	<i>Pro forma balances as at 30 September 2021 £</i>
Property, plant and equipment	–	78,205	–	–	78,205
Right-of-use assets	–	134,901	–	–	134,901
Non-current assets	–	213,106	–	–	213,106
Inventories	–	16,441	–	–	16,441
Trade receivables	–	10,000	–	–	10,000
Prepayments	12,760	10,764	–	–	23,524
Other receivables	28,818	8,756	–	–	37,574
Cash and cash equivalents	359,868	212,105	–	1,335,000	1,906,973
Current assets	401,446	258,066	–	1,335,000	1,994,512
Total assets	401,446	471,172	–	1,335,000	2,207,618
Share capital	203,400	68	338,932	237,449	779,849
Share premium	407,984	499,991	1,659,439	1,104,817	3,672,231
Warrant reserve	–	–	–	75,153	75,153
Reverse acquisition reserve	–	–	(2,218,472)	–	(2,244,939)
Retained deficit	(246,568)	(200,929)	246,568	(82,419)	(283,348)
Equity	364,816	299,130	–	1,335,000	1,998,946
Right-of-use lease liabilities	–	112,026	–	–	112,026
Deferred tax liability	–	14,859	–	–	14,859
Non-current liabilities	–	126,885	–	–	126,885
Trade and other payables	12,880	12,881	–	–	25,761
Accrued liabilities	23,750	1,224	–	–	24,974
Right-of-use lease liabilities	–	31,052	–	–	31,052
Current liabilities	36,630	45,157	–	–	81,787
Total liabilities	36,630	172,042	–	–	208,672
Equity and liabilities	401,446	471,172	–	1,335,000	2,207,618

Unaudited pro forma Statement of Comprehensive Income

	<i>Company</i>	<i>Adjustment</i>		<i>Adjustment</i>	
	<i>Year ended</i>	<i>3DBT</i>	<i>Adjustment</i>	<i>Placing and</i>	<i>Pro forma</i>
	<i>30 September</i>	<i>30 November</i>	<i>Acquisition</i>	<i>Settlement</i>	<i>results</i>
	<i>2021</i>	<i>2020</i>	<i>of 3DBT</i>	<i>of costs</i>	<i>£</i>
	<i>(Note 1)</i>	<i>(Note 2)</i>	<i>(Note 3)</i>	<i>(Note 4)</i>	<i>£</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Cost of sales	–	(10,339)	–	–	(10,339)
Gross profit	–	(10,339)	–	–	(10,339)
Administrative expenses	(110,669)	(97,010)	–	(82,419)	(290,098)
Other operating income	52,344	18,606	–	–	70,950
Operating loss	(58,325)	(88,743)	–	(82,419)	(229,487)
Finance income	–	21	–	–	21
Finance costs	–	(1,038)	–	–	(1,038)
Loss before taxation	(58,325)	(89,760)	–	(82,419)	(230,504)
Taxation	–	(12,092)	–	–	(12,092)
Loss after taxation	(58,325)	(101,852)	–	(82,419)	(242,596)

Notes

- The audited financial information of the Company as at 30 September 2021 and the year then ended has been extracted, without adjustment, from the audited Company financial information incorporated by reference in Section A “*Historical Financial Information of the Company*” of Part IX “*Historical Financial Information*” of this Document.
- With respect to the Statement of Financial Position, the unaudited interim financial information of 3DBT as at 31 May 2021 has been extracted, without adjustment, from the unaudited 3DBT Condensed Interim Financial Information included in Section D “*Condensed Interim Financial Information of 3DBT*” of Part IX “*Historical Financial Information*” of this Document.

With respect to the Statement of Comprehensive Income, the audited financial information of 3DBT for the year ended 30 November 2020 has been extracted, without adjustment, from the audited 3DBT Financial Information included in Section C “*Historical Financial Information of 3DBT*” of Part IX “*Historical Financial Information*” of this Document.
- The adjustment represents the acquisition by the Company of the entire issued share capital of 3DBT, satisfied by the issue of 33,900,003 Consideration Shares at 7.37p each for consideration of £2,498,430.

The adjustment of £338,932 to “*share capital*” represents the nominal value of the 33,900,003 Consideration Shares of £339,000, less the cancellation of the value of 3DBT’s issued share capital of £68 on consolidation.

The adjustment of £1,659,439 to “*share premium*” represents the share premium arising on the issue of the 33,900,004 Consideration Shares of £2,159,430, less the cancellation of the value of 3DBT’s share premium of £499,991 on consolidation.

The adjustment of £2,244,939 to the “*reverse acquisition reserve*” represents the difference on consolidation arising from the value of the Company’s investment in 3DBT of £2,498,430, less the carrying values of 3DBT’s share capital of £68 and share premium of £499,991 and the carrying value of the Company’s retained deficit of £246,568.

The adjustment of £246,568 to “*retained deficit*” represents the cancellation of the Company’s retained deficit on consolidation.
- The adjustment of £1,335,000 to “*cash and cash equivalents*” reflects the issues of the Placing Shares at the Placing Price, the Placing Warrants and the Broker Warrants, less settlement of associated costs of £415,000. The Placing comprises the issue of 23,744,912 Placing Shares at 7.37p per Placing Share, resulting in an increase to “*share capital*” of £237,449 and an increase to “*share premium*” of £1,512,551. The issue of the Warrants comprises the aggregate issue of 11,872,456 Placing Warrants and 447,761 Broker Warrants, both at 15p each. Using the Black-Scholes pricing model, the valuation of each of the Placing Warrants and the Broker Warrants has been calculated at 0.61p each, giving rise to an aggregate value of the Warrants of £75,153. The issue of the Warrants results in an increase to the “*warrant reserve*” of £75,153 and a decrease to “*share premium*” of £75,153.

Of the £415,000 costs, £332,581 has been allocated against “*share premium*” and £82,419 allocated against the “*retained deficit*” in accordance with IFRS. This latter amount is reflected within “*administrative expenses*” in the pro forma Statement of Comprehensive Income, in accordance with IFRS.
- With respect to the adjustments to the unaudited pro forma Statement of Comprehensive Income, none will have a continuing impact on the Company.
- The Pro Forma Financial Information does not reflect any changes in the trading position, or any other changes arising from other transactions, since 30 September 2021 in respect of the Company or since 31 May 2021 with respect to 3DBT.

PART XI

TAXATION

Taxation in the United Kingdom

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

1. Tax treatment of UK investors

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

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

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

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

1.1. Dividends

Where the Company pays dividends, no UK withholding taxes are deducted at source. Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual Shareholders who are domiciled in the UK, and who hold their Ordinary Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.

Dividend income received by UK tax resident individuals will have a £2,000 annum dividend tax allowance. From 6 April 2022, dividend receipts in excess of £2,000 will be taxed at 8.75 per cent. for basic rate taxpayers, 33.75 per cent. for higher rate taxpayers and 39.35 per cent. for additional rate taxpayers.

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

1.2. Disposals of Ordinary Shares

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

The rate of capital gains tax on disposal of Ordinary Shares by basic rate taxpayers is 10 per cent., increasing to 20 per cent. for upper rate and additional rate taxpayers.

Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 19 per cent. and the rate will increase to 25 per cent. after 1 April 2023 for profits in excess of £250,000. Profits below £50,000 will continue to be taxed at 19 per cent., with profits between these values being subject to a marginal rate. The profit limits are reduced under certain circumstances and the 19 per cent. rate will not apply to close investment-holding companies.

1.3. *Further information for Shareholders subject to UK income tax and capital gains tax*

“Transactions in securities”

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HMRC to raise tax assessments so as to cancel “*tax advantages*” derived from certain prescribed “*transactions in securities*”.

2. Stamp Duty and Stamp Duty Reserve Tax

No UK stamp duty or stamp duty reserve tax will be payable on the allotment and issue of Ordinary Shares pursuant to the Placing.

Most investors will purchase existing Ordinary Shares using the CREST paperless clearance system and these acquisitions will be subject to stamp duty reserve tax at 0.5 per cent. Where Ordinary Shares are acquired using paper (i.e. non-electronic settlement), stamp duty will become payable at 0.5 per cent. if the purchase consideration exceeds £1,000.

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

THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO HIS TAX POSITION OR WHERE HE IS RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT HIS PROFESSIONAL ADVISER.

PART XII

CONSEQUENCES OF A STANDARD LISTING

As the Acquisition is classified as a Reverse Takeover, upon completion of the Acquisition, the Standard Listing of the Ordinary Shares will be cancelled and further applications will be made to the UK Listing Authority for the immediate re-admission of the Ordinary Shares (at such time comprising the Existing Ordinary Shares and the New Ordinary Shares) to Standard Listing (pursuant to Chapter 14 of the Listing Rules) and to trading on the Main Market of the London Stock Exchange. Listing Principles 1 and 2 as set out in Listing Rule 7.2.1 of the Listing Rules also apply to the Company, and the Company must comply with such Listing Principles. Premium Listing Principles 1 to 6 as set out in Listing Rule 7.2.1AR of the Listing Rules do not apply to the Company.

However, while the Company has a Standard Listing, it is not required to comply with the provisions of *inter alia*:

- Chapter 8 of the Listing Rules regarding the appointment of a sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The Company has not and does not intend to appoint such a sponsor in connection with the Placing and Admission.
- Chapter 9 of the Listing Rules relating to the ongoing obligations for companies admitted to the Premium List, which therefore does not apply to the Company.
- Chapter 10 of the Listing Rules relating to significant transactions. It should be noted therefore that the Acquisition did not require Shareholder consent;
- Chapter 11 of the Listing Rules regarding related party transactions. Nevertheless, the Company will not enter into any transaction which would constitute a 'related party transaction' as defined in Chapter 11 of the Listing Rules without specific prior approval of the Independent Directors;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares. In particular, the Company has not adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

It should be noted that the FCA will not have authority to (and will not) monitor the Company's compliance with any of the Listing Rules which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company so to comply. However, the FCA would be able to impose sanctions for non-compliance where the statements regarding compliance in this Document are themselves false, misleading or deceptive.

PART XIII

ADDITIONAL INFORMATION

1. Responsibility Statement

The Company, the Directors and the Proposed Director, whose names and functions appear in Part VI (Directors, Secretary Agents and Advisers) of this Document accept responsibility for the information contained in this Document. To the best of the knowledge of the Company, the Directors and the Proposed Director, the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.

2. The Company

- 2.1 The Company was incorporated in England and Wales on 5 September 2018 with the name BSF Enterprise Plc with the registration number 11554014 as a public company limited by shares. The Company has not changed its name since incorporation. The Company's LEI is 2138007PJT69H8FYLC06.
- 2.2 The Company is not regulated by the FCA or any financial services or other regulator. With effect from Admission, the Company will be subject to the Listing Rules and the Disclosure Guidance and Transparency Rules (and the resulting jurisdiction of the FCA), to the extent such rules apply to companies with a Standard Listing pursuant to Chapter 14 of the Listing Rules.
- 2.3 The Company is domiciled in the United Kingdom. The principal legislation under which the Company operates, and pursuant to which the Ordinary Shares have been created, is the Companies Act and the regulations made thereunder. The Company operates in conformity with its Articles and the laws of England and Wales.
- 2.4 The Company's registered office and principal place of business / operations is at c/o Locke Lord (UK) LLP, 201 Bishopsgate, London EC2M 3AB. The Company's telephone number is +44 (0)20 7861 9000. The Company's website is <https://www.bsfenterprise.com>. Information that is on the Company's website does not form part of this Document unless that information is incorporated by reference to this Document.
- 2.5 On incorporation of the Company, one Ordinary Share was issued to Mr Baker and one ordinary Share was issued to Ms Yang, each fully paid up and at a nominal value of £0.01.
- 2.6 On 15 January 2019, the Company issued, in aggregate, 5,000,000 Ordinary Shares paid up in full at £0.01 per share.
- 2.7 On 26 July 2019, the Company issued 15,340,000 Ordinary Shares at £0.05 per share pursuant to the placing in connection with the Company Admission.
- 2.8 On 15 January 2019, the Company adopted the Articles in substitution for and to the exclusion of the Company's then existing articles of association and operates in conformity with its constitution.
- 2.9 On 16 January 2019, the Company obtained its trading certificate pursuant to section 761 of the Companies Act.
- 2.10 As at the date of this Document, the Company did not have any subsidiaries.

