

# HERALD INVESTMENT MANAGEMENT LIMITED

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## Irrevocable Undertaking

### STRICTLY PRIVATE AND CONFIDENTIAL

**To: Pagero Group AB (publ)**

Box 11006  
404 21 Gothenburg  
Sweden

**Cc: Strand Hanson Limited**

26 Mount Row  
London W1K 3SQ  
United Kingdom

9 May 2022

Dear Sirs

### **Proposed acquisition of all the issued and to be issued ordinary shares of 0.438 pence each in the share capital of Tungsten Corporation plc (the "Offeree" or the "Company")**

We refer to the proposed acquisition of all of the issued and to be issued share capital of the Offeree (the "**Transaction**", as further defined in paragraph 8(1) of this undertaking) by Pagero Group AB (publ) (the "**Offeror**"). We understand that the Transaction will be implemented by way of a contractual takeover offer within the meaning of section 974 of the Companies Act 2006 (the "**Act**") but which may ultimately be effected by way of a scheme of arrangement (the "**Scheme**") pursuant to section 899 of the Act, to acquire all the issued and to be issued ordinary shares of 0.438 pence each of the Company (the "**Takeover Offer**") substantially on the terms and conditions of the attached draft firm offer announcement (the "**Announcement**"). This undertaking sets out the terms and conditions on which we will accept the Takeover Offer or, if applicable, vote in favour of the Scheme.

#### **1. Shareholdings**

We irrevocably undertake, represent, warrant and confirm to the Offeror that:

- 1.1 we are the beneficial owner (or are otherwise able to control the exercise of all rights attaching to, including voting rights and the ability to procure the transfer of) and/or registered holder of the number of ordinary shares of 0.438 pence each in the capital of the Offeree shown in Schedule 1 to this undertaking (the "**Shares**") and that the Shares are free of any Encumbrance;
- 1.2 we have no interests in any securities of the Offeree other than as shown in Schedule 1;

- 1.3 we have now and will continue to have for so long as such obligations remain to be performed all necessary capacity, right, power and authority to enter into this undertaking, to perform the obligations under it and to vote in favour of the Scheme or accept the Takeover Offer, as applicable;
- 1.4 the entry into and the performance by us of our obligations under this undertaking will not result in (i) a breach of or conflict with any provision of our constitutional documents; (ii) a material breach of, or constitute a material default under, any agreement or instrument to which we are party or by which we are bound; or (iii) a breach of any applicable law; and
- 1.5 this undertaking is binding and enforceable on us.

## 2. Undertakings

In consideration of the Offeror agreeing to proceed with the Transaction, subject to the conditions set out in this undertaking, we undertake that:

- 2.1 we shall cast all votes in relation to the Shares at the court meeting (the “**Court Meeting**”) and the Company’s general meeting in respect of the Scheme (the “**General Meeting**”) in favour of the relevant resolutions and against any resolution or proposal to adjourn the Court Meeting or the Company’s General Meeting or to amend any relevant resolution;
- 2.2 we shall, after the publication of the Offer Document (and without prejudice to our rights to attend and vote in person at the Court Meeting and the Company General Meeting), return or take all steps within our power to procure the return of the form(s) of proxy enclosed with the Offer Document in relation to all Shares in accordance with the instructions printed on such form(s) of proxy within twenty business days after the publication of the Offer Document;
- 2.3 we shall not revoke the terms of any proxy submitted in accordance with this undertaking or submit new forms of proxy voting against the relevant resolution in respect of all or any of the Relevant Shares (as defined in paragraph 2.5 below), either in writing or by attending and voting on a show of hands at any general meeting, or Court Meeting, or otherwise;
- 2.4 if the Offeror elects to implement the Transaction by way of a Takeover Offer, we shall accept the Takeover Offer in respect of the Shares in accordance with the procedure set out in the Offer Document not later than 1.00 p.m. (London time) twenty business days after the Offeror publishes the Offer Document;
- 2.5 if we become able to control the rights attaching to, including the ability to procure their transfer and voting of, any other ordinary shares in the Offeree (the “**Further Shares**” and together with the Shares, the “**Relevant Shares**”) then:
- (a) if it is proposed that the Transaction is implemented by way of a Scheme, complete and return (or procure the completion and return of) forms of proxy to vote such Further Shares in favour of any relevant resolutions in accordance with paragraph 2.2 by not later than the date and time specified in paragraph 2.2 or, if the control of such Further Shares is acquired following that time, not later twenty business days after we become able to control the rights attaching to such shares; or
  - (b) if it is proposed that the Transaction is implemented by way of a Takeover Offer, to accept (or procure acceptance of) the Takeover Offer in respect of the Further Shares in accordance with the procedure set out in the Offer Document not later than the date and time specified in paragraph 2.4 or, if the control of such Further Shares is acquired following that time, not later than 1.00 p.m. (London time) twenty business days after we become able to control the rights attaching to such shares; and

- 2.6 all and any Relevant Shares acquired from us pursuant to the Transaction will be free from all Encumbrances, and together with all rights attached thereto including all rights to any dividends or other distributions hereafter declared, paid or made in respect thereof.

