

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION** If you are in any doubt as to the contents of this document or the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are taking advice in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you have sold or otherwise transferred all of your finnCap Shares, please forward this document, together with the accompanying proxy form as soon as possible, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you have sold or transferred only part of your holding of shares in the Company, you should retain this document and should contact the bank, stockbroker or other agent through whom the sale or transfer was effected.

The finnCap Directors (whose names appear on page 6 of this document) and the Company (whose registered office appears on page 6 of this document) accept responsibility, both individually and collectively, for the information contained in this document and compliance with the AIM Rules. To the best of the knowledge and belief of the finnCap Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

---



## **finnCap Group plc**

*(incorporated and registered in England and Wales under number 11540126)*

### **Notice of General Meeting in Relation to the Recommended All-Share Merger with Cenkos Securities plc**

---

A notice convening a General Meeting of the Company to be held at the offices of Travers Smith LLP at 10 Snow Hill, London EC1A 2AL on Wednesday, 17 May 2023 at 9.30 a.m. is set out at the end of this document. To be valid, proxy votes should be completed in accordance with the instructions set out in the notes to the General Meeting as soon as possible and in any event no later than 9.30 a.m. on 15 May 2023 (or if the General Meeting is adjourned to another day, not later than 48 hours (excluding non-working days) before the time fixed for the holding of the adjourned meeting).

Completion and return of a proxy form, electronic filing or CREST Proxy Instruction will not preclude you from attending and voting in person at the General Meeting should you wish to do so.

In accordance with the AIM Rules and the Takeover Code, a copy of this document is also available on the Company's website, <https://announcements.finncap.com/merger/>, subject to certain restrictions relating to persons resident in certain overseas jurisdictions. In addition, a copy of the Scheme Document is available on the Company's website on the same basis. Neither the content of the Company's website nor any website accessible by hyperlink from the Company's website is incorporated in or forms part of this document.

### **Forward looking statements**

This document (including information incorporated by reference in this document), oral statements made regarding the Merger, and other information published by finnCap, Cenkos, any member of the Wider finnCap Group or any member of the Wider Cenkos Group may contain statements which are, or may be deemed to be, "forward looking statements". Forward looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward looking statements.

The forward looking statements contained in this document include statements relating to the expected effects of the Merger on finnCap, Cenkos, any member of the Wider finnCap Group or any member of the Wider Cenkos Group (including their future prospects, developments and strategies), the expected timing and scope of the Merger and other statements other than historical facts. Often, but not always, forward looking statements can be identified by the use of forward looking words such as "prepares", "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "synergy", "strategy", "scheduled", "goal", "estimates", "forecasts", "intends", "cost saving", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of finnCap's, Cenkos', any member of the Wider finnCap Group's or any member of the Wider Cenkos Group's operations and potential synergies resulting from the Merger; and (iii) the effects of global economic conditions and governmental regulation on finnCap's, Cenkos', any member of the Wider finnCap Group's or any member of the Wider Cenkos Group's business.

Although finnCap and Cenkos believe that the expectations reflected in such forward looking statements are reasonable, finnCap, Cenkos, the Wider finnCap Group and the Wider Cenkos Group can give no assurance that such expectations will prove to be correct. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward looking statements.

These factors include, but are not limited to: the ability to complete the Merger; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions; changes in the global political, economic, business and competitive environments and in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or disposals; changes in general economic and business conditions; changes in the behaviour of other market participants; the anticipated benefits from the proposed transaction not being realised as a result of changes in general economic and market conditions in the countries in which finnCap, Cenkos, the Wider finnCap Group and/or the Wider Cenkos Group operate; weak, volatile or illiquid capital and/or credit markets; changes in the degree of competition in the geographic and business areas in which finnCap, Cenkos, the Wider finnCap Group and/or the Wider Cenkos Group operate; and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or projected. Such forward looking statements should therefore be construed in the light of such factors.

Neither finnCap, Cenkos, the Wider finnCap Group nor the Wider Cenkos Group, nor any of their respective associates or directors, officers or advisers, provide any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in this document will actually occur. Given these risks and uncertainties, potential investors are cautioned not to place any reliance on these forward looking statements.

Specifically, statements of estimated cost savings and synergies related to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated.

Other than in accordance with their legal or regulatory obligations, neither finnCap, Cenkos, the Wider finnCap Group nor the Wider Cenkos Group is under any obligation, and each such person expressly disclaims any intention

or obligation to update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

The forward-looking statements speak only at the date of this document. All subsequent oral or written forward-looking statements attributable to any member of the Wider finnCap Group or Wider Cenkos Group, or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statements above.

***No profit forecasts, estimates or quantified benefits statements***

No statement in this document, or incorporated by reference in this document, is intended as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this document should be interpreted to mean that earnings or earnings per share for Cenkos or finnCap for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Cenkos or for finnCap.

***No dividend forecasts***

No statement in this document, or incorporated by reference in this document, is intended as a dividend forecast for any period and no statement in this document should be interpreted to mean that earnings or earnings per share for Cenkos or finnCap for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Cenkos or for finnCap.

***Rounding***

Certain figures included in this document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

***Disclosure requirements of the Takeover Code***

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

**This document is dated 20 April 2023.**

## CONTENTS

	<i>Page</i>
<b>OFFICERS, REGISTERED OFFICE AND ADVISERS</b>	6
<b>EXPECTED TIMETABLE OF PRINCIPAL EVENTS</b>	7
<b>MERGER STATISTICS</b>	7
<b>PART 1 – LETTER FROM THE CHAIRMAN OF FINNCAP GROUP PLC</b>	8
<b>PART 2 – DEFINITIONS</b>	15
<b>PART 3 – SOURCES OF INFORMATION AND BASES OF CALCULATION</b>	20
<b>NOTICE OF GENERAL MEETING</b>	22

## OFFICERS, REGISTERED OFFICE AND ADVISERS

<b>Directors</b>	Robert Lister ( <i>Independent Non-Executive Chairman</i> ) John Farrugia ( <i>Chief Executive Officer</i> ) Richard Snow ( <i>Chief Financial Officer</i> ) Geoffrey Nash ( <i>Executive Director</i> ) Andrew Hogarth ( <i>Senior Independent Non-Executive Director</i> ) Annette Andrews ( <i>Independent Non-Executive Director</i> ) Barbara Ann Firth ( <i>Independent Non-Executive Director</i> )
<b>Company Secretary</b>	Simon Maynard
<b>Company website</b>	<a href="http://www.finncap.com">www.finncap.com</a>
<b>Registered Office</b>	One Bartholomew Close London EC1A 7BL
<b>Nominated Adviser</b>	Grant Thornton UK LLP 30 Finsbury Square London EC2A 1AG
<b>Legal advisers to the Company</b>	Travers Smith LLP 10 Snow Hill London EC1A 9AF
<b>Registrars</b>	Share Registrars Limited 3 The Millennium Centre Crosby Way Farnham GU9 7XX