3. Share Capital

3.1 The following table shows the issued and fully paid shares of the Company as at the date of this Document and immediately following Admission:

	<i>Number of Ordinary Shares issued and credited as fully paid</i>	<i>Amount paid up</i>
As at the date of this Document	20,340,002	£203,400.02
Immediately following Admission	85,783,409	£857,834.09

3.2 Following the Placing, and the issue of the Consideration Shares and the Restricted Shares the issued (fully paid) share capital of the Company will be £857,834.09 divided into 85,783,409 Ordinary Shares.

3.3 The Ordinary Shares are in registered form and are capable of being held in uncertificated form. The Company has applied to Euroclear for the New Ordinary Shares to be admitted to CREST with effect from Admission. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument. The Articles of Association will permit the holding of Ordinary Shares under CREST. CREST is a voluntary system and holders of Ordinary Shares who wish to retain share certificates will be able to do so.

4. AGM Authorities and Pre-Emption Rights

4.1 Pursuant to a resolution of the Shareholders passed at the AGM of the Company convened and held on 31 March 2021:

4.1.1 The Directors were authorised in accordance with section 551 of the Companies Act, to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (“**Relevant Securities**”) up to a maximum aggregate nominal amount of (i) £67,800, provided that such authority shall expire at the conclusion of the next annual general meeting of the Company or, if earlier, fifteen (15) months from the date of passing the resolution, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Relevant Securities to be granted and the Directors may allot shares or grant Relevant Securities pursuant to such offer or agreement notwithstanding that such authority has expired; and

4.1.2 The Directors were empowered in accordance with section 570 of the Companies Act, to allot equity securities of the Company (as defined in section 560 of the Companies Act) for cash pursuant to the general authorities conferred on them by the resolution referred to at paragraph 4.1.1 above as if section 561(1) of the Companies Act did not apply to any such allotment, provided that such power is limited to:

4.1.2.1 the allotment of equity securities in connection with a rights issue or any other offer to holders of Ordinary Shares in proportion (as nearly as practicable) to their respective holdings and to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

4.1.2.2 the allotment (otherwise than pursuant to sub-paragraph 4.1.2.1 above) of equity securities up to an aggregate nominal amount of £40,680,

provided that the authority or power detailed in paragraphs 4.1.2.1 and 4.1.2.2 above, shall expire at the conclusion of the annual general meeting of the Company, or if earlier, fifteen (15) months from the date of passing of the resolution save that that the Company may, before such expiry, make an offer or agreement which would or might require Relevant Securities to be allotted after such expiry and the Directors may allot equity securities in

pursuance of such an offer or agreement as if the power or authority conferred had not expired.

- 4.1.3 to convene a general meeting of the Company (other than an annual general meeting) on not less than 14 clear days' notice.

4.2 At the General Meeting, Resolutions are proposed, *inter alia* to:

- 4.2.1 authorise the Directors pursuant to section 551 of the Companies Act to allot Relevant Securities up to an aggregate nominal amount of:

4.2.1.1 £399,001 in accordance with the terms and conditions of the Acquisition Agreement;

4.2.1.2 £360,555 in connection with the Placing (including the Placing Warrants and Broker Warrants);

4.2.1.3 £31,195 in connection with the issue of Restricted Shares pursuant to the Restricted Share Agreements;

4.2.1.4 £571,889 (such amount to be reduced by the nominal amount of any Relevant Securities allotted pursuant to the authority referred to in sub-paragraph 4.2.1.5 below) in connection with a rights issue or any other pre-emptive offer, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

4.2.1.5 otherwise than pursuant to sub-paragraphs 4.2.1.1 to 4.2.1.4 above inclusive, £285,945 (such amount to be reduced by the nominal amount of any Relevant Securities allotted pursuant to the authority referred to in sub-paragraph 4.2.1.4 above in excess of £285,945).

- 4.2.2 empower the Directors pursuant to section 570 of the Companies Act, to allot equity securities (as defined in section 560 of the Companies Act) for cash pursuant to the authority referred to in paragraph 4.2.1, as if section 561(1) of the Companies Act did not apply to any such allotment, provided that this power shall be limited to:

4.2.2.1 the allotment of equity securities pursuant to the authorities referred to in sub-paragraphs 4.2.1.1 to 4.2.1.3 (inclusive) of paragraph 4.2.1;

4.2.2.2 the allotment of equity securities pursuant to the authority referred to by sub-paragraph 4.2.1.4 in connection with a rights issue or any other any other pre-emptive offer, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

4.2.2.3 otherwise than pursuant to sub-paragraphs 4.2.2.1 and 4.2.2.2 above, up to an aggregate nominal value of £128,675.

- 4.2.3 The authorities and powers referred to in paragraphs 4.2.1 and 4.2.2 shall, unless renewed, varied or revoked by the Company, expire at the conclusion of the annual general meeting of the Company to be held in 2023, or, if earlier, fifteen months from the date of passing the resolutions, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Relevant Securities to be granted and the Directors may allot shares or grant Relevant Securities pursuant to such offer or agreement notwithstanding that the authorities and powers may have expired. These authorities and powers will be in substitution for all previous authorities and powers conferred on the directors in accordance with section 551 of the Companies Act and in accordance with section 570 and 571 of the Companies Act to the extent not utilised at the date of that the resolutions are passed.

5. Information on the New Ordinary Shares

- 5.1 The New Ordinary Shares are Ordinary Shares of £0.01 each in the capital of the Company. The currency of the New Ordinary Shares is Pounds Sterling.
- 5.2 The New Ordinary Shares currently contain the rights set out in paragraph 7.3 below.
- 5.3 Trading in the Company's Ordinary Shares was suspended following application by the Company on 16 August 2021. Application has been made for the Ordinary Shares to be admitted to a Standard Listing on the Official List and to trading on the London Stock Exchange's Main Market for listed securities. It is expected that trading in the Company's Ordinary Shares will recommence on Admission and that Admission will become effective and unconditional dealings will commence at 8.00 a.m. on 17 May 2022.
- 5.4 The New Ordinary Shares have no restrictions on their transferability. All Ordinary Shares in the capital of the Company are freely transferrable save for the requirement of certain Shareholders not to transfer for a 12 month period from Admission (further details of the lock-in agreements are set out in paragraph 13.8).
- 5.5 Save as disclosed in this Document, as at the date of this Document, the Company will have no short, medium or long term indebtedness.
- 5.6 Save as disclosed in this Document:
- (a) there are no shares not representing capital;
 - (b) no share or loan capital of the Company has been issued or is proposed to be issued;
 - (c) no person has any preferential subscription rights for any shares of the Company;
 - (d) no Ordinary Shares are held by or on behalf of the Company by itself;
 - (e) no share or loan capital of the Company is convertible or unconditionally to be put under option or subject to warrant;
 - (f) no commissions, discounts, brokerages or other special terms have been granted by the Company since its incorporation in connection with the issue or sale of any share or loan capital of the Company; and
 - (g) the Ordinary Shares are freely transferrable.
- 5.7 The Ordinary Shares will be listed on the Official List and will be traded on the main market of the London Stock Exchange. The Ordinary Shares are not listed or traded on, and no application has been or is being made for the admission of the Ordinary Shares to listing or trading on any other stock exchange or securities market.
- 5.8 The New Ordinary Shares will on Admission, rank *pari passu* in all respects with the Ordinary Shares including the right to receive all dividends to other distributions hereafter declared, paid or made on the ordinary share capital of the Company.

6. Organisational structure, subsidiary undertakings and other holdings

- 6.1 Following Admission, the Company will be the holding company of the Enlarged Group with the Company's immediate subsidiary being 3D Bio-Tissues.
- 6.2 The audited historical financial information of the Company for the 3 years ended 30 September 2021, 30 September 2020 and 30 September 2019 are incorporated by reference in section A "Historical Financial Information of the Company" of Part IX "Historical Financial Information" of this Document.
- 6.3 The audited historical financial information of 3DBT from the date of incorporation on 8 November 2018 to 30 November 2019 and the year ended 30 November 2020 is included in Section C "Historical Financial Information of 3DBT" of Part IX "Historical Financial Information" of this Document.

- 6.4 The unaudited interim financial information of 3DBT for the 6 month period ended 31 May 2021 is included in Section D “Condensed Interim Financial Information of 3DBT” of Part IX “Historical Financial Information” of this Document.

7. Articles of Association of the Company

- 7.1 The articles of the company were adopted by a special resolution of the shareholders passed on 15 January 2019. A summary of the terms of the articles is set out below. the summary below is not a complete copy of the terms of the articles.

- 7.2 The articles contain no specific restrictions on the company’s objects and therefore, in accordance with section 31(1) of the Companies Act, the company’s objects are unrestricted.

- 7.3 The articles contain, *inter alia*, provisions to the following effect:

7.3.1 Variation of Class Rights

- 7.3.1.1 Subject to the Companies Act, whenever the capital of the Company is divided into different classes of shares, the rights attached to any class of shares in issue may (unless otherwise provided by the terms of issue of the shares of that class) from time to time be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of three-fourths in nominal value of the issued shares of the class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate meeting of such holders (but not otherwise).

- 7.3.1.2 The special rights conferred upon the holders of any shares or class of shares shall, unless otherwise provided by the Articles or the terms of issue of the shares concerned, be deemed not to be varied by the creation or issue of further shares ranking *pari passu* with them or subsequent to them.

7.3.2 Shares

Subject to the provisions of the Companies Act:

- 7.3.2.1 and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine, or in the absence of such determination, or so far as any such resolution does not make specific provision, as the Board may determine;

- 7.3.2.2 shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the holder on such terms and in such manner as the Board may determine; and

- 7.3.2.3 the Company may purchase any of its own shares (including any redeemable shares);

- 7.3.2.4 the directors may allot (with or without conferring a right of renunciation), grant options over, offer or otherwise deal with or dispose of shares in the company to such persons at such times and generally on such terms and conditions as they may determine. The directors may at any time after the allotment of any share, but before any person has been entered in the register as the holder, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the directors may think fit to impose.

7.3.3 Alteration of Capital

The Company may subject to the passing of a resolution authorising it to do so in accordance with the Companies Act:-

- 7.3.3.1 consolidate and divide all or any of its share capital into shares of a larger nominal amount than its existing shares;

- 7.3.3.2 sub-divide its shares or any of them into shares of smaller nominal amount, provided that in the sub-division, consolidation or division, the proportion between the amount paid and the amount, if any, unpaid on each resulting share shall be the same as it was in the case of the share from which that share is derived; and

the resolution pursuant to which any share is sub-divided may determine that as between the resulting shares one or more of such shares may be given any preference or advantage or be subject to any restriction as regards dividend, capital, voting or otherwise over the others or any other of such shares.