### **3. Dealings**

We undertake to the Offeror that prior to the time that the Transaction becomes effective or lapses or is otherwise withdrawn (and no new replacement Scheme or Takeover Offer is announced by the Offeror), we shall not:

- 3.1 sell, transfer, charge, encumber, grant any option over or otherwise dispose of or permit the sale, transfer, mortgaging, grant of any encumbrance or option over, charging or other disposition of all or some of the Relevant Shares or any right or interest therein except pursuant to the Transaction, as appropriate; or
- 3.2 sell or otherwise dispose of any shares or other securities of the Offeree or any interest therein (including any derivatives referenced to such securities).

### **4. Higher Competing Offer**

- 4.1 We retain the right to accept any higher offer (whatever the means by which it is to be implemented) made in respect of the Relevant Shares the value of which is at the date of such announcement is (and, in the case of an alternative offer with a non-cash component, is in the reasonable opinion of Strand Hanson Limited) at least ten per cent. higher than the per share consideration being offered by the Offeror as referred to in the Announcement (a "**Higher Competing Offer**"), providing such offer is made by the release via a Regulatory Information Service of an announcement of a firm intention to make an offer under Rule 2.7 of the Code by no later than 1.00 p.m. (London time) twenty business days after publication of the Offer Document.
- 4.2 If a Higher Competing Offer is made our obligations under paragraph 4.1 above in respect of the Relevant Shares shall be suspended.

### **5. Secrecy**

We shall keep secret, save as required by law, the AIM Rules, AIM, the FCA, the Code or the Panel, the possibility of the Transaction, the terms and conditions of the Transaction and the existence and terms of this undertaking until the Announcement is released or the information has otherwise become generally available, provided that we may disclose the same to the Offeree and its advisers and/or our professional advisers in which case we will procure that such person(s) undertake to observe secrecy in the same terms.

### **6. The Transaction**

- 6.1 The release of the Announcement is at the Offeror's absolute discretion.
- 6.2 If after the Offeror releases the Announcement:
- (a) the Panel consents to the Offeror not proceeding with the Transaction;
  - (b) an event occurs which means that the Offeror is no longer required by the Code to proceed with the Transaction; or
  - (c) the Offeror becomes aware that any condition of the Transaction as set out in the Announcement has or may become incapable of being fulfilled and the Panel consents to the Offeror not proceeding with the Transaction,

the Offeror shall not be obliged to proceed with the Transaction.

- 6.3 This undertaking (and all the obligations contained herein, otherwise than as provided in paragraph 5) shall lapse if:
- (a) the Announcement is not released by or on 09 May 2022 or such later time and/or date as the Offeror and the Offeree may agree not being later than 10 May 2022 ;
  - (b) the Transaction is not proceeded with in the circumstances referred to in paragraph 6.2;
  - (c) the Transaction lapses or is otherwise withdrawn (and no new replacement Scheme or Takeover Offer is announced by the Offeror on the same date),

without prejudice to any rights or liabilities in respect of breaches of contract committed prior to the lapsing.

## **7. Confirmations**

7.1 We consent to this undertaking being disclosed to the Panel and to it being published on a website, as required by Rule 26.2 of the Code and otherwise being disclosed as may be required by the Code, the Panel or any other applicable law or regulation.

7.2 We consent to the inclusion of references to us and the particulars of our interests in the shares or other securities of the Offeree and the provisions of this undertaking, in the Announcement and the Offer Document and in any other document in connection with the Offer that is required by the Code or any other legal or regulatory requirements.

7.3 We confirm that:

- (a) prior to receipt of this undertaking we have consented to the receipt of inside information as part of a market sounding undertaken by Strand Hanson Limited; and
- (b) we will comply with the applicable restrictions on dealing in securities and disclosing inside information under MAR, the Financial Services and Markets Act 2000 ("FSMA"), and the Criminal Justice Act 1993.

7.4 We agree to promptly notify you and the Panel if we shall become aware that we are no longer able to comply with the terms of this undertaking or no longer intend to do so in accordance with Rule 2.10(c) of the Code.

7.5 We undertake to provide you with all such further information in relation to our interests in securities in the Offeree and that of any person connected with us as you may reasonably request in order to comply with the Code, the AIM Rules, the requirements of the FCA, AIM, the Panel and any other legal or regulatory requirements. We undertake promptly after becoming aware of the same, to notify you in writing of any material change in the accuracy or import of any information previously supplied to you by us.

7.6 We confirm by signing this letter that we are not a client of Strand Hanson Limited for the purposes of the Conduct of Business Sourcebook of the FCA and that Strand Hanson Limited is acting for the Offeror in connection with the Offer and no-one else and is not responsible to anyone other than the Offeror for providing the protections afforded to their respective clients nor for providing advice in relation to the Offer. We confirm that we have been given an adequate opportunity to consider whether or not to give this undertaking and to obtain independent advice.

## **8. Interpretation**

In this undertaking, the following words and expressions have the following meanings:

- (a) "AIM" means AIM, a market operated by the London Stock Exchange;