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Circular publication date	20 April 2023
Scheme Document publication date	20 April 2023
Last time and date for the receipt of proxy forms or CREST Proxy Instruction	9.30 a.m. on 15 May 2023 (or if the General Meeting is adjourned to another day, not later than 48 hours (excluding non-working days) before the time fixed for the holding of the adjourned meeting)
General Meeting	9.30 a.m. on Wednesday, 17 May 2023
Sanction Hearing	A date expected to be during the third quarter of 2023 (D)*
Effective Date	D + 2 Business Days*
Admission of New finnCap Shares to trading on AIM and commencement of dealings in New finnCap Shares	8.00 a.m. on D + 3 Business Days*
Long Stop Date	11.59 p.m. on 31 December 2023

\* These dates are indicative only. They depend, among other things, on: the date upon which the Conditions to the implementation of the Merger are either satisfied or waived; the date upon which the Court sanctions the Scheme; and, the date on which the Court Order sanctioning the Scheme is delivered to the Registrar of Companies and is registered by the Registrar of Companies. If the expected dates of the Court Hearing (and consequently the Effective Date) change, the Company will give notice of these changes to the extent practicable by issuing an announcement through a Regulatory Information Service.

## MERGER STATISTICS

finnCap Shares in issue as at the date of the Announcement	181,094,844
Cenkos Shares in issue as at the date of the Announcement	56,694,783
New finnCap Shares to be issued to Cenkos Shareholders pursuant to the Merger	181,094,843*
Enlarged issued share capital of the Combined Group	362,189,687*
Percentage of the enlarged issued share capital of the Combined Group that will be owned by Cenkos Shareholders following completion of the Merger	49.9999999%*
Percentage of the enlarged issued share capital of the Combined Group that will be owned by finnCap Shareholders following completion of the Merger	50.0000001%*

\* These figures have been calculated using the sources and bases described in Part 3 of this document.

PART 1

LETTER FROM THE CHAIRMAN OF FINNCAP GROUP PLC



*(incorporated and registered in England and Wales under number 11540126)*

*Directors:*

Robert Lister (*Independent Non-Executive Chairman*)  
John Farrugia (*Chief Executive Officer*)  
Richard Snow (*Chief Financial Officer*)  
Geoffrey Nash (*Executive Director*)  
Andrew Hogarth (*Senior Independent Non-Executive Director*)  
Annette Andrews (*Independent Non-Executive Director*)  
Barbara Firth (*Independent Non-Executive Director*)

*Registered Office:*

One Bartholomew Close  
London  
England  
EC1A 7BL

20 April 2023

Dear Shareholders

**NOTICE OF GENERAL MEETING IN RELATION TO THE RECOMMENDED ALL-SHARE MERGER WITH  
CENKOS SECURITIES PLC**

**1. INTRODUCTION**

On 23 March 2023, the boards of finnCap and Cenkos announced that they had reached agreement on the terms and conditions of a recommended all-share merger of finnCap and Cenkos to be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act pursuant to which finnCap would acquire the entire issued and to be issued share capital of Cenkos.

finnCap and Cenkos are two complementary businesses, established in 2007 and 2004 respectively, by founders with the entrepreneurial, ambitious and dynamic spirit that has remained with both businesses. The Cenkos Board and the finnCap Board believe that there is a compelling strategic, strong financial and cultural rationale for the Merger which will benefit the shareholders, employees, clients, commercial counterparties and stakeholders of the Combined Group.

Under the terms of the Merger, which will be subject to the Conditions (summarised below) and further terms set out in Appendix 1 to the Announcement and the full terms and conditions set out in the Scheme Document, each Cenkos Shareholder will be entitled to receive:

**for each Cenkos Share: 3.19420647 New finnCap Shares**

Based on the Exchange Ratio and the Closing Price of 11.625 pence per finnCap Share on 22 March 2023 (being the last Business Day prior to the Announcement), the Merger values each Cenkos Share at 37.13 pence, comprising an equity value of Cenkos' entire issued ordinary share capital as at the Latest Practicable Date of approximately £21.1 million and finnCap's entire issued ordinary share capital as at Latest Practicable Date of approximately £21.1 million.

Upon completion of the Merger, Cenkos Shareholders and finnCap Shareholders will each hold approximately 50 per cent. of the entire issued ordinary share capital of finnCap, whose shares will continue to be traded on AIM.

It is intended that the Merger will be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act (although the right to effect the Merger by way of a Takeover Offer, subject to the consent of the Panel and the terms of the Co-operation Agreement, is reserved).



The Merger is conditional on, amongst other things, the approval of the FCA of the change of control in Cenkos in accordance with section 189 of the FSMA and, given the importance to each of Cenkos and finnCap of their ability to operate as Nominated Adviser to AIM companies, Cenkos and finnCap maintaining their status as Nominated Adviser pursuant to the AIM Rules for Nominated Advisers for the period ending on the Effective Date. Taking into account the FCA approval timetable, the Merger is currently expected to become Effective during the third calendar quarter of 2023, subject to the satisfaction (or, where applicable, waiver) of the Conditions and further terms set out in Appendix 1 to the Announcement and in the Scheme Document. An expected timetable of principal events relating to the Merger is set out on page 7 of this document.

The Merger is further conditional on the Resolution being passed by the requisite majority of finnCap Shareholders at the General Meeting in order to authorise the allotment and issue of the New finnCap Shares pursuant to the Merger. This letter sets out certain information relating to the Merger and provides links to sources of further information. It explains why the finnCap Directors are unanimously recommending that finnCap Shareholders vote in favour of the Resolution to be proposed at the General Meeting and explains what action you need to take.

## **2. BACKGROUND TO AND REASONS FOR THE MERGER**

The finnCap Board and the Cenkos Board believe that there is a compelling strategic, strong financial and cultural rationale for the Merger which will benefit the shareholders, employees, clients, commercial counterparties and other stakeholders of the Combined Group.

### ***A combined business with complementary capabilities and greater scale that is well positioned for future growth and a strong client proposition***

The Merger will combine the equity capital market practices of two complementary businesses. Each firm services a broad mix of corporate and institutional client constituencies in their respective equity capital market divisions. finnCap and Cenkos have very few shared corporate clients. The Merger will enhance and complement finnCap's larger client base by combining with Cenkos, an institutional stockbroker which has been involved in many of the largest fundraisings and IPOs by growth companies in recent years.

The Combined Group will have its combined client base at its heart and be focussed on providing the best possible service to them.

The Merger will give Cenkos' clients access to a wider range of services including finnCap's private M&A business Cavendish and finnCap's debt and private capital raising advisory teams which will enhance Cenkos' ability to provide strategic financial advice to its clients where it already enjoys a strong reputation for equity capital markets advice and capital raising.