Subject to the provisions of the Companies Act, the Company may by special resolution reduce its share capital, any capital redemption reserve, any share premium account and any redenomination reserve in any way.

7.3.4 *General Meetings*

The Board may call general meetings and, on the requisition of members pursuant to the provisions of the Companies Act, shall forthwith convene a general meeting. If there are not sufficient Directors capable of acting to call a general meeting, any Director may call a general meeting. If there is no Director able to act, any two members may call a general meeting for the purpose of appointing Directors.

7.3.5 *Voting*

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, or on the withdrawal of any other demand for a poll, a poll is demanded by: -

- 7.3.5.1 the chairman of the meeting; or
- 7.3.5.2 at least five members present in person or by proxy having the right to vote at the meeting; or
- 7.3.5.3 a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting (excluding any voting rights attached to any shares held as treasury shares); or
- 7.3.5.4 a member or members present in person or by proxy holding shares in the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right (excluding any shares conferring a right to vote at the meeting which are held as treasury shares); or
- 7.3.5.5 any member present in person or by proxy in the case of a resolution to confer, vary, revoke or renew authority or approval for an off-market purchase by the Company of its own shares,

and a demand by a person as proxy for a member shall be the same as a demand by the member.

7.3.6 Subject to any rights or restrictions attached to shares and the Articles:

- 7.3.6.1 on a vote on a resolution on a show of hands at a meeting, every member who (being an individual) is present in person shall have one vote, and on a poll every member shall have one vote for every share of which he is the holder.
- 7.3.6.2 on a vote on a resolution on a show of hands at a meeting, every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has one vote save that a proxy has one vote for and one vote against the resolution if:-
- (a) the proxy has been duly appointed by more than one member entitled to vote on the resolution; and

- (b) the proxy has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against it.

7.3.7 ***Proxies***

All votes may be taken either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. A person appointed to act as a proxy need not be a member of the Company.

7.3.8 ***Directors***

Unless otherwise determined by ordinary resolution of the Company, the number of Directors shall not be less than two.

7.3.9 ***Appointment and Retirement of Directors***

Each Director shall retire from office and shall be eligible for reappointment at the third annual general meeting after the general meeting at which he was appointed or last reappointed. If the Company, at the meeting at which a Director retires under this Article, does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.

7.3.10 ***Borrowing Powers***

The Board may exercise all the powers of the Company to borrow money, to guarantee, to indemnify, to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company, to issue debentures and other securities and to give security, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.

7.3.11 ***Dividends***

Subject to the provisions of the Acts, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Board.

Without prejudice to any rights attached to any shares, the Company or the Board may fix a date, or a particular time on a date, as the record date by reference to which a dividend will be declared or paid or a distribution, allotment or issue made, and that date may be before, on or after the date on which the dividend, distribution, allotment or issue is declared, paid or made. In the absence of a record date being fixed, entitlement to any dividend, distribution, allotment or issue shall be determined by reference to the date on which the dividend is declared or the distribution, allotment or issue is made.

7.3.12 ***Capitalisation of Profits***

The Board may with the authority of an ordinary resolution of the Company:-

- 7.3.12.1 subject as subsequently provided in these Articles, resolve to capitalise all or any part of the profits of the Company to which this Article applies;
- 7.3.12.2 appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either:-
 - (a) in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively; or
 - (b) in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions;

or partly in one way and partly in the other;

- 7.3.12.3 in respect of any shares held as treasury shares, include, to the extent permitted by the Companies Act, the Company among the members entitled to the sum resolved to be capitalised notwithstanding that it is not entitled to any dividend in respect of such shares;
- 7.3.12.4 make such provision by the issue of fractional securities or by payment in cash or otherwise as it determines in the case of shares or debentures otherwise becoming distributable under this Article in fractions; and
- 7.3.12.5 authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

7.3.13 *Winding Up*

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Companies Act, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

8. **Other Relevant Laws and Regulation**

8.1 *Mandatory bid*

- 8.1.1 The City Code on Takeovers and Mergers (the “**Takeover Code**”) applies to the Company. Under the Takeover Code, where:
 - 8.1.1.1 any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which such person is already interested, and in which persons acting in concert with such person are interested) carry 30 per cent. Or more of the voting rights of a company; or
 - 8.1.1.2 any person who, together with persons acting in concert with such person, is interested in shares which in the aggregate carry not less than 30 per cent. Of the voting rights of a company but does not hold shares carrying more than 50 per cent. Of such voting rights and such person, or any person acting in concert with such person, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which such person is interested;
 - 8.1.1.3 such person shall, except in limited circumstances, be obliged to extend offers, on the basis set out in rules 9.3, 9.4 and 9.5 of the takeover code, to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights. Offers for different classes of equity share capital must be comparable; the takeover panel should be consulted in advance in such cases.
- 8.1.2 An offer under Rule 9 of the Takeover Code must be in cash and at the highest price paid for any interest in the shares by the person required to make an offer or any person acting in concert with such person during the 12 months prior to the announcement of the offer.
- 8.1.3 Under the Takeover Code, a ‘concert party’ arises where persons acting together pursuant to an agreement or understanding (whether formal or informal and whether or not in writing) actively co-operate, through an acquisition by them of an interest in shares in a company, to obtain or consolidate control of the company. ‘Control’ means holding, or aggregate holdings, of an interest in shares carrying 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give de facto control.

8.2 *Squeeze-out*

- 8.2.1 Under sections 979 to 982 of the Companies Act, if an offeror were to acquire 90 per cent. Of the ordinary shares it could then compulsorily acquire the remaining 10 per cent. It would do so by sending a notice to outstanding shareholders telling them that it will compulsorily acquire their shares, provided that no such notice may be served after the end of: (a) the period of three months beginning with the day after the last day on which the offer can be accepted; or (b) if earlier, and the offer is not one to which section 943(1) of the companies act applies, the period of six months beginning with the date of the offer.
- 8.2.2 Six weeks following service of the notice, the offeror must send a copy of it to the company together with the consideration for the ordinary shares to which the notice relates, and an instrument of transfer executed on behalf of the outstanding shareholder(s) by a person appointed by the offeror.
- 8.2.3 The company will hold the consideration on trust for the outstanding Shareholders.

8.3 *Sell-Out*

- 8.3.1 Sections 983 to 985 of the companies act also give minority shareholders in the company a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer relating to all the ordinary shares is made at any time before the end of the period within which the offer could be accepted and the offeror held or had agreed to acquire not less than 90 per cent. Of the ordinary shares, any holder of shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those shares. The offeror is required to give any shareholder notice of their right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period, or, if longer a period of three months from the date of the notice.
- 8.3.2 If a shareholder exercises their rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

8.4 *Shareholder Notification And Disclosure Requirements*

- 8.5 Shareholders are obliged to comply with the shareholding notification and disclosure requirements set out in chapter 5 of the DTRs. A shareholder is required pursuant to rule 5 of the DTRs to notify the company if, as a result of an acquisition or disposal of shares or financial instruments, the shareholder's percentage of voting rights of the company reaches, exceeds or falls below, 3 per cent. Of the nominal value of the company's share capital or any 1 per cent. threshold above that.
- 8.6 The DTRs can be accessed and downloaded from the FCA's website at <http://fshandbook.info/fs/html/FCA/DTR>. Shareholders are urged to consider their notification and disclosure obligations carefully as a failure to make a required disclosure to the company may result in disenfranchisement

9. Substantial Shareholders

9.1 Other than the shareholdings of the Directors and their connected persons which are set out in paragraph 20 of this Part XIII of this Document, the Company is aware that the following persons have at the Last Practicable Date an interest in, or will following Admission, be interested in, three (3) per cent. or more of the issued ordinary share capital of the Company:

<i>Shareholders with Over 3% shareholdings*</i>	<i>Number of Ordinary Shares held Prior to Admission</i>	<i>Per Cent. of issued share capital prior to Admission</i>	<i>Number of Consideration Shares received</i>	<i>Number of Placing Shares subscribed for</i>	<i>Restricted Shares issued on Admission</i>	<i>Ordinary Shares held at Admission</i>	<i>Per Cent. of issued share capital at Admission</i>
BSF Angel Funding Limited**	–	–	16,610,944	–	–	16,610,944	19.36
Che Connon Newcastle University Holdings Limited	–	–	9,028,731	–	3,899,246	12,927,977	15.07
Trade Hero Holdings Limited	–	–	6,915,624	–	–	6,915,624	8.06
Advance Plan Investments Limited***	6,000,000	29.50	–	–	–	6,000,000	6.99
	5,000,000	24.58	–	–	–	5,000,000	5.83

* Note 1 – The holdings of substantial shareholders immediately following Admission are based on the following assumptions: (i) the Placing having occurred and the Placing Shares having been issued; (ii) the issue of the Consideration Shares and (iii) the issue of the Restricted Shares under the Restricted Share Plan and the Restricted Share Agreements. On Admission, the holders of the New Ordinary Shares will not have special voting rights and the Ordinary Shares owned by them will rank *pari passu* in all respects with the holders of the Existing Ordinary Shares.

** Note 2 – Min Yang is a director of and holds approximately 11 per cent. of shares in ASF Group Ltd (ASX:AFA) which indirectly owns 50 per cent. of the issued share capital of BSF Angel Funding Limited.

*** Note 3 – Min Yang is the sole shareholder and director of Advance Plan Investments Limited.

9.2 The Company's share capital consists of Ordinary Shares with equal voting rights (subject to the Articles). No major Shareholder of the Company has any different voting rights from the other Shareholders.

9.3 Save as disclosed in this Document, there are no persons, so far as the Company is aware, who are or will be immediately following Admission holding voting rights (within the meaning of Rule 5 of the Disclosure Guidance and Transparency Rules) in three (3) per cent. or more of the Company's issued Ordinary Share capital, nor, so far as the Company is aware, are there any persons who as at the Last Practicable Date or immediately following Admission, directly or indirectly, jointly or severally, exercise or could exercise control over the Company. There are no arrangements known to the Company, the operation of which may at a subsequent date result in a change of control of the Company.

10. Capitalisation and indebtedness

Company

Capitalisation

The following table shows the Company's capitalisation as at 30 September 2021, as extracted from the Company's audited financial information incorporated by reference in Section A "Historical Financial Information of the Company" of Part IX "Historical Financial Information" of this Document:

	<i>Audited As at 30 September 2021 £</i>
Total Current Debt	
– Guaranteed	–
– Secured	–
– Unguaranteed/unsecured	–
Total Non-Current Debt (excluding current portion of long-term debt)	
– Guaranteed	–
– Secured	–
– Unguaranteed/unsecured	–
Shareholder's Equity	
Share capital	203,400
Share premium	407,984
Retained deficit	(246,568)
Total capitalisation	<u><u>364,816</u></u>

There have been no changes to the Group's capitalisation since 30 September 2021.