- (b) "**AIM Rules**" means the rules and regulations made by the London Stock Exchange applicable to companies listed on AIM, (as amended from time to time);
- (c) "**business day**" shall be a reference to a day (other than a Saturday or Sunday or public holiday in the United Kingdom) upon which banks are generally open for business in London;
- (d) "**Code**" means the Code on Takeovers and Mergers, as in force from time to time;
- (e) "**Encumbrance**" means any mortgage, charge, pledge, lien, restriction, assignment, hypothecation, security interest, option, title retention or any other agreement or arrangement the effect of which is the creation of security, or any other interest, equity or other right of any person of any nature whatsoever (including any right to acquire, option, right of first refusal or right of pre-emption), or any agreement or arrangement to create any of the same;
- (f) "**FCA**" means the Financial Conduct Authority;
- (g) "**Group Company**" means in relation to any company or other undertaking, the parent undertaking or subsidiary undertaking, or another subsidiary undertaking of its parent undertaking (in each case as defined in section 1162 of the Companies Act 2006);
- (h) "**interests in securities**" or "**interests**" to be construed as relating to securities, has the same meaning as the defined term used in the Code;
- (i) "**MAR**" means Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, as applicable in the UK by virtue of section 3 of the European Union (Withdrawal) Act 2018, as amended from time to time (including by the Market Abuse (Amendment) (EU Exit) Regulations 2019 (SI 2019/310));
- (j) "**Offer Document**" means the formal offer document containing the terms and conditions of the Transaction, which, if the acquisition is implemented by way of Scheme, will comprise the circular to be sent to shareholders of the Offeree containing an explanatory statement in respect of the Scheme and notices of a court meeting and general meeting of the Offeree;
- (k) "**Panel**" means the Panel on Takeover and Mergers; and
- (l) "**Transaction**" means the proposed acquisition by or on behalf of the Offeror of all of the issued and to be issued share capital of the Offeree, whether implemented by Takeover Offer or Scheme, substantially on the terms of the Announcement, or such other terms as may be agreed between the Offeror and the Offeree, or as may be required to comply with the requirements of the FCA, the Code, the Panel, AIM, the AIM Rules and/or any other applicable law or regulator becoming effective.

## 9. Specific performance

We agree that, if we fail to vote in favour of the Scheme or accept the Takeover Offer, as applicable, in accordance with this undertaking or breach any of our obligations hereunder, damages would not be an adequate remedy and accordingly the Offeror shall be entitled to the remedy of specific performance in addition to any other remedy in law or equity to which the Offeror may be entitled.

## 10. Third party rights

The parties do not intend that any term of this letter shall be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to this letter.

**11. Time of the essence**

Time shall be of the essence as regards any time, date or period mentioned in this undertaking and to any such time, date or period extended by mutual agreement.

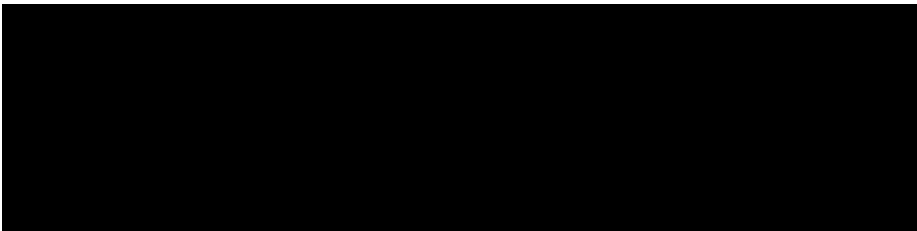
**12. Unconditional and irrevocable obligations**


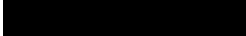
Except to the extent otherwise specified, the undertakings, agreements, warranties, appointments, consents and waivers set out in this undertaking are unconditional and irrevocable.

**13. Governing law and jurisdiction**

The construction, validity and performance of this undertaking and all non-contractual obligations (if any) arising from or connected with this undertaking shall be governed by the laws of England and we hereby irrevocably agree to submit to the exclusive jurisdiction of the courts of England over any claim or matter (including any non-contractual claim) arising under or in connection with this undertaking.

**This document takes effect on the date appearing on the first page.**



Authorized signatory of Herald Investment Management Limited for and on behalf of   


*(Schedules attached)*

**SCHEDULE 1**

**EXISTING SHARES**

<b>No. of issued ordinary shares held in Offeree</b>	<b>Name of beneficial owner</b>	<b>Name of registered holder</b>
3,960,000	[REDACTED]	[REDACTED]



**SCHEDULE 2**  
**ANNOUNCEMENT**

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY IN, INTO OR FROM ANY RESTRICTED JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION.**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF THE MARKET ABUSE REGULATION (EU) NO. 596/2014 AS IT FORMS PART OF UNITED KINGDOM DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018. UPON THE PUBLICATION OF THIS ANNOUNCEMENT, SUCH INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.**

**For immediate release**

**9 May 2022**

**RECOMMENDED CASH OFFER**

**for**

**TUNGSTEN CORPORATION PLC (“TUNGSTEN”)**

**by**

**PAGERO GROUP AB (PUBL) (“PAGERO”)**

**Summary and Highlights**

- The boards of directors of Tungsten and Pagero are pleased to announce that they have agreed the terms of a recommended all cash offer to be made by Pagero to acquire the entire issued and to be issued ordinary share capital of Tungsten (the “Offer”).
- Under the terms of the Offer, which shall be subject to the Conditions and further terms set out in Appendix 1 to this Announcement and to be set out in the Offer Document, Tungsten Shareholders shall be entitled to receive:

**for each Tungsten Share 48 pence in cash (the “Offer Price”).**

- The Offer Price represents a premium of approximately:
  - 65.52 per cent. to the Closing Price per Tungsten Share of 29.00 pence on 13 December 2021 (being the last Business Day prior to the commencement of the Offer Period);
  - 5.84 per cent. to the Closing Price per Tungsten Share of 45.35 pence on 6 May 2022 (being the latest practicable date prior to the date of this Announcement (the “**Last Practicable Date**”));
  - 59.15 per cent. to the volume weighted average price per Tungsten Share of 30.16 pence over the six (6) month period ending on and including 13 December 2021 (being the last Business Day prior to the commencement of the Offer Period); and
  - 58.78 per cent. to the volume weighted average price per Tungsten Share of 30.23 pence over the twelve (12) month period ending on and including 13 December 2021 (being the last Business Day prior to the commencement of the Offer Period).
- The Offer values the entire issued and to be issued ordinary share capital of Tungsten at approximately £61.49 million on a fully diluted basis.
- The Offer represents an increase of 6 pence per Tungsten Share and, in aggregate, approximately £7.75 million in the total offer value on a fully diluted basis, to the terms of the offer announced

on 24 March 2022 by Kofax Holdings International Limited, via Kofax Parent Limited's indirect wholly-owned subsidiary, Project California Bidco Limited, of 42 pence in cash for each Tungsten Share.

- If, on or after the date of this Announcement, any dividend, distribution or other return of value (including any return of capital) is announced, declared, made or paid by Tungsten or becomes payable in respect of Tungsten Shares, Pagero reserves the right to reduce the consideration payable under the terms of the Offer by an amount up to the aggregate amount of such dividend, distribution or other return of value, in which case any references in this Announcement to the consideration payable under the terms of the Offer will be deemed to be a reference to the consideration as so reduced. In such circumstances, Tungsten Shareholders would be entitled to retain any such dividend, distribution or other return of value declared, made or paid.

### **Pagero overview and background to and reasons for the Offer**

- Founded in 1999 and based in Gothenburg, Sweden, Pagero is a public limited liability company incorporated in Sweden whose shares are admitted to trading on the Nasdaq First North Growth Market. Pagero provides a global open and cloud-based smart business network that connects buyers, suppliers, partners, banks and governments in order to digitise and automate the purchase-to-pay (“P2P”) and order-to-cash (“O2C”) processes, including the communication of order messages, delivery documents, price catalogues, invoices and payments. Its self-developed network is purpose-built to integrate quickly and easily with customers' existing systems for secure and seamless communication with suppliers and customers, regardless of the formats or service providers used.
- Pagero's vision is to make the buying and selling process easy and convenient for businesses and it aims to build the world's largest open business network for communication between companies. In addition to ensuring compliance with local rules and regulations, its network benefits customers in terms of increased productivity, efficiency and cost savings, as well as access to complete and accurate data. Digitisation, combined with an ability to validate, correct and visualise data, opens up new opportunities for process automation, increased control and traceability, whilst reducing risk and delivering sustainability/environmental benefits. Pagero serves customers in over 140 countries across multiple industry sectors, including healthcare, aviation, manufacturing, public sector and technology, with more than 30 offices and over 600 employees globally.
- In order to enhance its market position, presence and customer experience, Pagero is pursuing an ambitious development strategy, involving both strong organic growth and selective international expansion through targeted acquisitions. The Pagero Board believes that the Offer represents a compelling opportunity to acquire a well-established global provider of supplier automation and electronic document distribution solutions, for digitising the invoicing process, which would serve to strengthen Pagero's position, particularly in the U.S. and U.K. markets, extend the reach of its smart business network and improve its overall offering through, *inter alia*, the addition of Tungsten's proven capabilities within P2P.
- In addition, the combination of the two entities will result in increased resources both within sales execution and R&D, focusing on growth opportunities and product development. Certain cost savings and synergies are also expected to arise, thereby creating possibilities for additional investment in the enlarged group's business. The Pagero Board believes such investment will lead to the creation of sustainable market leading solutions for the enlarged group, in terms of both technology and users, and thereby deliver increased market share.
- The Pagero Directors further believe that Tungsten represents an attractive strategic and cultural fit with Pagero and have been impressed by the engagement and enthusiasm of the Company's senior management and key individuals in their interactions to date.

### **Tungsten Directors' recommendation**

- In light of the proposal put forward by Pagero as compared to the Kofax Offer, the Tungsten Directors, who have been so advised by Canaccord Genuity as to the financial terms of the Offer, consider the terms of the Offer to be fair and reasonable. In providing its advice to the Tungsten Directors, Canaccord Genuity has taken into account the commercial assessments of the Tungsten Directors. Canaccord Genuity is providing independent financial advice to the Tungsten Directors for the purposes of Rule 3 of the Code.
- **Accordingly, the Tungsten Directors unanimously intend to recommend that Tungsten Shareholders accept or procure the acceptance of the Offer (or in the event that the Offer is implemented by way of a Scheme, vote or procure the vote in favour of the Scheme at the requisite Court meeting and the resolutions relating to the Offer at a general meeting of Tungsten).**
- **Given their intended recommendation of the Offer, the Tungsten Directors have decided unanimously to withdraw their recommendation of the Kofax Offer and propose to adjourn the Kofax Offer Shareholder Meetings convened for 18 May 2022 to consider the Kofax Offer.**

### **Irrevocable undertakings**

- Pagero has received irrevocable undertakings to accept or procure acceptance of the Offer (or in the event that the Offer is implemented by way of a Scheme, vote in favour of a Scheme at the requisite Court meeting and the resolutions to be proposed at a general meeting of Tungsten, as necessary) from Herald Investment Management Limited, Odey Asset Management LLP and Samson Rock Capital LLP, in respect of a total of 45,901,378 Tungsten Shares, representing approximately 36.27 per cent. of Tungsten's existing issued ordinary share capital on the Last Practicable Date.
- Further details of the irrevocable undertakings (and the circumstances in which they shall cease to be binding or otherwise fall away) are set out in Appendix 3 to this Announcement.