This combination will therefore create a leading provider in fundraising and advisory services for quoted growth and investment companies, and together with the wider offering of finnCap across M&A, debt and private growth capital, will create a leading full-service advisory firm.

The Combined Group has over 210 retained listed or quoted company clients across a complementary suite of sectors, and will be able to provide the combined client base with a greater depth of expertise, transactional capacity and fundraising strength, and for Cenkos' clients, a wider range of services and products.

### ***A combined business with a through-the-cycle financial performance that will underpin shareholder returns, the resources to invest and a stable platform for growth***

Both the finnCap Board and the Cenkos Board are strong believers in and supporters of the role of the public markets as a compelling source of growth capital whilst allowing their investors to achieve greater liquidity. The Combined Group will focus on delivering attractive and consistent shareholder returns through the economic cycle.

The Combined Group will have scale and greater breadth of clients, with a high level of recurring revenue and improved operating cost efficiency, which the Cenkos Board and the finnCap Board believe will allow it to perform strongly through the stock market cycle. Furthermore, the Combined Group has in excess of £20 million of combined cash on its balance sheet, which will provide both financial resilience and a platform to support the future growth of the Combined Group.

As further described in paragraph 4, the Cenkos Board and the finnCap Board also believe there will be areas of duplicative or inefficient spending across the Combined Group (as compared to the companies on a standalone basis) where financial savings can be made following the Effective Date which, if implemented, would have a beneficial impact on the Combined Group.

The finnCap Board and the Cenkos Board are mindful of the market challenges faced by the broking sector in recent years and that as this highly fragmented market is becoming increasingly competitive, scale is becoming increasingly important. The finnCap Board and the Cenkos Board believe that the consequent financial pressures faced by many competitors is expected to lead to consolidation in the short to medium term. The Merger will offer a stable platform from which the Combined Group can take advantage of disruption amongst competitors as this consolidation accelerates.

#### ***Shared client-centred culture with an entrepreneurial and ambitious mindset***

The Combined Group will have, on a combined proforma basis, over 230 colleagues. The finnCap Board and the Cenkos Board believe there is a strong cultural alignment between two client-centric and ambitious groups, centring around collegiate respect, teamworking, dynamism and the entrepreneurialism needed to succeed and to deliver the best results for our clients.

The Merger presents a very robust platform from which to develop the Combined Group's talent pool through the sharing of best practices, revenue generating ideas and collaboration. The strengthened financial position of the Combined Group would also enable further investment in developing and recruiting the very best talent, at all levels and across divisions, to drive the Combined Group's growth.

### **3. DIVIDENDS**

#### ***2022 Dividend***

Each Cenkos Shareholder will be entitled to receive and retain the 0.5 pence cash dividend for each Cenkos Share held on the 2022 Dividend Record Date (the "**2022 Dividend**") which was announced on 10 March 2023 and is to be paid in respect of the financial year ended 31 December 2022, to Cenkos Shareholders without any reduction in their entitlements under the Exchange Ratio pursuant to the Scheme. The 2022 Dividend is due to be paid on 22 June 2023 to those Cenkos Shareholder who are on Cenkos' register of members at close of business on 26 May 2023 (the "**2022 Dividend Record Date**").

#### ***Interim Dividend***

The Cenkos Board intends in due course to declare an interim dividend of three pence per Cenkos Share, which is intended to be formally declared after 30 June 2023 and paid before the Effective Date (the "**Interim Dividend**"). The timetable relating to the proposed Interim Dividend will be notified in due course. Holders of Cenkos Shares as at the record date for the Interim Dividend shall be entitled to receive the Interim Dividend without any reduction in their entitlements under the Exchange Ratio pursuant to the Scheme.

#### ***Other dividends***

finnCap does not currently expect to pay a final dividend when it announces results in respect of the financial year ending 31 March 2023.

If either finnCap or Cenkos announces, declares, makes or pays any dividend or other distribution on or after the date of the Announcement and prior to the Effective Date, other than the 2022 Dividend and the Interim Dividend, there will be no change to the Exchange Ratio. Each of finnCap and Cenkos reserves the right to pay an equalising dividend to their respective shareholders should any dividend other than the 2022 Dividend or the Interim Dividend be paid by the other party.

#### ***Dividend Policy***

Following completion of the Merger, the declaration and payment of dividends and the quantum thereof will be dependent upon the Combined Group's financial condition, future prospects, cash requirements, levels of profits available for distribution, and any other factors regarded by the finnCap Board following completion of the Merger as relevant at that time. The Combined Group will focus on delivering attractive and consistent shareholder returns through the economic cycle.

#### **4. DIRECTORS, MANAGEMENT, EMPLOYEES, PENSIONS, RESEARCH AND DEVELOPMENT AND LOCATIONS**

##### ***Management, directors, employees and pensions***

The Combined Group will endeavour to harness the talent in both companies to optimise the benefits for clients and shareholders of the Combined Group. The finnCap Board and the Cenkos Board also recognise that the management and employees of the Combined Group are its most important assets and the success of the Combined Group in the future is attributable to their skills, knowledge and expertise, as it has been to the success of finnCap and Cenkos previously. The integration of the finnCap and Cenkos businesses will be led by key finnCap and Cenkos personnel.

The Combined Group will have a culture which is client-centric and values the relationships developed with clients by front office staff. The Cenkos Board and the finnCap Board believe that employees within the equity capital markets and stockbroking functions have similar roles and can naturally be merged with limited post-integration change or disruption.

finnCap and Cenkos have had high level discussions regarding other opportunities arising from the Merger and identified, at a high level, areas of cost duplication and other inefficiencies for the Combined Group (as compared to the companies on a standalone basis). This will be explored further as part of a comprehensive review following the Effective Date. This review will consider, in particular but not limited to, the further integration of systems, operational and administrative areas of the Combined Group and, as part of this, to identify duplication or overlap in staff roles. This review will also explore other efficiencies and financial benefits of the Merger, while being mindful to ensure that the Combined Group has the appropriate systems and controls in keeping with its greater scale, regulatory requirements and with best market practice. finnCap recognises in connection with this that the Combined Group's headcount would likely reduce over a twelve-month implementation period (and the number of affected individuals could potentially, depending on the outcome of this review, be material), some of which would take place via natural attrition, and that rationalisation is particularly likely within central and support functions across the Combined Group.

Pending this review, which will only commence after the Effective Date, it is not possible to detail the steps for and extent of any rationalisation, however, it is an important strategic consideration for Cenkos and finnCap to retain and reward the best talent across the Combined Group from each business, without preference or bias. This rationalisation will be subject to any required consultation with employees and/or their representatives.