Indebtedness

The following table shows the Company's indebtedness as at 31 January 2022, extracted from the Company's unaudited management information as at that date:

	<i>Unaudited As at 31 January 2022 £</i>
A. Cash	198,761
B. Cash equivalents	–
C. Other current financial assets	–
D. Liquidity (A) + (B) + (C)	<u>198,761</u>
E. Current financial (including debt instruments, but excluding current portion of non-current financial debt)	–
F. Current portion of non-current financial debt	–
G. Current financial indebtedness (E) + (F)	<u>–</u>
H. Net current financial indebtedness (G) – (D)	<u>(198,761)</u>

	<i>Unaudited</i> <i>As at</i> <i>31 January</i> <i>2022</i> £
I. Non-current financial debt (excluding current portion and debt instruments)	–
J. Debt instruments	–
K. Non-current trade and other payables	–
L. Non-current financial indebtedness (I) + (J) + (K)	<u>–</u>
M. Total financial indebtedness (H) + (L)	<u>(198,761)</u>

There have been no changes to the Company's indebtedness since 31 January 2022.

3DBT

Capitalisation

The following table shows 3DBT's capitalisation as at 31 May 2021, as extracted from the unaudited 3DBT Condensed Interim Financial Information included in Section D "Condensed Interim Financial Information of 3DBT" of Part IX "Historical Financial Information" of this Document:

	<i>Unaudited</i> <i>As at</i> <i>31 May</i> <i>2021</i> £
<i>Total Current Debt</i>	
– Guaranteed	–
– Secured	31,052
– Unguaranteed/unsecured	–
Total Non-Current Debt (excluding current portion of long-term debt)	
– Guaranteed	–
– Secured	112,026
– Unguaranteed/unsecured	–
Shareholder's Equity	
Share capital	68
Share premium	499,991
Retained deficit	<u>(200,929)</u>
Total capitalisation	<u><u>442,208</u></u>

There have been no changes to 3DBT's capitalisation since 31 May 2021.

Indebtedness

The following table shows 3DBT's indebtedness as at 31 January 2022, extracted from 3DBT's unaudited management information as at that date:

	<i>Unaudited</i> <i>As at</i> <i>31 January</i> <i>2022</i> £
A. Cash	29,955
B. Cash equivalents	–
C. Other current financial assets	–
D. Liquidity (A) + (B) + (C)	<u>29,955</u>

	<i>Unaudited</i>
	<i>As at</i>
	<i>31 January</i>
	<i>2022</i>
	<i>£'000</i>
	<i>£</i>
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	–
F. Current portion of non-current financial debt	31,890
G. Current financial indebtedness (E) + (F)	31,890
H. Net current financial indebtedness (G) – (D)	1,935
I. Non-current financial debt (excluding current portion and debt instruments)	90,625
J. Debt instruments	–
K. Non-current trade and other payables	–
L. Non-current financial indebtedness (I) + (J) + (K)	90,625
M. Total financial indebtedness (H) + (L)	92,560

There have been no changes to 3DBT's indebtedness since 31 January 2022.

11. Significant Change

Company

- 11.1 There has been no significant change in either the financial performance or the financial position of the Company since 30 September 2021, being the date as at which the Company's audited financial information incorporated by reference in Section A "*Historical Financial Information of the Company*" of Part IX "*Historical Financial Information*" of this Document has been prepared.

3DBT

- 11.2 There has been no significant change in either the financial performance or the financial position of 3DBT since 31 May 2021, being the date as at which the unaudited 3DBT Condensed Interim Financial Information set out in Section D "*Condensed Interim Financial Information of 3DBT*" of Part IX "*Historical Financial Information*" of this Document has been prepared.

12. Litigation

- 12.1 There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the 12 months prior to the date of this document which may have, or have had in the recent past, significant effects on the financial position or profitability of the Company and/or the Enlarged Group.

13. Material Contracts

The following are all of the contracts (not being contracts entered into in the ordinary course of business) that have been entered into by the Enlarged Group in the period of two years prior to the date of this Document which are (i) material to the Company; or (ii) contain obligations or entitlements which are, or may be, material to the Company as at the date of this Document:

13.1 *Registrar Agreement*

The Registrar is responsible for providing share registration services to the Company under the terms of a registrars agreement dated 24 July 2019, for an initial period of 12 months from 16 April 2019. In certain circumstances, the parties will be entitled to terminate the agreement by giving 6 months' notice, or immediately if an insolvency event occurs in respect of the other party or in the case of material breach (including non-payment of fees due). The Company has agreed to pay the Registrar's fees in quarterly arrears in respect of its standard service. The basic fee comprises £1.60 per holding

per annum (subject to a minimum charge of £550 per quarter). The Registrar may, on 1 April each year, review its fee arrangements and will give the Company at least one month's written notice of any alteration to such charges. The Registrar agreement is governed by English law.

13.2 **Licence Agreement**

On 9 August 2019, and as varied by letter agreement on 18 March 2020, the University of Newcastle Upon Tyne (“**University**” or “**Licensor**”) and 3D Bio-Tissues (“**3DBT**” or “**Licensee**”) Limited entered into a Licence and Revenue Share Agreement, pursuant to which it was agreed that the University would grant to 3DBT a royalty free, exclusive, worldwide licence to develop, improve and use the intellectual property rights owned by the Licensor in relation to lipopeptides to increase stromal cell collagen and know how controlling cell anisotropy using curved substrates and the creation of transparent constructs (“**Licensed Rights**”) and to develop, improve, manufacture, use, sell or otherwise supply any products that incorporate or apply the Licensed Rights, (the “**Licence Agreement**”).

Under the terms of the Licence Agreement, the Licensor is entitled to continue to use the Licensed Rights, *inter alia*, in relation to its activities outside of the scope of the fields of in vitro culture of skin and muscle tissues (the “**Fields**”) and for non-commercial activities for academic and teaching purposes.

The Licensee is obliged to pay to the Licensor a royalty on net sales at the royalty rate of 5 per cent. (“**Net Sales Royalty Rate**”) on the price of any product sold that incorporates or applies the intellectual property under the Licence Agreement and a royalty rate of 15 per cent. (“**Net Receipts Royalty Rate**”) on any payment or non-monetary receipt received by the Licensee or its affiliates arising from sub-licensing or following an assignment trigger event (defined below), of any Licensed Rights within the Fields. The payment obligations remain in force for the duration of the patents and are not affected by assignment.

The Licensee is entitled to the assignment of the Licensed Rights subject to demonstration of achievement of the assignment trigger event as follows:

- (1) proof of receipt of £500,000 equity funding and successful execution of corresponding Investor Agreements; or
- (2) achievement of £100,000 of annual EBITDA (the “**Assignment Trigger Event**”).

The Assignment Trigger Event was achieved by the Licensee and subsequently an assignment agreement was executed by the parties on 1 June 2020 (further details of the Assignment Agreement can be found at paragraph 13.4 of this Part XIII) for the assignment by the Licensor to the Licensee of all rights, title and interest in and to the Licensed Rights. Assignment is subject to i) The grant by the Licensee to the Licensor of a non-exclusive, worldwide, royalty free, perpetual right to use the Licensed Rights in relation to its non-commercial activities and ii) the continuation of all royalty and revenue share payments under the Licence Agreement.

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

13.3 **Assignment Agreement**

On 1 June 2020, the University of Newcastle Upon Tyne (“**University**” or “**Assignor**”) and 3D Bio-Tissues (“**3DBT**” or “**Assignee**”) Limited entered into an Assignment Agreement pursuant to which it was agreed that, *inter alia*, the Assignor would assign with full title guarantee to the Assignee the Licensed Rights to the Assignee under the Licence Agreement (the “**Assigned Patents**”).

The Assignee is entitled to an exclusive right to commercially exploit the Assigned Patents, including the right to grant licenses to the Assigned Patents. The Assignee is obliged to continue royalty payments to the Assignor in respect of Net Sales and Net Receipts under the Licence Agreement. The Assignee is obliged to grant back to the Assignor a royalty-free, worldwide, non-exclusive, perpetual licence to the Assigned Patents for the sole purpose of academic, teaching, research or other wholly non-commercial use. The Assignment Agreement will remain in force for the duration of the Assigned Patents in any territory. The Assignment Agreement is governed by the laws of England and Wales.

13.4 *Employee Share Option Plan (“ESOP”)*

Subject to the passing of Resolution 5 the Company proposes to adopt the Employee Share Option Plan (“ESOP”) on Completion, which will allow for the grant of EMI options and non-approved share options over shares in the Company to be granted to selected individuals. An option will become exercisable at some future date and the participant will then have the right to acquire shares at a price (the “option price”) fixed when the option was granted. The ESOP will be administered by the board (as defined below).

Where the relevant conditions can be satisfied, the options will be granted as Enterprise Management Incentive options (“EMI options”) under schedule 5 to the Income Tax (Earnings and Pensions) Act 2003. Otherwise, the options will be granted as non-tax advantaged options.

The principal terms of the ESOP are as follows.

Eligibility

The board of directors of the Company (or its remuneration committee) (the “Board”) will select employees (including executive directors) to participate in the ESOP. Options may only be granted within (1) a period of 42 days from the day the ESOP is adopted (2) a period of 42 days immediately after the end of a close period affecting the Company or (3) any other period as the Board decides due to exceptional circumstances.

Option price

The price per share the participant has to pay to acquire the shares on exercise will be no less than the market value of the shares as at the date the option is granted (the “date of grant”) or the nominal value of the share (if higher). The market value of a share is the lesser of (a) the average market value of the share determined by reference to the opening price from 1 January to the closing price of 31 December in the year prior to the date of grant or (b) the mid-market value of the share as quoted on the London Stock Exchange on the business day immediately prior to the date of grant or the average mid-market price of the share as quoted on the London Stock Exchange in the three business days prior to the date of grant or (c) such other value as the Board determines to be the market value. Subject to the requirements of the listing rules, the Board may grant options with an option price which is lower than the market value of the shares as at the date of grant.

Exercise period

The option will first become exercisable on the third anniversary of the date of grant. It can then be exercised at any time up to the day before the tenth anniversary of the date of grant provided it does not lapse early under the terms of the ESOP.

Performance conditions

The Board has power to impose performance conditions which will need to be satisfied before an option can be exercised.

Cessation of employment

If the participant leaves the Company’s employment before the option is exercised (or serves or is served notice of termination), the treatment of the option will depend on the reason for leaving. A Good Leaver will keep the option in full and can exercise within a specified period while a Bad Leaver will lose the option. A Good Leaver is usually someone who dies or leaves by reason of ill health or incapacity, retirement, redundancy, sale of the participant’s employing subsidiary/business or another reason treated as a good leaver reason by the Board. A Bad Leaver is someone who leaves and is not a Good Leaver.

Allotment of shares

On a valid exercise of the option, the Board will arrange for shares to be issued to the participant as soon as practicable (usually within 30 days).

Suspension of allotment

No option can be exercised and no shares will be allotted on option exercise if the Company is in a close period or if the exercise or allotment will be in breach of applicable laws and regulations. Where this is the case, the shares will be allotted as soon as practicable. Exercise of option may also be suspended if the participant is subject to disciplinary investigations or similar.

Malus/clawback

If the Board so decides, shares acquired on option exercise may be subject to clawback for a period of 12 months if e.g. the participant is found guilty of gross misconduct or similar, if there is material misstatement in the Company's accounts or material failure in risk management.

Corporate event

In the event of a takeover or similar, the option will become exercisable for a limited period and if not exercised, will lapse.