### **Information on Tungsten**

- Tungsten 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 per cent. of the FTSE 100 and 68 per cent. of the Fortune 500 constituents. 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 U.S. Federal Government.
- Founded in 2000 and headquartered in London, Tungsten has offices in the U.S., Bulgaria and Malaysia, employing over 227 people.

### **Timetable and Conditions**

- It is intended that the Offer will be implemented by way of a contractual takeover offer (as defined in Part 28 of the Companies Act). The Offer will be subject to the Conditions and certain further terms set out in Appendix 1 to this Announcement and to the full terms and conditions to be set out in the Offer Document.
- As described in and subject to Appendix 1 and the rules of the Code, the Acceptance Condition shall be satisfied once valid acceptances of the Offer have been received in respect of 75 per cent.

in nominal value of the Tungsten Shares to which the Offer relates and of the voting rights attached to those shares.

- Pagero may decide to waive the Acceptance Condition down to a lesser percentage subject to and in accordance with the terms of the Acceptance Condition and Rule 10 of the Code.
- Pagero reserves the right, with the consent of the Panel, to elect to implement the acquisition of the Tungsten Shares by way of a scheme of arrangement of Tungsten under Part 26 of the Companies Act.
- Subject to the satisfaction or waiver of the Conditions and certain further terms set out in Appendix 1, it is expected that the Offer will become or be declared unconditional in the second half of 2022.
- The Offer Document, containing, *inter alia*, further information about the Offer and the procedure for acceptance, shall be despatched as soon as practicable and, in any event, within twenty-eight (28) days of this Announcement.

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

*“The Board of Tungsten is pleased to recommend Pagero’s cash offer for Tungsten which represents an increase of 6 pence to Kofax’s offer of 42 pence per Tungsten Share and an approximate 65.52 per cent. premium to the undisturbed share price on 13 December 2021. This Offer provides our shareholders with even greater value in cash for their shares, as well as providing Tungsten with a strong and complementary partner to invest in our product development and enhance our offering for our global customer base.”*

**Commenting on the Offer, Bengt Nilsson, Chief Executive Officer of Pagero, said:**

*“Pagero’s acquisition of Tungsten, when fully integrated, will create a business of significant scale and potential in the smart business networks and electronic document interchange space and enhance global career opportunities for employees of both entities who are key to our ongoing success. With highly complementary offerings and capabilities and access to Tungsten’s industry expertise and highly skilled workforce, the combination will reinforce Pagero’s already robust position in the U.S. and U.K. markets, whilst Tungsten’s wider international presence and operational resources will also provide an enhanced platform and cross-selling opportunities to accelerate the enlarged group’s future growth, investment and reach in other key regions where increasing regulation around digitalisation and the use of e-invoicing offers significant potential for long-term value creation.*

*Our recommended Offer also provides Tungsten Shareholders with the certainty of a cash exit, in full, at a substantial and attractive premium, including to that of the offer from Project California Bidco Limited and over the price of a Tungsten Share prior to the commencement of the Offer Period and against a backdrop of continued global macroeconomic uncertainty.”*

**This summary should be read in conjunction with, and is subject to, the following full text of this Announcement (including the appendices).**

**The Offer shall be subject to the Conditions and further terms set out in Appendix 1 to this Announcement and to the full terms and conditions which shall be set out in the Offer Document. Appendix 2 to this Announcement contains the sources of information and bases of calculations of certain information contained in this Announcement. Appendix 3 contains details of the irrevocable undertakings received in relation to the Offer. Appendix 4 contains definitions of certain terms used in this summary and in this Announcement.**

A copy of this Announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, for inspection on Tungsten’s website at [www.tungsten-network.com/takeover-documentation](http://www.tungsten-network.com/takeover-documentation) and on Pagero’s website at [www.pagero.com/investors](http://www.pagero.com/investors), along

with certain other documentation required to be posted online pursuant to the Code, by no later than 12 noon (London time) on 10 May 2022. For the avoidance of doubt, the content of the websites referred to in this Announcement is not incorporated into and does not form part of this Announcement.

**Enquiries:**

**Pagero Group AB**

Tel: +46 31 730 88 00

Bengt Nilsson, Chief Executive Officer

**Strand Hanson Limited** (Financial Adviser to Pagero)

Tel: +44 (0) 20 7409 3494

Stuart Faulkner

Matthew Chandler/James Dance

Abigail Wennington/Ana Ercegovic

**Tungsten Corporation plc**

Tel: +44 (0) 20 7280 6980

Paul Cooper, Chief Executive Officer

**Canaccord Genuity Limited** (Financial Adviser, Nominated Adviser and Corporate Broker to Tungsten)

Tel: +44 (0) 20 7523 8300

Simon Bridges

Andrew Potts

White & Case LLP has been retained as English legal adviser to Pagero.

RBG Legal Services Limited, trading as Memery Crystal, has been retained as legal adviser to Tungsten.