Other than as set out above, finnCap and Cenkos are not planning any material change in the balance of the skills and functions of the employees and management of the Combined Group taken as a whole.

The Cenkos Board and the finnCap Board have each confirmed that the existing statutory and contractual employment rights, including accrued pension rights of all Cenkos or finnCap employees, will be fully safeguarded upon and following completion of the Merger.

Cenkos operates a defined contribution pension scheme for its employees and contributes towards a number of personal pension plans set up by its employees pursuant to the scheme. finnCap's intention for the Combined Group is to maintain current employer contributions to existing pension arrangements. Any Cenkos employees who are not participants in such scheme at the Effective Date will be entitled to join the finnCap pension plan after the Effective Date on the same basis as existing finnCap employees.

finnCap and Cenkos believe that the benefits of the Merger include the opportunity to establish new incentive and remuneration policies for existing and future employees of the Combined Group, based on existing practices, designed to reward revenue generation and financial performance as well as non-financial contributions to the success of the Combined Group. It is intended that a new employee incentive policy and plan will be adopted following the Effective Date

The Combined Group will be led by the existing CEOs of finnCap and Cenkos as co-CEOs. Lisa Gordon will become Chair of the Combined Group Board which will comprise an equal number of finnCap Directors and Cenkos Directors. The remainder of the Combined Group Board will comprise Ben Procter (*CFO*), Richard Snow (*COO*), Robert Lister (*Senior Independent Non-Executive Director*) and an expected two further independent non-executive directors to be agreed, one of whom will be nominated by each of Cenkos and finnCap. Individual appointments to the Combined Group Board will be subject to the approval of the FCA.

An executive committee with day-to-day operational responsibility for the Combined Group (including during the implementation period taking particular responsibility for overseeing integration), reporting to the Combined Group Board, will be constituted comprising of the co-CEOs of the Combined Group, the CFO, COO, Jeremy Osler and Geoff Nash. Separate management committees will be established following the Effective Date for each of the Combined Group's principal operating divisions.

#### ***Incentivisation Arrangements***

finnCap and Cenkos have not entered into, and have not discussed any form of incentivisation arrangements with members of Cenkos' management team. Following the Effective Date, the Combined Group may put in place incentive arrangements, including for certain members of the Cenkos management team and/or the continuing Cenkos Directors.

As set out above, it is intended that a new employee equity incentive plan will be adopted for the Combined Group following the Effective Date following further consultation with the management of Cenkos.

#### ***Name, headquarters and locations***

The finnCap Board and the Cenkos Board are highly respectful of the value and heritage attaching to their respective names and brands amongst their clients, counterparties and employees. The Merger presents an opportunity for the Combined Group to establish its own identity and, following the Effective Date, it is intended that a working group will further consider a rebranding of the Combined Group. In the meantime, the Combined Group will be known as Cenkos finnCap Group plc, its equity capital markets business will be branded Cenkos finnCap, and its M&A division as Cavendish.

The Combined Group will be headquartered at the current existing registered office of finnCap being 1 Bartholomew Close, London EC1A 7BL with all Cenkos' operations transferring to that address at an appropriate time following the Effective Date. No change is intended with regard to Cenkos' existing office in Edinburgh.

#### ***Business, assets, research and development***

Neither finnCap nor Cenkos has any material research or development function nor do they intend to create such functions. It is intended that the fixed assets of Cenkos located at its headquarters in London will be transferred together with the combination of operations at finnCap's London office, as described above.

#### ***Trading Facilities***

finnCap Shares and Cenkos Shares are both currently admitted to trading on AIM and finnCap and Cenkos intend to make a request to the London Stock Exchange to cancel trading of the Cenkos Shares on AIM, with effect from and shortly following the Effective Date. Cenkos will be re-registered as a private company following the Effective Date.

#### ***Statements***

None of the statements in this paragraph 4 is a "post-offer undertaking" for the purposes of Rule 19.5 of the Takeover Code.

### **5. CONDITIONS TO THE MERGER**

The Scheme Document sets out the Conditions and further terms to which the Merger will be subject, including (i) the approval by the FCA of the change of control in Cenkos in accordance with section 189 of the FSMA; and (ii) given the importance to each of Cenkos and finnCap of their ability to operate as Nominated Adviser to AIM companies, the requirement that each of Cenkos and finnCap maintain their status as Nominated Adviser pursuant to the AIM Rules for Nominated Advisers for the period ending on the Effective Date.

### **6. IRREVOCABLE UNDERTAKINGS AND LETTER OF INTENT**

#### ***Cenkos Shares***

finnCap and Cenkos have received irrevocable undertakings to vote (or, where applicable, procure voting) in favour of the Scheme at the Court Meeting and the Cenkos Resolution to be proposed at the Cenkos General Meeting (or, in the event that the Merger is implemented by a Takeover Offer, to accept or procure acceptance of such

Takeover Offer) from all of the Cenkos Directors who hold Cenkos Shares, in respect of their own legal and/or beneficial holdings which are under their control, totalling 1,587,653 Cenkos Shares (representing approximately 2.80 per cent. of the existing issued ordinary share capital of Cenkos as at the Latest Practicable Date), as well as any further Cenkos Shares of which they may become the legal or beneficial holder (as a result of the exercise of options or vesting of awards under the Cenkos Share Plans). All of the Cenkos Directors support the Merger.

In addition to the irrevocable undertakings given by the Cenkos Directors, certain Cenkos Shareholders have given irrevocable undertakings to finnCap and Cenkos to vote in favour of the Scheme at the Court Meeting and the Cenkos Resolution to be proposed at the Cenkos General Meeting (or, in the event that the Merger is implemented by a Takeover Offer, to accept or procure acceptance of such Takeover Offer), in each case in respect of their own legal and/or beneficial holdings (or those Cenkos Shares over which they have control) of Cenkos Shares, totalling 11,492,897 Cenkos Shares (representing approximately 20.27 per cent. of the existing issued ordinary share capital of Cenkos as at the Latest Practicable Date) as well as any further Cenkos Shares of which they may become the legal and/or beneficial holder (as a result of the exercise of options or vesting of awards under the Cenkos Share Plans).

In addition, finnCap and Cenkos have received a non-binding letter of intent from Canaccord Genuity Asset Management Limited to procure votes to approve the Scheme at the Court Meeting and to procure votes in favour of the Cenkos Resolution to be proposed at the Cenkos General Meeting (or, in the event that the Merger is implemented by a Takeover Offer, to procure acceptance of such Takeover Offer). This letter of intent represents 5,500,000 Cenkos Shares representing approximately 9.70 per cent. of the ordinary share capital of Cenkos in issue as at the Latest Practicable Date.