Lapse of option

An option will lapse (i) if performance condition (if any) imposed is not satisfied (ii) immediately or within a certain period on cessation of employment (iii) within a certain period after a corporate event (iv) if the participant becomes bankrupt or if the participant tries to assign, charge or otherwise disposes of the option (v) on the day before the tenth anniversary of the date of grant.

Tax

Tax and employee national insurance contributions arising in respect of the options under the ESOP is the responsibility of the participant. The Board may also decide that as a condition for option exercise, the participant enters into an agreement to take on the responsibility of employer national insurance contributions.

Nature of benefits

Benefits under the ESOP are not pensionable.

Amendment

The Board has power to amend the terms of the ESOP provided that no amendment to the advantage of participants or eligible employees may be made to the definition of "Bad Leaver", "Employee", "Eligible Employee", "Good Leaver" "Market Value" and "Option Price", the exercise and lapse terms of the options and the limits of shares issuable under the ESOP without shareholders' approval (except for minor amendments to benefit the administration of the ESOP, to take account of a change in legislation, or to obtain or maintain favourable tax, exchange control or regulatory treatment for participant or for the Company or any Group Member). No amendment to the detriment of participants in respect of options already granted can be made without the consent of the majority of affected participants.

Overall limit

No more than 5 per cent. of the issued share capital of the Company from time to time shall be issued or issuable under the ESOP and other share option arrangements of the Company. At any time, the total market value (at the relevant dates of grant) of the shares that can be acquired on the exercise of all EMI Options over the shares must not exceed £3 million (or any other amount as may be specified by the legislation governing EMI Options at the relevant time).

Duration

The Board may terminate the ESOP at any time (but such termination will not affect the options already granted under the ESOP). The ESOP will in any event terminate on the tenth anniversary of the date it was adopted.

13.5 *Restricted Share Plan*

Subject to the passing of Resolution 4 the Company proposes to adopt the Restricted Share Plan on Completion, which will allow for the grant of shares to selected employees subject to restrictions and forfeiture risks which will be lifted after a certain period. It is intended that participants will be executive directors and senior employees of the Company. The Restricted Share Plan will be administered by the Board (as defined below).

The principal terms of the Restricted Share Plan are as follows are set out below.

On Admission, the Company proposes to issue an aggregate of 4,679,095 Ordinary Shares at a subscription price of nominal value per share pursuant to the Restricted Share Plan.

Eligibility

The board of directors of the Company (or its remuneration committee) (the “**Board**”) will select employees (including executive directors) to participate in the Restricted Share Plan. It is intended that participants will be executive directors and senior employees of the Company. Awards may only be granted within (1) a period of 42 days from the day the Restricted Share Plan is adopted (2) a period of 42 days immediately after the end of a close period affecting the Company or (3) any other period as the Board decides due to exceptional circumstances.

Subscription price

The participant will pay nominal value per share for the shares subject to the award.

Restrictions

For a period of three years from the date of the award (the “**employment period**”), the participant cannot sell, transfer or otherwise deal with the shares unless the Board agrees in writing. The Board may agree to a transfer subject to such conditions as it sees fit. Any attempt to deal with the shares without the Board’s consent will cause the award to lapse for the shares to be forfeited (i.e. the shares will be transferred back to the Company for no consideration). The Board has power to shorten the employment period if it sees fit.

Mechanism for holding shares during the employment period

The Board will determine the appropriate mechanism to ensure the shares are not disposed of without its agreement during the employment period. Generally, if the shares are issued in certificated form, the participant agrees to deposit the share certificate with the Company for the duration of the employment period. If the shares are not issued in certificated form, the participant may be asked to allow the title of the shares to be held by an entity nominated by the Company and undertake to comply with non-transfer and other restrictions. The participant further agrees to appoint the directors of the Company as attorney to deal with the shares during the employment period.

Performance conditions

The Board has power to impose performance conditions which will need to be satisfied during the employment period in order for the forfeiture risk to lift.

Voting

During the employment period, unless the Board otherwise decides, the participant cannot vote his shares.

Dividends

During the employment period, the participant will waive entitlement to dividends unless the Board specifies otherwise when the award is granted.

Cessation of employment

If the participant leaves the Company's employment during the employment period (or serves or is served notice of termination during the employment period), the treatment of the shares will depend on the reason for leaving. A Good Leaver will keep the shares (subject to any reduction to reflect the extent the performance target has been met) while a Bad Leaver will be compelled to sell the shares back to the Company (or to a nominee as the Company directs) for no consideration (or such other value to be determined by the Board). A Good Leaver is usually someone who dies or leaves by reason of ill health or incapacity, retirement, redundancy, sale of the participant's employing subsidiary/business or another reason treated as a good leaver reason by the Board. A Bad Leaver is someone who leaves and is not a Good Leaver.

Release of shares

At the end of the holding period, provided that the participant is still in employment and the performance condition (if any) is satisfied, the shares will generally be released to the participant and will no longer be subject to any restrictions (other than any in the articles of association of the Company which apply to shareholders generally).

Suspension of release

No shares will be released if the Company is in a close period or if the release will be in breach of applicable laws and regulations. Where this is the case, the shares will be released as soon as practicable. Release of shares may also be delayed if the participant is subject to disciplinary investigations or similar.

Malus/clawback

If the Board so decides, shares under the award may be subject to clawback for a period of up to 12 months after the date of their release if e.g. the participant is found guilty of gross misconduct or similar, if there is material misstatement in the Company's accounts or material failure in risk management.

Corporate event

In the event of a takeover or similar, the employment period will automatically end and the participant can sell all the shares as part of the event provided that the Directors may reduce the number of shares released to take into account the extent the performance target is met.

Tax

Tax and employee national insurance contributions arising in respect of the shares issued under the Restricted Share Plan is the responsibility of the participant. The Board may also decide that as a condition for releasing the shares, the participant enters into an agreement to take on the responsibility of employer national insurance contributions.

Amendment

The Board has power to amend the terms of the Restricted Share Plan provided that no amendment to the advantage of participants or eligible employees may be made to the eligibility, release and leaver provisions and the limit of shares issuable under the Restricted Share Plan without shareholders' approval (except for minor amendments to benefit the administration of the Restricted Share Plan, to take account of a change in legislation, or to obtain or maintain favourable tax, exchange control or regulatory treatment for participant or for the Company or any Group Member) and no amendment to the detriment of participants in respect of shares already issued can be made without the consent of the participants.

Overall limit

No more than 15 per cent. of the issued share capital of the Company from time to time shall be issued or issuable under the Restricted Share Plan and other grant of shares by the Company which are subject to restrictions and forfeiture risks.

Duration

The Board may terminate the Restricted Share Plan at any time (but such termination will not affect the shares already issued under the Restricted Share Plan). Restricted Share Plan will in any event terminate on the tenth anniversary of the date it was adopted.

13.6 ***Acquisition Agreement***

On 23 December 2021, the Company and the Sellers entered into the Acquisition Agreement, pursuant to which the Company conditionally agreed to acquire the entire issued and to be issued share capital of 3DBT for consideration of £2.5 million to be satisfied by the issue of the Consideration Shares to the Sellers fully paid at the Placing Price.

Under the Acquisition Agreement, the Company has the benefit of customary warranties relating to the business of 3DBT and, a tax indemnity, in each case given by the Sellers. The maximum liability of the Sellers under the non-taxation warranties is limited to 50 per cent. of the value of the Consideration Shares to be received by the Sellers at the Placing Price.

The Acquisition Agreements are conditional on, among other things, Admission occurring and the Resolutions being passed at the General Meeting, and may be terminated by the Company in certain customary limited circumstances, including where the Company becomes aware of a material breach of warranty or material breach of interim covenant prior to Admission.

13.7 ***Placing Agreement***

Pursuant to the Placing Agreement, between the Company and Shard Capital dated 26 April 2022, Shard Capital has agreed, subject to certain customary conditions, to use its reasonable endeavours to procure subscribers for the Placing Shares (with Placing Warrants attached) at the Placing Price.

Under the Placing Agreement, each Placee will also receive one Placing Warrant for every two Placing Shares subscribed for in the Placing and with each Placing Warrant entitling the holder to subscribe for one Ordinary Share at an exercise price of 15p per share at any time up and until the third anniversary of Admission.

The Placing Agreement is conditional on, amongst other things, Admission occurring by 8.00 a.m. on 17 May 2022 or by such later date as is agreed in writing between the Company and Shard Capital (being not later than 8.00 a.m. on 31 May 2022) and the Resolution numbered 1 being passed in the General Meeting.

The Placing Agreement contains certain customary representations and warranties from the Company in favour of Shard Capital, as to the accuracy of the information in this Document and certain other Placing documents, and certain other matters concerning the Enlarged Group. The Placing Agreement also contains a customary indemnity from the Company to Shard Capital and its associates in respect of certain claims and/or liabilities that may arise or be made against such indemnified persons in connection with the Placing and Admission.

Conditional on Admission, the Company has agreed to pay Shard Capital a corporate finance fee together with a commission of six per cent. based on the aggregate value of the Placing Shares procured by Shard Capital at the Placing Price, and to pay the costs and expenses of the Placing (plus any applicable VAT). In addition, the Company has agreed, conditionally on Admission, to issue the Broker Warrants to Shard Capital, which are exercisable at an exercise price of 15p per share at any time up and until the third anniversary of Admission and are non-transferable.

Shard Capital may terminate the Placing Agreement prior to Admission in certain circumstances, including, amongst other things, any breach by the Company of its obligations or warranties in the Placing Agreement or in certain customary force majeure circumstances. If the Placing Agreement is terminated, the Placing will not proceed and no shares will be issued under the Placing.

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

13.8 ***Lock In Agreements***

Pursuant to Lock in Agreements dated 26 April 2022, each of the Directors and the Sellers has undertaken to the Company that, save in certain specified and customary circumstances, they will not, and they shall use their reasonable endeavours to procure that their associates will not, dispose of any interest in their Ordinary Shares that are subject to the Lock-In Agreement for a period of 12 months from Admission (“**Lock in Period**”).

The Lock in Agreements are governed by the laws of England and Wales.

13.9 ***Restricted share awards to Non-Executive Directors and Consultants***

Pursuant to the terms of the Restricted Share Agreements dated 26 April 2022 between the Company and each of Min Yang, Geoff Baker and Professor Yu Xiong, the Company has conditionally agreed to issue:

- 779,849 new Ordinary Shares to Min Yang;
- 1,559,698 new Ordinary Shares to Geoff Baker; and
- 779,849 new Ordinary Shares to Professor Yu Xiong,

at the issue price of £0.01 per share. The Restricted Share Agreements and the issue of shares thereunder is conditional on the passing of the Resolutions at the General Meeting and on Admission.

The terms and conditions of each Restricted Share Agreement and the restrictions and forfeiture risks applicable to the Restricted Shares to be issued to Min Yang, Geoff Baker and Professor Yu Xiong are substantially the same as the Restricted Share Plan, as summarised above, with the only differences relating to the status of Min Yang, Geoff Baker and Professor Yu Xiong engagement by the Company or 3DBT as consultants rather than employees. The Restricted Share Agreements do not contain any performance conditions.

The terms of the Restricted Share Agreements are governed by the laws of England and Wales.

13.10 ***Placing Warrant Instrument***

On 26 April 2022, the Company authorised the constitution of 11,872,456 Placing Warrants on the terms of a warrant instrument under which the Company has granted, conditional on Admission, the Placing Warrants to the Placees entitled thereto. Each Placing Warrant entitles the warrant holder to subscribe for one new Ordinary Share at 15p per share. The Placing Warrants are exercisable within 3 years from the date of Admission. The Placing Warrants are fully transferable and will be issued in registered form. The terms of the warrant instrument are governed by the laws of England and Wales.