***Important Notices***

*Strand Hanson Limited, which is authorised and regulated in the U.K. by the Financial Conduct Authority, is acting exclusively as financial adviser to Pagero and no one else in connection with the Offer and will not be responsible to anyone other than Pagero for providing the protections afforded to clients of Strand Hanson Limited, nor for providing advice in connection with the Offer or any other matter referred to herein.*

*Canaccord Genuity Limited, which is authorised and regulated by the Financial Conduct Authority, is acting as financial adviser to Tungsten and no one else in connection with the matters described in this Announcement and will not be responsible to anyone other than Tungsten for providing the protections afforded to clients of Canaccord Genuity Limited nor for providing advice in connection with the matters referred to herein. Neither Canaccord Genuity Limited nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Canaccord Genuity Limited in connection with this Announcement, any statement contained herein, the Offer or otherwise.*

*This Announcement is for information purposes only and is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer or invitation to purchase, or otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise, nor shall there be any sale, issuance or transfer of securities of Tungsten pursuant to the Offer or otherwise in any jurisdiction in contravention of applicable laws.*

*The Offer will be made solely by means of the Offer Document and (in respect of Tungsten Shares held in certificated form) the Form of Acceptance accompanying the Offer Document, which will, together, contain the full terms and conditions of the Offer including details of how it may be accepted. Any decision in respect of, or other response to, the Offer should be made only on the basis of the information*

contained in the Offer Document and (in respect of Tungsten Shares held in certificated form) the Form of Acceptance accompanying the Offer Document.

The Offer Document and the Form of Acceptance will be made available to all Tungsten Shareholders at no cost to them. Tungsten Shareholders are advised to read the Offer Document and (in respect of Tungsten Shares held in certificated form) the Form of Acceptance accompanying the Offer Document carefully when they become available because they will contain important information in relation to the Offer. This Announcement does not constitute a prospectus, prospectus equivalent document or an exempted document.

### **Overseas Shareholders**

The release, publication or distribution of this Announcement in or into certain jurisdictions other than the United Kingdom or Sweden may be restricted by law. Persons who are not resident in the United Kingdom or Sweden or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements.

Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Offer disclaim any responsibility or liability for the violation of such restrictions by any person.

This Announcement has been prepared for the purpose of complying with applicable English law, Swedish law, the Code, the AIM Rules, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules, and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside of England or Sweden.

Unless otherwise determined by Pagero or required by the Code, and permitted by applicable law and regulation, the Offer shall not be made available, directly or indirectly, in, into or from, and will not be capable of acceptance in or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may accept the Offer by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Announcement and all formal documents relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this Announcement and all formal documents relating to the Offer (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction.

The availability of the Offer to Tungsten Shareholders who are not resident in and citizens of the United Kingdom or Sweden may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom or Sweden should inform themselves of, and observe, any applicable requirements. Further details in relation to overseas Tungsten Shareholders will be contained in the Offer Document.

The Offer shall be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange, the AIM Rules, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules.

### **Additional information for U.S. investors**

The Offer relates to shares of an English company and is proposed to be effected by means of a Takeover Offer. The Offer shall be made in compliance with all applicable laws and regulations of the United Kingdom and the United States, including any applicable exemptions under the U.S. Securities Exchange Act of 1934 (the “U.S. Exchange Act”).

*In accordance with normal United Kingdom practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, Pagero or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of Tungsten outside the Offer during the period in which such Offer would remain open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. If such purchases or arrangements to purchase were to be made, they would be made outside the United States and would comply with applicable law, including United Kingdom laws and the U.S. Exchange Act. Any such purchases by Pagero or its affiliates will not be made at prices higher than the price of the Offer provided in this Announcement unless the price of the Offer is increased accordingly. Any information about such purchases or arrangements to purchase shall be disclosed as required in the United Kingdom, shall be reported to a Regulatory Information Service and shall be available on the London Stock Exchange's website at [www.londonstockexchange.com](http://www.londonstockexchange.com). To the extent that such information is required to be publicly disclosed in the United Kingdom in accordance with applicable regulatory requirements, this information will, as applicable, also be publicly disclosed in the United States.*

*However, if Pagero were to elect to implement the Offer by means of a Scheme of Arrangement under the laws of England and Wales, such Scheme would not be subject to the tender offer rules or the proxy solicitation rules under the U.S. Exchange Act. Accordingly, the Offer would be subject to the disclosure and procedural requirements applicable in the United Kingdom to schemes of arrangement which differ from the disclosure requirements of the United States tender offer and proxy solicitation rules.*

*Neither the Offer nor this Announcement have been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have such authorities approved or disapproved or passed judgement upon the fairness or the merits of the Offer, or determined if the information contained in this Announcement is adequate, accurate or complete. Any representation to the contrary is a criminal offence in the United States.*

*The receipt of consideration by a U.S. holder for the transfer of its Tungsten Shares pursuant to the Offer shall be a taxable transaction for United States federal income tax purposes. Each Tungsten Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Offer applicable to them, including under applicable United States state and local, as well as overseas and other, tax laws.*

*Financial information relating to Tungsten included in this Announcement and to be included in the Offer Document has been or shall have been prepared in accordance with accounting standards applicable in the United Kingdom and may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.*

*Pagero is organised under the laws of Sweden and Tungsten is organised under the laws of England and Wales. Some or all of the officers and directors of Pagero and Tungsten, respectively, are residents of countries other than the United States. In addition, some of the assets of Pagero and Tungsten are located outside the United States. As a result, it may be difficult for U.S. holders of Tungsten Shares to effect service of process within the United States upon Pagero or Tungsten or their respective officers or directors or to enforce against them a judgement of a U.S. court predicated upon the federal or state securities laws of the United States.*