### ***finnCap Shares***

Cenkos and finnCap have received irrevocable undertakings to vote or procure votes in favour of the Resolution to be proposed at the General Meeting from all of the finnCap Directors who hold finnCap Shares, in each case in respect of their own legal and/or beneficial holdings (and those of their close family members) (or those finnCap Shares over which they have control) totalling 10,168,726 finnCap Shares (representing approximately 5.62 per cent. of the existing issued ordinary share capital of finnCap as at the Latest Practicable Date). All of the finnCap Directors support the Merger, as set out in paragraph 10. The undertakings from finnCap Directors who hold finnCap Shares will cease to be binding if: (i) finnCap announces, with the consent of the Panel, that it does not intend to proceed with the Merger and no new, revised or replacement scheme of arrangement or Takeover Offer is announced by finnCap in accordance with Rule 2.7 of the Takeover Code at the same time; (ii) the Scheme Document is not dispatched to Cenkos Shareholders within 28 days (or such longer period as may be agreed between Cenkos, finnCap and the Panel) of the Announcement; (iii) the Merger lapses or is withdrawn in accordance with its terms and no new, revised or replacement scheme of arrangement or Takeover Offer is announced by finnCap by such time; (iv) the Scheme has not become Effective by 5.00 p.m. on the Long Stop Date or such later time and date as Cenkos and finnCap may agree with the approval of the Court and/or Panel if required (other than in circumstances where finnCap has, prior to such date, elected to exercise its right to proceed by way of a Takeover Offer and announced the same in accordance with the requirements of paragraph 8 of Appendix 7 to the Takeover Code, and such Takeover Offer has not lapsed or been withdrawn); (v) any competing offer for the entire issued and to be issued ordinary share capital of Cenkos is declared unconditional or, if proceeding by way of a scheme of arrangement, becomes effective; and/or (vi) the Resolution is duly passed by the requisite majority of finnCap Shareholders at the General Meeting.

In addition to the irrevocable undertakings given by the finnCap Directors, finnCap Shareholders Jon Moulton, Vin Murria, Sam Smith, Lord Leigh, Mark Tubby, Peter Gray and Rhys Williams have given irrevocable undertakings to Cenkos and finnCap to vote or procure votes in favour of the Resolution to be proposed at the General Meeting, in each case in respect of their own legal and/or beneficial holdings (or those finnCap Shares over which they have control) of finnCap Shares, totalling 83,860,205 finnCap Shares (representing approximately 46.31 per cent. of the existing issued ordinary share capital of finnCap as at the Latest Practicable Date).

In aggregate, Cenkos and finnCap have received irrevocable undertakings to vote or procure votes in favour of the Resolution to be proposed at the General Meeting in respect of 94,028,931 finnCap Shares, representing 51.92 per cent. of the issued share capital of finnCap as at the Latest Practicable Date. Further details of these irrevocable undertakings, including the circumstances in which they cease to be binding, are set out in Part 6 of the Scheme Document.

## 7. GENERAL MEETING

In order to allot and issue the New finnCap Shares, finnCap is required to seek the approval of the finnCap Shareholders at the General Meeting to the requisite authorities and powers to issue and allot such New finnCap Shares.

The Merger is therefore conditional on, among other things, the Resolution being passed by the requisite majority of finnCap Shareholders at the General Meeting.

A notice is set out at the end of this document convening the General Meeting to be held at the offices of Travers Smith LLP at 10 Snow Hill, London EC1A 2AL at 9.30 a.m. on Wednesday, 17 May 2023. At the General Meeting, the Resolution will be proposed as an ordinary resolution to authorise the finnCap Directors to allot and issue the New finnCap Shares pursuant to the Merger.

The Resolution is in addition to the existing authority of the finnCap Directors to allot finnCap Shares which is anticipated to be renewed at the next annual general meeting of finnCap.

## 8. ACTION TO BE TAKEN

Proxy votes should be completed in accordance with the instructions set out in the notes to the notice of General Meeting set out at the end of this document as soon as possible and in any event not later than 9.30 a.m. on 15 May 2023 (or if the General Meeting is adjourned to another day, not later than 48 hours (excluding non-working days) before the time fixed for the holding of the adjourned meeting). The completion and return of a proxy form, electronic filing or CREST Proxy Instruction will not preclude you from attending and voting in person at the General Meeting or any adjournment thereof, if you so wish and are so entitled. If your proxy vote is not completed by 9.30 a.m. on 15 May 2023, your proxy vote will not count.

## 9. FURTHER INFORMATION

Copies of this document, the Announcement and the Scheme Document are available on the finnCap website <https://announcements.finncap.com/merger/>.

## 10. RECOMMENDATION

**The finnCap Directors consider the Merger to be in the best interests of finnCap and the finnCap Shareholders as a whole and unanimously recommend that finnCap Shareholders vote in favour of the Resolution to be proposed at the General Meeting, as they have irrevocably undertaken to do (or procure to be done) in respect of their own legal and beneficial holdings of 10,168,726 finnCap Shares (and those of their close family members) representing, in aggregate, approximately 5.62 per cent. of the issued share capital of finnCap as at the Latest Practicable Date.**

Yours faithfully,



**Robert Lister**  
*Independent Non-Executive Chairman*

## PART 2

### DEFINITIONS

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

<b>“2022 Dividend”</b>	has the meaning given to it in paragraph 3 of Part 1 of this document.
<b>“2022 Dividend Record Date”</b>	has the meaning given to it in paragraph 3 of Part 1 of this document.
<b>“AIM”</b>	AIM, a market operated by the London Stock Exchange.
<b>“AIM Rules”</b>	the rules of AIM as set out in the “AIM Rules for Companies” issued by the London Stock Exchange from time to time relating to AIM traded securities and the operation of AIM.
<b>“AIM Rules for Nominated Advisers”</b>	the rules of AIM as set out in the “AIM Rules for Nominated Advisers” issued by the London Stock Exchange from time to time relating to Nominated Advisers.
<b>“Announcement”</b>	the announcement of the Merger dated 23 March 2023 (including the summary and Appendices to the announcement) made pursuant to Rule 2.7 of the Takeover Code.
<b>“Business Day”</b>	a day, not being a public holiday, Saturday or Sunday, on which clearing banks in London are open for normal business.
<b>“Cenkos”</b>	Cenkos Securities plc.
<b>“Cenkos Articles”</b>	the articles of association of Cenkos as amended from time to time.
<b>“Cenkos Board”</b>	the board of directors of Cenkos from time to time.
<b>“Cenkos CSOP”</b>	the Cenkos Company Share Option Plan adopted on 15 May 2018 and consisting of Part I: The Cenkos 2018 Approved Share Option Plan and Part II: The Cenkos 2006 Unapproved Company Share Option Plan, (as amended from time to time).
<b>“Cenkos DBSS”</b>	the Cenkos Deferred Bonus Share Scheme adopted on 19 March 2021 (as amended from time to time).
<b>“Cenkos Directors”</b>	the directors of Cenkos from time to time.
<b>“Cenkos General Meeting”</b>	the general meeting of Cenkos Shareholders to be convened in connection with the Scheme to consider and, if thought fit, to approve the Cenkos Resolution (with or without amendment), which is expected to be held as soon as the preceding Court Meeting shall have concluded or been adjourned, and including any adjournment, postponement or reconvening thereof.
<b>“Cenkos Group”</b>	Cenkos and its subsidiaries and its subsidiary undertakings and where the context permits, each of them.
<b>“Cenkos LTIP”</b>	means the Cenkos 2021 Long Term Incentive Plan adopted on 25 March 2021 (as amended from time to time).

