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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

20 May 2022

Tungsten Corporation plc ("Tungsten")

Statement regarding the withdrawal of the Tungsten Directors' recommendation of the acquisition by Pagero

Following the announcement today of an recommended increased all cash offer for Tungsten by Project California Bidco Limited, a newly-formed vehicle, indirectly wholly-owned by Kofax Parent Limited ("**Kofax**"), for the entire issued and to be issued ordinary share capital of Tungsten (the "**Revised Kofax Offer**"), the Tungsten Directors confirm that they have withdrawn their recommendation in favour of the acquisition of Tungsten by Pagero Group AB (publ) (the "**Pagero Offer**") and that they intend to recommend unanimously that Tungsten shareholders vote in favour of the Revised Kofax Offer.

The Revised Kofax Offer price of 55 pence per share in cash represents an aggregate value of approximately £70.6 million for Tungsten's entire issued and to be issued share capital and represents a premium of 14.6 per cent. to the Pagero Offer price of 48 pence per share.

The Revised Kofax Offer represents:

- an increase of 7 pence per Scheme Share (14.6 per cent.) and, in aggregate, approximately £9.1 million in the total offer value on a fully diluted basis, to the terms of the Pagero Offer; and
- an increase of 13 pence per Scheme Share (31.0 per cent.) and, in aggregate, approximately £16.8 million in the total offer value on a fully diluted basis, to the terms of the Original Kofax Offer.
- 89.7 per cent. to the Closing Price of 29.0 pence per Tungsten Share on 13 December 2021 (being the last Business Day before the commencement of the Offer Period);
- 10.6 per cent. to the Closing Price of 49.75 pence per Tungsten Share on 19 May 2022 (being the latest practicable date prior to the date of this Announcement (the "Last Practicable Date");
- 111.5 per cent. to the volume-weighted average price of 26.0 pence per Tungsten Share for the one-month period ended 13 December 2021 (being the last Business Day before the commencement of the Offer Period);
- 105.2 per cent. to the volume-weighted average price of 26.8 pence per Tungsten Share for the three-month period ended 13 December 2021 (being the last Business Day before the commencement of the Offer Period); and
- 82.1 per cent. to the volume-weighted average price of 30.2 pence per Tungsten Share for the six-month period ended 13 December 2021 (being the last Business Day before the commencement of the Offer Period).

The terms of the Revised Kofax Offer represent an attractive premium for Tungsten Shareholders over the terms of the Pagero Offer and accordingly the Tungsten Directors urge Tungsten Shareholders to take no action in respect of the Pagero Offer.

The Tungsten Directors unanimously intend to recommend that, in the case of the Court Meeting reconvened in respect of the Revised Kofax Offer (the “**Reconvened Court Meeting**”), the Scheme Shareholders and, in the case of the General Meeting reconvened in respect of the Revised Kofax Offer (the “**Reconvened General Meeting**” and, together with the Reconvened Court Meeting, the “**Reconvened Meetings**”), the Tungsten Shareholders vote in favour of the resolutions relating to the Revised Kofax Offer at the Reconvened Meetings (or in the event that the Revised Acquisition is implemented by an Offer, to accept or procure acceptance of such Offer).

As announced on 13 May 2022, the Reconvened Court Meeting and the Reconvened General Meeting in connection with the Revised Kofax Offer will both be held on 9 June 2022. The Reconvened Court Meeting will start at 2.00 pm and the Reconvened General Meeting will start at 2.15 pm (or as soon thereafter as the Reconvened Court Meeting has concluded or been adjourned). The Reconvened Meetings will be held at the offices of Memery Crystal, 165 Fleet Street, London EC4A 2DY.

The Tungsten Directors who hold Tungsten Shares have already irrevocably undertaken, in respect of the Original Kofax Offer, and which undertakings continue to apply in respect of the Revised Kofax Offer, to vote in favour of the resolutions at the Reconvened Meetings in respect of their own beneficial holdings totalling 1,305,253 Tungsten Shares, representing approximately 1.0 per cent. of existing issued ordinary share capital of Tungsten as at the Last Practicable Date.

Commenting on the Offer, Tony Bromovsky, Chairman of Tungsten, said:

"The Board of Tungsten is pleased to recommend Kofax's revised cash offer for Tungsten which represents an increase of 7 pence to Pagero's offer of 48 pence per Tungsten Share, an approximate 89.7 per cent. premium to the undisturbed share price on 13 December 2021 and an approximate 31.0 per cent increase on Kofax's previous offer. This Revised Kofax Offer provides our shareholders with even greater value in cash for their shares and, as I said previously, provides Tungsten with the opportunity to expand the scale of its business by offering its products to a wider customer base leveraging Kofax's geographical reach, capacity for investment and operational infrastructure."

Certain definitions and terms used in this Announcement not otherwise defined are set out in Part IX (Definitions) of the Kofax scheme document published on 25 April 2022.

Further announcements will be made as and when appropriate.

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About Tungsten Corporation plc

Tungsten Corporation (AIM: TUNG) is the world's largest, compliant business transaction network. A leading global electronic invoicing and purchase order transactions network; Tungsten's mission is centred on enabling a touchless invoice process allowing businesses around the globe to gain maximum value from their invoice process.

Tungsten processes invoices for 60% of the FTSE 100 and 68% of the Fortune 500. It enables suppliers to submit tax compliant e-invoices in 54 countries, and last year processed transactions worth over 220 billion for organisations such as Caesars Entertainment, Computacenter, GlaxoSmithKline, Kraft Foods, Mohawk Industries, Mondelēz International, Procter & Gamble, Shaw Industries, Unilever, and the US Federal Government.

Founded in 2000 and headquartered in London, Tungsten has offices in the US, Bulgaria, and Malaysia, employing over 227 people.

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse (Amendment) (EU Exit) Regulations 2019. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

Publication on website

In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement will be available (subject to certain restrictions relating to persons resident in restricted jurisdictions) at <https://www.tungsten-network.com> by no later than 12 noon (London time) on the business day following the date of this announcement. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

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Overseas Shareholders

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