#### **Cautionary note regarding forward-looking statements**

*This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Offer, and other information published by Tungsten, any member of the Tungsten Group, Pagero or any member of the Pagero Group contain statements which are, or may be deemed to be, "forward-looking statements" (including "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995). Such forward-looking*



*statements are prospective in nature and are not based on historical facts, but rather on current expectations and on numerous assumptions regarding the business strategies and the environment in which Tungsten, any member of the Tungsten Group, Pagero or any member of the Pagero Group shall operate in the future and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements.*

*The forward-looking statements contained in this Announcement relate to Tungsten, any member of the Tungsten Group, Pagero or any member of the Pagero Group's future prospects, developments and business strategies, the expected timing and scope of the Offer and other statements other than historical facts. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "will look to", "would look to", "plans", "prepares", "anticipates", "expects", "is expected to", "is subject to", "budget", "scheduled", "forecasts", "synergy", "strategy", "goal", "cost-saving", "projects", "intends", "may", "will", "shall" or "should" or their negatives or other variations or comparable terminology. 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 Tungsten, any member of the Tungsten Group, Pagero or any member of the Pagero Group's operations; and (iii) the effects of global economic conditions on Tungsten, any member of the Tungsten Group, Pagero or any member of the Pagero Group's business.*

*By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that shall occur in the future. These events and circumstances include, but are not limited to: changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates, future business combinations or disposals, and any epidemic, pandemic or disease outbreak. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions prove 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.*

*None of Tungsten, any member of the Tungsten Group, Pagero or any member of the Pagero Group, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement shall actually occur. Given these risks and uncertainties, you are cautioned not to place any reliance on forward-looking statements.*

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

*Tungsten, each member of the Tungsten Group, Pagero and each member of the Pagero Group expressly disclaim any obligation to update such statements other than as required by law or by the rules of any competent regulatory authority, whether as a result of new information, future events or otherwise.*

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

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

#### ***Disclosure requirements of the Code***

*Under Rule 8.3(a) of the 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 Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the 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.

### **Electronic communications**

Please be aware that addresses, electronic addresses and certain other information provided by Tungsten Shareholders, persons with information rights and other relevant persons for the receipt of communications from Tungsten may be provided to Pagero during the Offer Period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) of the Code.

### **Publication on websites and availability of hard copies**

A copy of this Announcement and the documents required to be published pursuant to Rule 26 of the Code shall be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Pagero's and Tungsten's websites at [www.pagero.com/investors](http://www.pagero.com/investors) and at [www.tungsten-network.com/takeover-documentation/](http://www.tungsten-network.com/takeover-documentation/) respectively, by no later than 12 noon (London time) on the Business Day following this Announcement. For the avoidance of doubt, the contents of these websites are not incorporated into and do not form part of this Announcement.

Tungsten Shareholders may request a hard copy of this Announcement by contacting Tungsten's registrars, Equiniti, either in writing to Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, United Kingdom or by calling +44 (0)371 3842030. You may also request that all future documents,

*announcements and information to be sent to you in relation to the Offer should be in hard copy form. Calls outside the U.K. will be charged at the applicable international rate. Lines are open between 8.30 a.m. and 5.30 p.m. Monday to Friday excluding public holidays in England and Wales. For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to them in relation to the Offer should be in hard copy form.*

*If you are in any doubt about the contents of this Announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.*

***Rounding***

*Certain figures included in this Announcement 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.*

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION.**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF THE MARKET ABUSE REGULATION (EU) NO. 596/2014 AS IT FORMS PART OF UNITED KINGDOM DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018. UPON THE PUBLICATION OF THIS ANNOUNCEMENT, SUCH INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.**

9 May 2022

## **RECOMMENDED CASH OFFER**

**for**

**TUNGSTEN CORPORATION PLC (“TUNGSTEN”)**

**by**

**PAGERO GROUP AB (PUBL) (“PAGERO”)**

### **1. Introduction**

The boards of directors of Tungsten and Pagero are pleased to announce that they have agreed the terms of a recommended all cash offer to be made by Pagero to acquire the entire issued and to be issued ordinary share capital of Tungsten (the “**Offer**”).

The Offer, to be made by way of a takeover offer pursuant to Part 28 of the Companies Act, will be conditional on valid acceptances of the Offer being received in respect of not less than 75 per cent. (or such lower percentage as Pagero may decide) in nominal value of Tungsten Shares to which the Offer relates and of the voting rights attached to those shares then normally exercisable at general meetings of Tungsten.

### **2. The Offer**

Under the terms of the Offer, which shall be subject to the Conditions and further terms set out in Appendix 1 to this Announcement and to be set out in the Offer Document, Tungsten Shareholders shall be entitled to receive:

**for each Tungsten Share 48 pence in cash (the “Offer Price”).**

The Offer Price represents a premium of approximately:

- 65.52 per cent. to the Closing Price per Tungsten Share of 29.00 pence on 13 December 2021 (being the last Business Day prior to the commencement of the Offer Period);
- 5.84 per cent. to the Closing Price per Tungsten Share of 45.35 pence on 6 May 2022 (being the latest practicable date prior to the date of this Announcement (the “**Last Practicable Date**”));
- 59.15 per cent. to the volume weighted average price per Tungsten Share of 30.16 pence over the six (6) month period ending on and including 13 December 2021 (being the last Business Day prior to the commencement of the Offer Period); and

- 58.78 per cent. to the volume weighted average price per Tungsten Share of 30.23 pence over the twelve (12) month period ending on and including 13 December 2021 (being the last Business Day prior to the commencement of the Offer Period).