<b>“Cenkos Resolution”</b>	the resolution to be proposed at the Cenkos General Meeting necessary to facilitate the implementation of the Scheme, including, without limitation, a resolution to amend the Cenkos Articles by adoption and inclusion of a new article (in terms approved by finnCap) under which any Cenkos Shares issued or transferred after the Scheme Record Time (other than to finnCap and its nominees) shall be automatically transferred to finnCap (or as it may direct) and, where applicable, for New finnCap Shares to be issued as consideration to the transferee or to the original recipient of the Cenkos Shares so transferred or issued on the same terms as the Merger (other than terms as to timings and formalities).
<b>“Cenkos Share Plans”</b>	the Cenkos CSOP, the Cenkos DBSS, the Cenkos LTIP, the Cenkos Sharesave, the Cenkos SIP and the Cenkos STIP.
<b>“Cenkos Shareholders”</b>	holders of Cenkos Shares.
<b>“Cenkos Shares”</b>	the ordinary shares of one penny each in the share capital of Cenkos from time to time.
<b>“Cenkos Sharesave”</b>	means the Cenkos Sharesave Plan adopted on 18 March 2014 (as amended from time to time).
<b>“Cenkos SIP”</b>	means the Cenkos Share Incentive Plan adopted on 27 March 2014 (as amended from time to time).
<b>“Cenkos STIP”</b>	means the Cenkos Short-Term Incentive Plan 2020 adopted on 30 April 2020 (as amended from time to time).
<b>“Closing Price”</b>	the closing middle market price of a Cenkos Share or finnCap Share (as applicable) on a particular trading day as derived from the AIM appendix to the Daily Official List on any particular date.
<b>“Combined Group”</b>	the enlarged group following the Scheme becoming Effective, comprising the finnCap Group and the Cenkos Group.
<b>“Combined Group Board”</b>	the board of directors of finnCap with effect from the Effective Date.
<b>“Companies Act”</b>	the Companies Act 2006, as amended.
<b>“Conditions”</b>	the conditions to the Merger, as set out in Appendix 1 to the Announcement and in the Scheme Document and <b>“Condition”</b> shall mean any one of them.
<b>“Co-operation Agreement”</b>	the co-operation agreement entered into between finnCap and Cenkos dated 23 March 2023 relating to, amongst other things, the implementation of the Merger.
<b>“Court”</b>	the High Court of Justice in England and Wales.
<b>“Court Meeting”</b>	the meeting of Scheme Shareholders to be convened at the direction of the Court pursuant to Part 26 of the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment), and including any adjournment, postponement or reconvening thereof.
<b>“Court Order”</b>	the order of the Court sanctioning the Scheme under Part 26 of the Companies Act.
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in the CREST Regulations) in accordance with which securities may be held and transferred in uncertificated form.



<b>“CREST Manual”</b>	the CREST Manual published by Euroclear, as amended from time to time.
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (including as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018), as amended from time to time.
<b>“Daily Official List”</b>	the Daily Official List published by the London Stock Exchange.
<b>“Dealing Disclosure”</b>	an announcement pursuant to Rule 8 of the Takeover Code containing details of dealings in interests in relevant securities of a party to an offer.
<b>“Effective”</b>	in the context of the Merger: (i) if the Merger is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or (ii) if the Merger is implemented by way of a Takeover Offer, the Takeover Offer having been declared or having become unconditional in accordance with the requirements of the Takeover Code.
<b>“Effective Date”</b>	the date on which the Merger becomes Effective.
<b>“Euroclear”</b>	Euroclear UK & International Limited.
<b>“Exchange Ratio”</b>	3.19420647 New finnCap Shares for each Cenkos Share.
<b>“Excluded Shares”</b>	any Cenkos Shares at the Scheme Record Time which (if any): (a) are owned or controlled by the finnCap Group; or (b) are held by Cenkos as treasury shares (within the meaning of the Companies Act).
<b>“FCA” or “Financial Conduct Authority”</b>	the Financial Conduct Authority of the United Kingdom or its successor from time to time, acting in its capacity as the competent authority for the purposes of Part VI of FSMA.
<b>“FCA Handbook”</b>	the FCA’s Handbook of rules and guidance as amended from time to time.
<b>“finnCap” or the “Company”</b>	finnCap Group plc.
<b>“finnCap Board”</b>	the board of directors of finnCap from time to time.
<b>“finnCap Directors”</b>	the directors of finnCap from time to time.
<b>“finnCap Group”</b>	finnCap and its subsidiaries and its subsidiary undertakings and where the context permits, each of them.
<b>“finnCap Shares”</b>	the ordinary shares of one penny each in the share capital of finnCap from time to time.
<b>“finnCap Shareholders”</b>	holders of finnCap Shares.
<b>“FSMA”</b>	the Financial Services and Markets Act 2000, as amended from time to time.
<b>“General Meeting”</b>	the general meeting (or any adjournment, postponement or reconvening thereof) of finnCap Shareholders to be convened pursuant to the notice set out at the end of this document.
<b>“Interim Dividend”</b>	has the meaning given to it in paragraph 3 of Part 1 of this document.