13.11 ***Broker Warrant Instrument***

On 26 April 2022, the Company authorised the constitution of 447,761 Broker Warrants on the terms of a warrant instrument under which the Company has agreed, conditionally on Admission to issue to Shard Capital the Broker Warrants. Each Broker Warrant entitles the warrant holder to subscribe for one new Ordinary Share at 15p per share. The Broker Warrants are exercisable within 3 years from the date of Admission. The Broker Warrants are non-transferable and granted conditional on Admission. The terms of the warrant instrument are governed by the laws of England and Wales.

14. **Consents and Related Matters**

Crowe U.K. LLP (“**Crowe**”) of 55 Ludgate Hill, London, EC4M 7JW has given and not withdrawn its consent to the inclusion in this Document of its accountant’s report on the 3DBT Financial Information included in Section B “*Accountant’s Report on the Historical Financial Information of 3DBT*” of Part IX “*Historical Financial Information*” of this Document and of its report on the Pro Forma Financial Information included in Section A “*Accountant’s Report on the Pro Forma Financial Information of the Enlarged Group*” of Part X “*Pro Forma Financial Information of the Enlarged Group*” of this Document and has authorised the contents of those reports for the purposes of the Document and Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules. In addition, Crowe has given and not withdrawn its written consent to the issue of this Document with the inclusion herein of the references to its name, business address and qualification. Save for the remuneration

payable in respect of its role as auditor to the Company, Crowe U.K. LLP does not have a material interest in the Company. Crowe U.K. LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales and the Financial Reporting Council.

15. Admission to Trading, Settlement and Dealing Arrangements

Application has been made for the New Ordinary Shares to be admitted to the Official List, by way of a Standard Listing, and to trading on the Main Market. Dealings in the Ordinary Shares are expected to commence at 8.00 a.m. on 17 May 2022. No application has or will be made for the Existing Ordinary Shares, the New Ordinary Shares or any Ordinary Shares to be admitted to trading or to be listed on any other stock exchange.

No temporary documents of title will be issued. All documents sent by or to an Investor will be sent by post at the Investor's own risk. Pending the dispatch of definitive share certificates, instruments of transfer will be certified against the register of members of the Company.

16. Dilution

- 16.1 The Placing will result in the allotment and issue of a total of 23,744,912 Ordinary Shares, diluting existing holders of Ordinary Shares (and their corresponding voting rights) by approximately 53.86 per cent.
- 16.2 The Placing and the issue of the Consideration Shares and the Restricted Shares will together result in the allotment and issue of an aggregate of 65,443,407 Ordinary Shares, diluting existing holders of Ordinary Shares (and their corresponding voting rights) by approximately 76.29 per cent.
- 16.3 The Company will have issued 7,798,491 Ordinary Shares pursuant to the Restricted Share Plan and the Restricted Share Agreements.
- 16.4 As at Admission, the Company has not granted any options pursuant to the terms of the EMI Option Plan.

17. Statutory Auditors

The historical financial information of the Company incorporated by reference in Section A "Historical Financial of the Company" of Part IX "Historical Financial Information" of this Document was audited by PKF Littlejohn LLP of 15 Westferry Circus, London, E14 4HD, United Kingdom who are who are registered to carry out audit work by the Institute of Chartered Accountants in England and Wales and the Financial Reporting Council. No statutory auditor was appointed in preceding periods.

18. Employees

The Company currently has no employees. It is proposed that Dr Che Connon will become an employee from Admission.

19. Employment Involvement and Remuneration

19.1 *Directors' letters of appointment*

Ms Yang and Mr Baker have each been appointed by the Company pursuant to letters of appointment dated 18 July 2019 for a period of 12 months and thereafter subject to termination by either party on three months' notice. Ms Yang shall be appointed as Chairman. The Non-Executive Directors each agreed to not be remunerated until such time as an Acquisition is completed however Mr Baker has received £2,500 per month from April 2021. The Non-Executive Directors have agreed to commit an equivalent of at least one day a week to the Company. The Non-Executive Directors are not entitled to any other benefits other than the reimbursement of their reasonable expenses. The letters of appointment are governed by English law.

Dennis Ow was appointed as a non-executive Director pursuant to a letter of appointment dated 2 August 2021 for an initial period of 12 months and thereafter subject to termination by either party on three months'

notice. Mr Ow is not entitled to any remuneration pursuant to his letter of appointment. The appointment letter contains no payment for early termination or profit sharing or commission arrangements.

Min Yang and Dennis Ow have not been remunerated since the date of their appointments as directors of the Company. Details of their proposed remuneration arrangements are set out below.

Save in respect of Mr Baker who is currently paid £30,000 per annum, the letters of appointment of each of the non-executive Directors will be amended pursuant to side letters dated 26 April 2022, effective on Admission to provide that each non-executive Director will be paid £30,000 per annum (commencing on Admission). The amended appointment letters contain no payment for early termination or profit sharing or commission arrangements.

19.2 *Service Agreement – Dr Che Connon*

Dr Che Connon entered into a service agreement with the Company dated 26 April 2022 (the “**Service Agreement**”) under which Dr Che Connon shall be employed as the Chief Executive Officer of the Company from Admission and thereafter until terminated by either party giving 3 months’ prior written notice. Dr Che Connon will receive an initial annual salary of £80,000 based on a minimum of 2 days’ work per week and subject to proportional increase at £40,000 per annum per extra day a week that is agreed between the parties. Dr Che Connon will be entitled to a bonus payment of £10,000 to be paid if the 3DBT achieves agreed sales targets of City-mix or Etsyl products within 18 months of the commencement of his employment. Dr Che Connon is entitled to participate in the Restrictive Share Plan and the EMI Option Plan. He is also entitled to the reimbursement of his reasonable expenses. Dr Che Connon is not entitled to any benefits on termination of employment. The service agreement is governed by English law.

19.3 *Directors’ Remuneration, benefits in kind and incentives*

None of the Directors or the Proposed Director hold options, warrants or any form of convertible security in respect of Ordinary Shares. Save as set out above and below, there is currently no intention for the Company to make incentivisation arrangements for the Directors to be involved in the capital of the Company or otherwise any employee share option arrangements. As at the date of this Document, neither the Company nor 3DBT has set aside any amounts to provide for pensions, retirement or similar benefits.

20. **Interests of the Directors and the Proposed Director**

The interests of the Directors and the Proposed Director in the share capital of the Company at the Last Practicable Date and immediately following Admission are as follows:

<i>Directors and Proposed Director</i>	<i>Ordinary Shares Held prior to Admission</i>	<i>Per cent. of issued share capital</i>		<i>Placing Shares</i>	<i>Consideration Shares</i>	<i>Ordinary Shares Issued as Restricted Shares</i>	<i>Total</i>	
		<i>existing</i>	<i>issued</i>				<i>Number of Ordinary Shares held at Admission</i>	<i>Per cent. of issued share capital at Admission</i>
Min Yang*	5,000,001	24.58	–	–	–	779,849	5,779,850	6.74
Che John Connon	–	–	–	9,028,731	–	3,899,246	12,927,977	15.07
Geoffrey Baker	1	–	–	–	–	1,559,698	1,559,699	1.82

* 5,000,000 of Ming Yang’s ordinary shares are held by Advance Plan Investments Ltd which is an entity wholly owned by her.

21. **Expenses and Net Placing Proceeds**

21.1 The expenses of the Placing will be borne by the Company in full and no expenses will be charged to any Placee by the Company.

21.2 These expenses (including commission fees and expenses payable under the Placing Agreement, stamp duty registration, listing, admission fees, printing, advertising and distribution costs and professional advisory fees, including legal fees, and any other applicable expenses) are not expected to exceed £415,000 (excluding VAT), representing approximately 23.7 per cent. of the gross proceeds of the Placing of approximately £1,750,000. The total Net Placing Proceeds on the basis set out above are approximately £1,335,000.

22. Working Capital

The Company is of the opinion that the working capital available to the Enlarged Group, taking into account the Net Placing Proceeds, is sufficient for the Enlarged Group's present requirements, that is for at least the 12 months from the date of this Document.

23. Borrowing requirements

Neither the Company nor 3DBT has entered into any debt facility or any other debt instrument with any third party.

24. Related Party Transactions

From 5 September 2018 (being the Company's date of incorporation) up to and including the date of this Document, the Company has not entered into any related party transactions.

Both Geoff Baker and Min Yang are Directors of the Company and also serve as directors of 3DBT and BSF Angel Funding Limited. Although no related party transactions have been entered into between the Company and either 3DBT or BSF Angel Funding Limited, BSF Angel Funding Limited is a 49 per cent. shareholder in 3DBT.

25. Current and Former Directorships of Directors

In addition to their directorships of the Company, the Directors are, or have been, members of the administrative, management or supervisory bodies or partners of the following companies or partnerships, at any time in the five years prior to the date of this Document.

Current Directors

Min Yang

Current directorships and partnerships

3D Bio-Tissues Limited
ASF Group Ltd
BSF Angel Funding Limited
Rey Resources Limited
ActivEx Limited
Key Petroleum Limited

Former directorships and partnerships

Metaliko Resources Ltd

Geoffrey Robert Baker

Current directorships and partnerships

3D Bio-Tissues Limited
ASF Group Ltd
BSF Angel Funding Limited
Rey Resources Limited
ActivEx Limited
Key Petroleum Limited
Redstrike Group Limited
Redstrike Media Ltd

Former directorships and partnerships

Metaliko Resources Ltd
UK International Innovation Centre Limited

Dennis Ow

Current directorships and partnerships

Miloc Group Limited
Al Najah Education LLC
FDB Financial Group Ltd

Former directorships and partnerships

CSF Group Plc
South China Securities (UK) Limited
Guolian Securities Co. Ltd
Gamfook Jewellery Plc

Proposed Director

Che Connon

Current directorships and partnerships

3D Bio-Tissues Limited
Atelerix Limited
Cellularevolution Limited

Former directorships and partnerships

–

26. Directors' Declarations and Confirmations

26.1 None of the Directors or Proposed Director:

26.1.1 has any convictions in relation to fraudulent offences for at least the previous five years from the date of this Document;

26.1.2 has been made bankrupt or has made an individual voluntary arrangement with creditors or suffered the appointment of a receiver over any of his asset;

26.1.3 has been a director of any company in at least the previous 5 years from the date of this Document which, whilst he was such a director or within 12 months after his ceasing to be such a director, was put into receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with the company's creditors generally or with any class of creditors of any company or had an administrator or an administrative or other receiver appointed;

26.1.4 has been a partner in any partnership in at least the previous 5 years from the date of this Document which, whilst he was a partner, or within 12 months after his ceasing to be a partner, was put into compulsory liquidation or had an administrator or an administrative or other receiver appointed or entered into any partnership voluntary arrangement;

26.1.5 has in at least the previous 5 years from the date of this Document had an administrative or other receiver appointed in respect of any asset belonging either to him or to a partnership of which he was a partner at the time of such appointment or within the 12 months preceding such appointment; or

26.1.6 has received any official public incrimination and/or sanctions involving such persons by statutory or regulatory authorities (including recognised professional bodies) or has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years from the date of this Document.

26.2 There is no family relationship between any of the Directors and/or Proposed Director.

26.3 Min Yang and Geoffrey Baker are directors of the Company and are also directors of 3D Bio-Tissues Limited, the target company. Min Yang and Geoffrey Baker are also directors of BSF Angel Funding Limited, a shareholder of 3D Bio-Tissues Limited. In addition Min Yang has an indirect equity interest in BSF Angel Funding Limited Min Yang via her approximately 11 per cent. interest in the shares in ASF Group Ltd (ASX:AFA) which indirectly owns 50 per cent. of the issued share capital of BSF Angel Funding Limited. Dennis Ow has been appointed as an independent director of the Company in order to monitor and manage such conflicts of interests and to ensure that the terms of the Acquisition are negotiated and agreed on an arm's length basis. Any matters on which Min Yang and/or Geoffrey Baker have a conflict of interest (or potential conflict of interest) will continue be delegated to and considered by Dennis Ow in the first instance. Min Yang has had no involvement in the negotiations for the Acquisition of 3DBT or the decision making by the Company to proceed with the Acquisition, which have been conducted by Dennis Ow and Mr Baker. Whilst Mr Baker is a director of BSF Angel Funding Limited, he has no interest in the equity of BSF Angel Funding Limited (directly or indirectly) and therefore he is entitled (in accordance with the Articles) to participate in the negotiations and the decision making by the Company and has so participated alongside Mr Ow.

26.4 Save as disclosed in this Document, none of the Directors have any potential conflicts of interest between their duties to the Company and their private interests or other duties they may also have.

26.5 There are no arrangements or understanding in place with major shareholders, customers, suppliers or others, of the Company, pursuant to which any Director, senior manager, founder, member of the administrative, management or supervisory bodies of the Company was selected as a member of the administrative, management or supervisory body or member of senior management of the Company.

27. Information on the Concert Party

27.1 The members of the Concert Party and their respective holdings following Admission are set out below:

<i>Concert Party Member</i>	<i>Interest in Company</i>	<i>Consideration Shares</i>	<i>Ordinary Shares issued as Restricted Shares</i>	<i>Interest in undiluted Enlarged Share Capital</i>	<i>% Interest in undiluted Enlarged Share Capital</i>
Geoff Baker	1	0	1,559,698	1,559,699	1.82%
Min Yang	1	0	779,849	779,850	0.91%
Daniel Yuan Fang	700,000	0	0	700,000	0.82%
Advance Plan Investments Ltd	5,000,000	0	0	5,000,000	5.83%
Trade Hero Holdings Limited	6,000,000	0	0	6,000,000	6.99%
Business Victor Investments Limited	1,200,000	0	0	1,200,000	1.40%
Kwok Hung	1,180,000	0	0	1,180,000	1.38%
Forever Grand Group Limited	1,000,000	0	0	1,000,000	1.17%
BSF Angel Funding Limited	0	16,610,944	0	16,610,944	19.36%
Che Connon	0	9,028,731	3,899,246	12,927,977	15.07%
Newcastle University Holdings Limited	0	6,915,624	0	6,915,624	8.06%
Professor Yu Xiong	0	0	779,849	779,849	0.91%
Ricardo Gouveia	0	1,344,705	779,849	2,124,554	2.48%
Total	15,080,002	33,900,004	7,798,491	56,778,497	66.19%

27.2 The members of the Concert Party and details of the reason for their membership of the Concert Party are set out below.

<i>Member of the Concert Party</i>	<i>Reason for inclusion</i>
Min Yang	Min Yang is a founder and director of the Company, a director of 3DBT and a director of BSF Angel Funding Limited, which owns approximately 49.00 per cent. of the shares in 3DBT.
Geoff Baker	Geoff Baker is a founder and director of the Company, a director of 3DBT and a director of BSF Angel Funding Limited.
Daniel Yuan Fang	Daniel Yuan Fang is the son of Min Yang.
Advance Plan Investment Ltd	Advance Plan Investment Ltd is a company incorporated in the British Virgin Islands, which is owned and controlled by Min Yang, and is a personal investment company of Min Yang.
Trade Hero Holdings Limited	Trade Hero Holdings Limited is a company incorporated in the British Virgin Islands, which is owned and controlled by Yuanqing He, a business associate of Min Yang, and is a personal investment company of Yuanqing He.
Kwok Hung So	Kwok Hung So is a business associate of Min Yang.
Business Victor Investments Limited	Business Victor Investments Limited is a company incorporated in the British Virgin Islands, which is owned and controlled by Kwok Hung So and is a personal investment company of Kwok Hung So.

Forever Grand Group Limited	Forever Grand Group Limited is a company incorporated in the British Virgin Islands, which is owned and controlled by Joyce Mei Chi Lee, a business associate of Min Yang, and is a personal investment company of Joyce Mei Chi Lee.
BSF Angel Funding Ltd	BSF Angel Funding Ltd is a company incorporated in England & Wales and is a shareholder of 3DBT. The directors of BSF Angel Funding Ltd are Min Yang and Geoff Baker.
Professor Che Connon	Professor Che Connon is a founder and director of 3BDT.
Newcastle University Holdings Limited	Newcastle University Holdings Limited is a company incorporated in England & Wales and shareholder of 3DBT.
Dr Ricardo Gouveia	Dr Ricardo Gouveia is a founder and current shareholder of 3BDT.
Professor Yu Xiong	Professor Yu Xiong is a director of 3DBT and is a business associate of Min Yang and Geoff Baker.

28. Third Party Sources

The Company confirms that the information sourced from third parties has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by those third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where third party information has been used the source of such information has been identified in the Document.

29. General

- 29.1 Copies of the following documents may be inspected at the registered office of the Company during usual business hours on any day (except Saturdays, Sundays and public holidays) for a period of 12 months from the date of this Document:
- 29.1.1 the Articles;
 - 29.1.2 the Acquisition Agreement;
 - 29.1.3 the accountants' report from Crowe on the 3DBT Financial Information included in Section B "*Accountant's Report on the Historical Financial Information of 3DBT*" of Part X "*Historical Financial Information*" of this Document;
 - 29.1.4 the accountant's report from Crowe on the Pro Forma Financial Information included in Section A "*Accountant's Report on the Pro Forma Financial Information of the Enlarged Group*" of Part X "*Pro Forma Financial Information of the Enlarged Group*" of this Document;
 - 29.1.5 the letters of appointment/service contracts entered into between the Company and the Directors/Proposed Director; and
 - 29.1.6 this Document.
- 29.2 This Document will be published in electronic form and be available on the Company's website at <https://www.bsferprise.com>.

Dated: 27 April 2022

PART XIV

RELEVANT DOCUMENTATION AND INFORMATION INCORPORATED BY REFERENCE

The table below sets out the information which is incorporated by reference in this Document, to ensure investors and others are aware of all information which is necessary to enable investors and others to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Enlarged Group and the rights attaching to the Ordinary Shares.

<i>Information incorporated by reference into this Document</i>	<i>Page numbers in such document</i>	<i>Section in this Document</i>
The audited financial information for the period from incorporation on 5 September 2018 to 30 September 2019 includes the following:		Page 53
Company Information (page 1);		
● Chairman's Statement;	page 2	
● Board of Directors);	page 3	
● Strategic Report;	pages 4 to 7	
● Directors' Report;	pages 8 to 12	
● Directors' Remuneration Report	pages 13 to 14	
● Directors' Responsibilities;	pages 15 to 16	
● Independent Auditor's Report;	pages 17 to 20	
● Statement of Comprehensive Income;	page 21	
● Statement of Financial Position;	page 22	
● Statement of Changes in Equity;	page 23	
● Statement of Cash Flows; and	page 24	
● Notes to the Financial Statements.	pages 25 to 32	
The audited financial information for the year ended 30 September 2020 includes the following:		Pages 52 to 53
● Chairman's Statement;	page 1	
● Board of Directors (page 2)	page 2	
● Strategic Report;	pages 3 to 6	
● Directors' Report;	pages 7 to 11	
● Directors' Remuneration Report;	pages 12 to 14	
● Directors' Responsibilities;	pages 15 to 16	
● Independent Auditor's Report;	pages 17 to 20	
● Statement of Comprehensive Income;	page 21	
● Statement of Financial Position;	page 22	
● Statement of Changes in Equity;	page 23	
● Statement of Cash Flows; and	page 24	
● Notes to the Financial Statements.	pages 25 to 34	

<i>Information incorporated by reference into this Document</i>	<i>Page numbers in such document</i>	<i>Section in this Document</i>
The audited financial information for the year ended 30 September 2021 includes the following:		Page 52
● Chairman’s Statement;	page 1	
● Board of Directors	page 2	
● Strategic Report;	pages 3 to 6	
● Directors’ Report;	pages 7 to 11	
● Directors’ Remuneration Report;	pages 12 to 14	
● Directors’ Responsibilities;	pages 15 to 16	
● Independent Auditor’s Report;	pages 17 to 20	
● Statement of Comprehensive Income;	page 21	
● Statement of Financial Position;	page 22	
● Statement of Changes in Equity;	page 23	
● Statement of Cash Flows; and	page 24	
● Notes to the Financial Statements.	pages 25 to 34	

The documents incorporated by reference in this Document shall not include any documents which are themselves incorporated by reference in such incorporated documents (“**daisy chained**” documents). Such daisy chained documents shall not form part of this Document. Where only part of the documents listed above have been incorporated by reference, only information expressly incorporated by reference herein shall form part of this document and the non-incorporated are either not relevant for the investor or covered elsewhere in the prospectus.

PART XV

DEFINITIONS

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

“3DBT” or “3D Bio-Tissues”	means 3D Bio-Tissues Limited a company incorporated in England & Wales whose registered office address is at The Biosphere Draymans Way, Newcastle Helix, Newcastle Upon Tyne, England NE4 5BX with company number 11666403;
“3DBT Financial Information”	means the audited financial information of 3DBT for the period from incorporation on 8 November 2018 to 30 November 2019 and the year ended 30 November 2020;
“3DBT Condensed Interim Financial Information”	means the unaudited interim financial information of 3DBT for the six-month period ended 31 May 2021 and the comparative six-month period ended 31 May 2020;
“acting in concert”	has the meaning given in the City Code;
“Acquisition”	the proposed acquisition by the Company of the entire issued share capital of 3D Bio-Tissues pursuant to the terms of the Acquisition Agreement;
“Acquisition Agreement”	means the conditional agreement dated 23 December 2021 made between the Company and the Seller relating to the Acquisition details of which are set out in paragraph 13.6 of Part XIII of this Document;
“Admission”	means the re-admission of the Existing Ordinary Shares and the admission of the New Ordinary Shares to the Official List by way of a Standard Listing and to trading on the London Stock Exchange’s Main Market for listed securities;
“Articles of Association” or “Articles”	means the articles of association of the Company in force from time to time;
“Assignment Agreement”	means the assignment agreement entered into between The University of Newcastle Upon Tyne and the Company related to the Patents dated 1 June 2020;
“Broker Warrants”	the 447,761 warrants to subscribe Ordinary Shares at the price of 15p per share granted by the Company to Shard Capital conditionally on Admission in connection with the Placing;
“Business Day”	means a day (other than a Saturday or a Sunday) on which banks are open for business in London;
“certificated” or “in certificated form”	means an Ordinary Share, title to which is recorded in the relevant share register as being held in certificated form (that is, not in CREST);
“Chairman”	means Min Yang (as non-executive chairman of the Company), or the Chairman of the Board from time to time, as the context requires;
“Circular”	means the circular to be sent to Shareholders on 27 April 2022 containing details of the Acquisition;
“City Code”	means the City Code on Takeovers and Mergers;