<b>“Latest Practicable Date”</b>	19 April 2023, being the latest practicable date prior to the publication of this document.
<b>“London Stock Exchange”</b>	London Stock Exchange plc or its successor.
<b>“Long Stop Date”</b>	11.59 p.m. on 31 December 2023 or such later date as Cenkos and finnCap may, with the consent of the Panel, agree and, if required, as the Court may approve.
<b>“Merger”</b>	the proposed acquisition by finnCap of the entire issued, and to be issued, ordinary share capital of Cenkos, other than Excluded Shares, to be implemented by means of the Scheme (or should finnCap elect (subject to the consent of the Panel and the terms of the Co-operation Agreement) by means of a Takeover Offer) and, where the context requires, any subsequent revision, variation, extension or renewal thereof.
<b>“New finnCap Shares”</b>	the new finnCap Shares to be issued fully paid to the Scheme Shareholders pursuant to the Scheme (and any other Cenkos Shares which are issued after the Scheme becomes Effective).
<b>“Nominated Adviser”</b>	an adviser whose name appears in the directory of nominated advisers held by the London Stock Exchange from time to time.
<b>“Panel”</b>	the Panel on Takeovers and Mergers;
<b>“Registrar of Companies”</b>	the Registrar of Companies in England and Wales.
<b>“Regulatory Information Service”</b>	a regulatory information service as defined in the FCA Handbook.
<b>“relevant securities”</b>	“relevant securities” as defined in the Takeover Code.
<b>“Resolution”</b>	the shareholder resolution of finnCap proposed to be passed by the finnCap Shareholders at the General Meeting as set out in the notice at the end of this document.
<b>“Sanction Hearing”</b>	the Court hearing to sanction the Scheme.
<b>“Scheme”</b>	the proposed scheme of arrangement under Part 26 of the Companies Act between Cenkos and Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Cenkos and finnCap, to implement the acquisition of the entire issued and to be issued share capital of Cenkos by finnCap.
<b>“Scheme Document”</b>	the document sent to Cenkos Shareholders containing, amongst other things, the Scheme and the notices convening the Court Meeting and the General Meeting.
<b>“Scheme Record Time”</b>	the time and date to be specified in the Scheme Document, expected to be 6.00 p.m. on the Business Day immediately prior to the Effective Date, or such later time as finnCap and Cenkos may agree.
<b>“Scheme Shareholders”</b>	holders of Scheme Shares.
<b>“Scheme Shares”</b>	all Cenkos Shares which remain in issue at the Scheme Record Time and are: <ul style="list-style-type: none"> <li>(a) in issue at the date of the Scheme Document;</li> <li>(b) (if any) issued after the date of the Scheme Document but before the Voting Record Time; and</li> </ul>

(c) (if any) issued at or after the Voting Record Time and before the Scheme Record Time, either on terms that the original or any subsequent holders thereof shall be bound by the Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by the Scheme,

excluding, in each case, any Excluded Shares.

**“Substantial Interest”**

a direct or indirect interest in 20 per cent. or more of the voting rights or equity share capital of an undertaking.

**“Takeover Code” or “Code”**

the City Code on Takeovers and Mergers issued by the Panel, as amended from time to time.

**“Takeover Offer”**

subject to the consent of the Panel and the terms of the Co-operation Agreement, should the Merger be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer to be made by or on behalf of finnCap to acquire the entire issued and to be issued share capital of Cenkos, other than Excluded Shares and, where the context admits, any subsequent revision, variation, extension or renewal of such Takeover Offer.

**“UK” or “United Kingdom”**

United Kingdom of Great Britain and Northern Ireland.

**“Voting Record Time”**

the time and date to be specified in the Scheme Document by reference to which entitlement to vote at the Court Meeting and the Cenkos General Meeting will be determined, expected to be 6.30 p.m. on the day which is two days (excluding non-working days) before the date of the Court Meeting and the Cenkos General Meeting or, if the Court Meeting and/or the Cenkos General Meeting is adjourned, 6.30 p.m. on the day which is two days (excluding non-working days) before the date of such adjourned meeting.

**“Wider finnCap Group”**

finnCap and its subsidiaries, subsidiary undertakings and associated undertakings, and any other undertaking (including any joint venture, partnership, firm or company) in which finnCap and/or all such undertakings (aggregating their interests) have a Substantial Interest.

**“Wider Cenkos Group”**

Cenkos and its subsidiaries, subsidiary undertakings and associated undertakings, and any other undertaking (including any joint venture, partnership, firm or company) in which Cenkos and/or all such undertakings (aggregating their interests) have a Substantial Interest (excluding, for the avoidance of doubt, finnCap and all of its associated undertakings which are not members of the Cenkos Group).

All references to “pounds”, “pounds Sterling”, “Sterling”, “£”, “pence”, “penny” and “p” are to the lawful currency of the United Kingdom.

All references to statutory provisions or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and order from time to time made thereunder or deriving validity therefrom.

All times referred to in this document are London times.

For the purposes of this document, “subsidiary”, “subsidiary undertaking”, “undertaking”, “associated undertaking” and “equity share capital” have the meanings given by the Companies Act.

References to the singular include the plural and vice versa.

## PART 3

### SOURCES OF INFORMATION AND BASES OF CALCULATION

In this document, unless otherwise stated or the context otherwise requires, the following sources and bases have been used:

1. The “**Latest Practicable Date**” for the purposes of this document means close of business on 19 April 2023 (being the last Business Day before the date of this document).
2. The equity value of Cenkos’ entire issued and to be issued ordinary share capital has been calculated on the basis of 56,694,783 Cenkos Shares, being the number of Cenkos Shares in issue as at the Latest Practicable Date, and references in this document to the “entire issued and to be issued ordinary share capital of Cenkos” are each based on such number of Cenkos Shares.
3. The equity value of finnCap’s entire issued ordinary share capital has been calculated on the basis of 181,094,844 finnCap Shares, being the number of finnCap Shares in issue as at the Latest Practicable Date.
4. finnCap:
  - (a) as at the Latest Practicable Date, has outstanding option and/or incentive awards under the finnCap Share Plans in respect of in aggregate 23,744,910 finnCap Shares; and
  - (b) intends to grant new option and/or incentive awards under the finnCap Share Plans following the date of this document and prior to the Effective Date in respect of in aggregate 12,065,000 finnCap Shares.
5. As at the Latest Practicable Date, 11,165,597 finnCap Shares are held by the finnCap Group Employee Benefit Trust which are expected to be used to part-satisfy the exercise of options and vesting of awards described in paragraph 4 above.
6. As at the Latest Practicable Date, neither Cenkos nor finnCap holds any ordinary shares in treasury.
7. The enlarged issued ordinary share capital of the Combined Group (being 362,189,687 finnCap Shares) has been calculated on the basis of:
  - (a) 181,094,844 finnCap Shares (as referred to in paragraph 3 above); and
  - (b) 181,094,843 New finnCap Shares which would be issued under the terms of the Merger,and references in this document to the “entire issued ordinary share capital of the Combined Group” are each based on such number of finnCap Shares including for the purposes of calculating the aggregate holdings of Cenkos Shareholders in the entire issued ordinary share capital of the Combined Group following completion of the Merger as described in paragraph 9 below.
8. Under the terms of the Merger, fractions of New finnCap Shares will not be allotted or issued to persons accepting the Scheme.
9. The percentage of the enlarged issued ordinary share capital of the Combined Group that will be owned by Cenkos Shareholders following completion of the Merger is calculated by dividing the number of New finnCap Shares to be issued pursuant to the terms of the Merger referred to in paragraph 7 by the enlarged issued share capital of the Combined Group (as set out in paragraph 7 above) and multiplying the resulting amount by 100 to produce a percentage.
10. The percentage of the enlarged issued ordinary share capital of the Combined Group that will be owned by the existing finnCap Shareholders following completion of the Merger is calculated by dividing the number that is equal to the enlarged issued share capital of the Combined Group (as set out in paragraph 3 above) less the New finnCap Shares to be issued pursuant to the terms of the Merger by the enlarged issued share capital of the Combined Group and multiplying the resulting amount by 100 to produce a percentage.
11. The Closing Price on any particular date is taken from the AIM appendix to the Daily Official List.