“Companies Act”	means the UK Companies Act 2006, as amended;
“Company”	means BSF Enterprise plc, a company incorporated in England & Wales whose registered office address is at C/o Locke Lord (UK) LLP, 201 Bishopsgate, London EC2M 3AB with company number 11554014;
“Company Admission”	means the Admission of the Ordinary Share capital of the Company by way of a Standard Listing and to trading on the London Stock Exchange’s Main Market for listed securities on 26 July 2019;
“Completion”	means completion of the Acquisition;
“Concert Party”	means the concert party for the purposes of the Takeover Code, details of which are set out in paragraph 27 of Part XIII of this Document;
“Consideration Shares”	means the 33,900,004 Ordinary Shares to be issued and allotted to the Sellers pursuant to the terms of the Acquisition Agreement;
CREST” or “CREST System”	means the computer-based system (as defined in the CREST Regulations) operated and administered by Euroclear enabling securities to be evidenced otherwise than by certificates and transferred otherwise than by written instruments;
“CREST Regulations”	means The Uncertified Securities Regulations 2001 (SI 2001 3755), as amended;
“Directors” or “Board” or “Board of Directors”	means the current directors of the Company, whose names appear in Part VI of this Document or the board of directors from time to time of the Company, as the context requires, and “Director” is to be construed accordingly;
“Disclosure Guidance and Transparency Rules” or “Disclosure Rules”	means the FCA disclosure guidance and transparency rules made in accordance with section 73A of FSMA as amended from time to time;
“Document”	means this prospectus;
“EEA”	means the European Economic Area;
“EEA Member States”	means the member states of the European Union and the European Economic Area, each an “EEA Member State”;
“Employee Share Option Plan” or “ESOP”	means the employee share option plan to be adopted by the Company at the General Meeting, (subject to the passing of Resolution 5) details of which are set out in paragraph 13.4 of Part XIII of this Document;
“Enlarged Group”	means the Company and 3DBT;
“Enlarged Share Capital”	means the share capital of the Company immediately following the issue of the New Ordinary Shares;
“EU”	means the Member States of the European Union;
“EU Prospectus Regulation”	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC;

“EU Qualified Investors”	means persons who are “qualified investors” within the meaning of Article 2(e) of the EU Prospectus Regulation;
“Euroclear”	means Euroclear UK & Ireland Limited;
“Existing Ordinary Shares”	means the 20,340,002 Ordinary Shares of £0.01 each in issue as at the date of this Document;
“Existing Shareholders”	means shareholders of Existing Ordinary Shares as at the date of this Document;
“FCA”	means the UK Financial Conduct Authority;
“Form of Proxy”	means the form of proxy accompanying this Document for use by the Existing Shareholders at the General Meeting;
“FSMA”	means the UK Financial Services and Markets Act 2000, as amended;
“£” or “pounds sterling” or “GBP”	means British pounds sterling;
“general meeting”	means a meeting of the Shareholders of the Company or a class of Shareholders of the Company (as the context requires);
“General Meeting”	means the general meeting of the Company proposed to be held at 10.00 a.m. on 16 May 2022 (and any adjournment(s) of such meeting) at the offices of Ince Gordon Dadds LLP, Aldgate Tower, 2 Leman Street, London E1 8QN;
“Group”	means the Company or, if the context so requires, a company, its subsidiary undertakings and any holding company (as both are defined in the Companies Act from time to time) and references to “member of the Group” shall be construed accordingly;
“HMRC”	means HM Revenue and Customs;
“IFRS”	means International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union;
“Independent Director”	means Dennis Ow;
“Independent Shareholders”	means Shareholders other than the members of the Concert Party;
“Last Practicable Date”	means 25 April 2022 being the last practical date prior to publication of this Document;
“Listing Principles”	means the listing rules made by the UK Listing Authority under section 73A of FSMA as amended from time to time;
“Listing Rules”	means the listing rules made by the UK Listing Authority under section 73A of FSMA as amended from time to time;
“Lock in Agreement”	the lock-in agreement, as summarised in paragraph 13.8 of Part XIII of this Document;
“London Stock Exchange”	means London Stock Exchange plc;
“Main Market”	means the main market for listed securities of the London Stock Exchange;

“Market Abuse Regulation” or “MAR”	the UK version of the EU Market Abuse Regulation (2014/596/EU) (incorporated into UK domestic law by virtue of the European Union (Withdrawal) Act 2018) and the relevant provisions of the EU Market Abuse Regulation (2014/596/EU);
“Net Placing Proceeds”	means £1,335,000, being the Placing Proceeds less £415,000 of expenses paid or payable in connection with the Admission and the Placing;
“New Board”	means the Directors of the Company from Admission being, Min Yang, Geoff Baker, Dennis Ow and Che Connon;
“New Ordinary Shares”	means the Placing Shares, the Consideration Shares and the Restricted Shares;
“Non-Executive Director”	means a director who is not a full or part-time employee of the Company or holder of an executive office;
“Notice of General Meeting”	means the notice of the General Meeting which forms part of the Circular;
“Official List”	means the official list maintained by the UK Listing Authority;
“Ordinary Shares”	means the ordinary shares of £0.01 each in the capital of the Company including, if the context requires, the New Ordinary Shares;
“Placee”	any person that has conditionally agreed to subscribe for Placing Shares in the Placing;
“Placing”	means the proposed placing of the New Ordinary Shares by the Company at the Placing Price, conditional on Admission and on the terms and subject to the conditions set out in this Document;
“Placing Agreement”	means the placing agreement dated 26 April 2022 between the Company and Shard Capital details of which are set out in paragraph 13.7 of Part XIII of this Document;
“Placing Price”	means 7.37p per New Ordinary Share;
“Placing Proceeds”	means £1,750,000, being the gross proceeds received on closing of the Placing;
“Placing Shares”	means the 23,744,912 new Ordinary Shares to be issued and allotted pursuant to the Placing;
“Placing Warrants”	means the 11,872,456 warrants to subscribe new Ordinary Shares at 15p per share granted by the Company to Placees conditionally on Admission pursuant to the Placing Agreement;
“Premium Listing”	means a premium listing under Chapter 6 of the Listing Rules;
“Pro Forma Financial Information”	means the unaudited pro forma Statement of Financial Position of the Company as at 30 September 2021 and the unaudited pro forma Statement of Comprehensive Income for the year then ended;
“Proposals”	means the (i) the Placing; (ii) the Acquisition; and (ii) Admission;
“Proposed Director”	means the proposed director of the Company whose name appears as such in Part VI of this Document;

“Prospectus Regulation”	the UK version of Regulation (EU) 2017/1129 of the European Commission, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 on the Prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC;
“QCA Code”	means the corporate governance code (2018) published by the Quoted Companies Alliance;
“QCA Remuneration Committee Guide”	means the QCA Remuneration Committee Guide as amended from time to time;
“Registrar”	means Share Registrars Limited or any other registrar appointed by the Company from time to time;
“Regulated Activities Order”	the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (as amended)
“Regulatory Information Services” or “RIS”	means one of the regulatory information services authorised by the UK Listing Authority to receive, process and disseminate regulatory information from listed companies;
“Resolutions”	means the resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting, with any permitted amendments thereto;
“Restricted Jurisdiction”	means the United States, Canada, Japan, Australia and the Republic of South Africa;
“Restricted Share Plan”	means the restricted share plan adopted by the Company on 26 April 2022 (subject to the passing of Resolution 4), details of which are set out in paragraph 13.5 of Part XIII of this Document;
“Restricted Shares”	means the 7,798,491 new Ordinary Shares to be issued conditionally on Admission under the Restricted Share Plan and pursuant to the Restricted Share Agreements;
“Restricted Share Agreements”	the agreements between the Company and each of Min Yang, Geoff Baker and Professor Yu Xiong dated 26 April 2022 pursuant to which the Company has conditionally agreed to award Restricted Shares to each of Min Yang, Geoff Baker and Professor Yu Xiong;
“Reverse Takeover”	means a reverse takeover as defined in the Listing Rules;
“Rule 9 Waiver”	means the ordinary resolution to approve the Takeover Panel’s waiver of the Concert Party’s obligation to make an offer under Rule 9 of the Takeover Code, which is set out at Resolution 1 of the Notice of General Meeting.
“SEC”	means the U.S. Securities and Exchange Commission;
“Securities Act”	means the U.S. Securities Act of 1933, as amended;
“Sellers”	means the shareholders of 3DBT prior to Admission selling the entire issued share capital of 3D Bio-Tissues Limited pursuant to the Acquisition Agreement;
“Shard Capital”	means Shard Capital Partners LLP with its registered office at 23 rd Floor, 20 Fenchurch St, London EC3M 3BY authorised by the FCA with registration number 538762;

“Shareholders”	means the holders of Ordinary Shares;
“Standard Listing”	means a standard listing under Chapter 14 of the Listing Rules;
“Takeover Panel”	the Panel on Takeovers and Mergers;
“Trading Day”	means a day on which the main market of the London Stock Exchange (or such other applicable securities exchange or quotation system on which the Ordinary Shares are listed) is open for business (other than a day on which the main market of the London Stock Exchange (or such other applicable securities exchange or quotation system) is scheduled to or does close prior to its regular weekday closing time);
“UK Corporate Governance Code”	means the UK Corporate Governance Code issued by the Financial Reporting Council from time to time;
“UK Listing Authority”	means the FCA in its capacity as the competent authority for listing in the U.K. pursuant to Part VI of FSMA;
“UK Relevant Persons”	persons who (if they are in the UK) are (i) persons having professional experience in matters relating to investments falling within the definition of ‘investment professionals’ in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “ Order ”); or (ii) persons who are high net worth bodies corporate, unincorporated associations and partnerships and the trustees of high value trusts, as described in Article 49(2)(a) to (d) of the Order; or (iii) persons to whom it may otherwise be lawful to distribute;
“uncertificated” or “uncertificated form”	means, an Ordinary Share, title to which is recorded in the relevant share register as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST;
“United Kingdom” or “U.K.”	means the United Kingdom of Great Britain and Northern Ireland;
“United States” or “U.S.”	means the United States of America;
“VAT”	means (i) in the United Kingdom, value added tax, (ii) within the EU, any tax imposed by any Member State in conformity with the Directive of the Council of the European Union on the common system of value added tax (2006/112/EC), and (ii) elsewhere, any tax corresponding to, or substantially similar to, the common system of value added tax referred to in paragraph (ii) of this definition;
“Warrants”	means the Broker Warrants and the Placing Warrants;

References to a “company” in this Document shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established.

In this Document any reference to any EU directive, EU regulation, EU decision, EU tertiary legislation or provision of the EEA agreement (an “EU Matter”) which forms part of domestic law by application of the European Union (Withdrawal) Act 2018 shall be read as a reference to that EU Matter as it forms (by virtue of the European Union (Withdrawal) Act 2018) part of United Kingdom domestic law and as modified by domestic law from time to time. For the purposes of this paragraph, (i) “domestic law” shall have the meaning given in the European Union (Withdrawal) Act 2018; and (ii) any other words and expressions shall, unless the context otherwise provides, have the meanings given in the European Union (Withdrawal) Act 2018.