12. Unless otherwise stated:
  - (a) the financial information relating to Cenkos is extracted from the annual report and audited accounts of the Cenkos Group for the financial year ended 31 December 2022, prepared in accordance with IFRS; and
  - (b) the client and employee information relating to Cenkos is as at the Latest Practical Date.
13. Unless otherwise stated:
  - (a) the financial information relating to finnCap is extracted from the annual report and audited accounts of the finnCap Group for the financial year ended 31 March 2022, prepared in accordance with IFRS, the interim results for the six months ended 30 September 2022 or the trading update for finnCap in this document; and
  - (b) the client and employee information relating to finnCap is stated as at the Latest Practicable Date.
14. Pro forma revenue of the Combined Group has been calculated using the sum of the consolidated revenue of Cenkos for the year ended 31 December 2022 of £20.3m (as set out in its audited accounts for the year then ended) and the estimated consolidated revenue of the finnCap of £32m as set out in the current trading update for finnCap in the Announcement.
15. Pro forma combined cash of the Combined Group has been calculated using the sum of the cash for Cenkos of £14.2 million at 31 December 2022 (as set out in the consolidated balance sheet in Cenkos' annual report and accounts for the year then ended) and the cash of finnCap of £11.1 million at 30 September 2022 (as set out in the consolidated balance sheet in its Interim Results statement for the period then ended) less £2.0 million being the cash payment of the final dividend made by finnCap to its shareholders in October 2022 and up to £2.0 million being the aggregate of the Interim Dividend and the 2022 Dividend.
16. Certain figures included in this document have been subject to rounding adjustments.

## NOTICE OF GENERAL MEETING

# finnCap Group plc

*(incorporated and registered in England and Wales under number 11540126)*

Notice is hereby given that a General Meeting of finnCap Group plc (the “**Company**”) will be held at the offices of Travers Smith LLP at 10 Snow Hill, London EC1A 2AL on Wednesday, 17 May 2023 at 9.30 a.m. for the purpose of considering and, if through fit, passing the following resolution as an ordinary resolution:

### ORDINARY RESOLUTION

**THAT** without prejudice and in addition to all existing authorities to the extent unused, the directors of the Company (the “**Directors**”) be and are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 to exercise all of the powers of the Company to allot relevant securities up to an aggregate nominal amount of £1,810,948.43 in connection with the proposed merger of the Company with Cenkos Securities plc as described in an announcement made pursuant to Rule 2.7 of the City Code on Takeovers and Mergers dated 23 March 2023, provided that (unless previously revoked, varied and renewed) this authority shall expire on 31 December 2023, save that the Company may make an offer or agreement before the expiry and the Directors may allot relevant securities pursuant to any such offer or agreement as if the authority conferred by the resolution had not expired.

### BY ORDER OF THE BOARD

**Simon Maynard**  
*Company Secretary*

Date: 20 April 2023

Registered Office: One Bartholomew Close, London, England EC1A 7BL

### Notes:

1. Terms defined in the document of which this notice forms part have the same meaning when used in this notice including these notes.
2. A member entitled to attend and vote at the General Meeting convened by this notice is entitled to appoint a proxy to exercise all or any of the rights of the member to attend and speak and vote on his behalf. A proxy need not be a member of the Company. A member may appoint more than one proxy in relation to the General Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member.
3. Shareholders may appoint a proxy, and vote, by:
  - logging on to [www.shareregistrars.uk.com](http://www.shareregistrars.uk.com), clicking on the “Proxy Vote” button and then following the on-screen instructions;
  - post or by hand to Share Registrars Limited at 3 The Millennium Centre, Crosby Way, Farnham, Surrey GU9 7XX using the proxy form accompanying this notice; or
  - in the case of CREST members, utilising the CREST electronic proxy appointment service in accordance with the procedures set out in notes 6 to 10 below.
4. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.
5. In order for a proxy appointment to be valid the proxy, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority), must be received by Share Registrars Limited at 3 The Millennium Centre, Crosby Way, Farnham, Surrey GU9 7XX by 9.30 a.m. on 15 May 2023 (or if the General Meeting is adjourned to another day, not later than 48 hours (excluding non-working days) before the time fixed for the holding of the adjourned meeting).
6. Shares held in uncertificated form (i.e. in CREST) may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual.
7. CREST members who wish to appoint a proxy or proxies through the CREST Electronic Proxy Appointment Service may do so for the General Meeting and any adjournment(s) thereof by following the procedures described in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

8. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear UK & International Limited’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously-appointed proxy, must, in order to be valid, be transmitted so as to be received by Share Registrars Limited (**ID 7RA36**) no later than 9.30 a.m. on 15 May 2023 or, if the meeting is adjourned, 48 hours before the time fixed for the adjourned meeting (excluding any part of a day that is not a working day). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Share Registrars Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
9. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
10. The Company may treat a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
11. Appointment of a proxy (or submission of a CREST proxy appointment) does not preclude a member from attending and voting in person.
12. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
13. In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
14. If more than one valid proxy appointment is made in relation to the same share, the appointment last received by the registrar before the latest time for the receipt of proxies will take precedence.
15. Pursuant to section 360B of the Companies Act 2006 and Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), only shareholders registered in the register of members of the Company as at 9.30 a.m. on 15 May 2023 (or if the General Meeting is adjourned to another day, not later than 48 hours (excluding non-working days) before the time fixed for the holding of the adjourned meeting) shall be entitled to attend and vote at the General Meeting in respect of the number of shares registered in their name at such time. If the General Meeting is adjourned, the time by which a person must be entered on the register of members of the Company in order to have the right to attend and vote at the adjourned General Meeting is 48 hours before the date and time fixed for the adjourned General Meeting (excluding any part of a day that is not a working day). Changes to the register of members after the relevant times shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.
16. Any member attending the General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business to be dealt with at the General Meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.
17. The resolution to be put to the General Meeting will be voted on by way of a poll. A poll reflects the number of voting rights exercisable by each member and so is considered a more democratic method of voting than a show of hands.
18. As at the Latest Practicable Date (being the latest practicable date before publication of this notice) the Company’s issued share capital consists of 181,094,844 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at the Latest Practicable Date are 181,094,844.
19. A copy of this notice and other information required by section 311(A) of the Act may be found at <https://announcements.finnncap.com/merger/>.
20. You may not use any electronic address provided either in this notice or any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