The Offer values the entire issued and to be issued ordinary share capital of Tungsten at approximately £61.49 million on a fully diluted basis.

The Offer represents an increase of 6 pence per Tungsten Share and, in aggregate, approximately £7.75 million in the total offer value on a fully diluted basis, to the terms of the offer announced on 24 March 2022 by Kofax Holdings International Limited, via Kofax Parent Limited's indirect wholly-owned subsidiary, Project California Bidco Limited of 42 pence in cash for each Tungsten Share.

The Tungsten Shares will be acquired pursuant to the Offer fully paid and free from all liens, charges, equities, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto, including without limitation voting rights and the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid with a record date on or after the date of this Announcement.

If, on or after the date of this Announcement any dividend, distribution or other return of value (including any return of capital) is announced, declared, made or paid by Tungsten or becomes payable in respect of Tungsten Shares, Pagero reserves the right to reduce the consideration payable under the terms of the Offer by an amount up to the aggregate amount of such dividend, distribution or other return of value, in which case any references in this Announcement to the consideration payable under the terms of the Offer will be deemed to be a reference to the consideration as so reduced. In such circumstances, Tungsten Shareholders would be entitled to retain any such dividend, distribution or other return of value declared, made or paid.

It is expected that the Offer Document shall be despatched to Tungsten Shareholders as soon as reasonably practicable and, in any event, within twenty-eight (28) days of this Announcement. Subject to the satisfaction or waiver of the Conditions and the further terms set out in Appendix 1, it is expected that the Offer will become or be declared unconditional in the second half of 2022.

### **3. Background to and reasons for the Offer**

The Pagero Board believes that the Offer represents a compelling opportunity to acquire a well-established global provider of supplier automation and electronic document distribution solutions, for digitising the invoicing process, which would serve to strengthen Pagero's global position in the U.S. and U.K. markets, extend the reach of its smart business network and improve its overall offering, through, *inter alia*, the addition of Tungsten's proven capabilities within P2P.

In addition, the combination of the two entities will result in increased resources both within sales execution and R&D, focusing on growth opportunities and product development. Certain cost savings and synergies are also expected to arise, thereby creating possibilities for additional investment in the enlarged group's business. The Pagero Board believes such investment will lead to the creation of sustainable market leading solutions for the enlarged group, in terms of both technology and users, and thereby deliver increased market share.

The Pagero Directors further believe that Tungsten represents an attractive strategic and cultural fit with Pagero and have been impressed by the engagement and enthusiasm of the Company's senior management and key individuals in their interactions to date.

Following successful completion of the Offer, when fully integrated, the acquisition will create a business of significant scale with enhanced global opportunities for employees of both entities and significant potential for long-term value creation in an environment of increasing global

regulation and technological development driving demand for digitalisation and greater up-take of fully digitised business processes.

The Pagero Directors are also of the view that, as part of the Pagero Group, the Company will be released from the requirement to meet the U.K. public equity market's shorter-term expectations and would be able to eliminate the regulatory burden, constraints and numerous expenses associated with maintaining a U.K. public listing.

#### **4. Recommendation**

In light of the proposal put forward by Pagero as compared to the Kofax Offer, the Tungsten Directors, who have been so advised by Canaccord Genuity as to the financial terms of the Offer, consider the terms of the Offer to be fair and reasonable. In providing its advice to the Tungsten Directors, Canaccord Genuity has taken into account the commercial assessments of the Tungsten Directors. Canaccord Genuity is providing independent financial advice to the Tungsten Directors for the purposes of Rule 3 of the Code.

**Accordingly, the Tungsten Directors unanimously intend to recommend that Tungsten Shareholders accept or procure the acceptance of the Offer (or in the event that the Offer is implemented by way of a Scheme, vote or procure the vote in favour of the Scheme at the requisite Court meeting and the resolutions relating to the Offer at a general meeting of Tungsten).**

**Given their intended recommendation of the Offer, the Tungsten Directors have decided unanimously to withdraw their recommendation of the Kofax Offer and propose to adjourn the Kofax Offer Shareholder Meetings convened for 18 May 2022 to consider the Kofax Offer.**

#### **5. Background to and reasons for the recommendation**

##### **Introduction**

Following the outbreak of COVID-19, 2021 was a challenging year for the Tungsten Group. Total revenue for the financial year ended 30 April 2021 (“FY21”) decreased from £36.8 million to £36.1 million and total transaction volumes reduced from 19 million to 18.3 million. Despite this, new products were launched in FY21, with the Tungsten Group continuing to develop strategic partnerships to extend the Tungsten ecosystem and Tungsten implemented a process, successfully reducing costs and improving profitability within the business.

On 9 June 2021, Paul Cooper was appointed as Chief Executive Officer to replace Andrew Lemonofides, and a number of new appointments were made to the Tungsten Group's senior leadership team during FY21, together with an overall reduction in headcount and costs within the business.

In the financial year ended 30 April 2022 (“FY22”), the Tungsten growth strategy has remained focused on driving core AP e-invoicing growth, riding the wave of compliance and opening its network through expansion of its interoperation and government gateway footprints, promoting its full suite of capabilities through partnerships and developing Total AR.

Against a backdrop of gradual global economic recovery, interim results for the six months ended 31 October 2021 (“H1 FY22”), released on 13 December 2021, showed encouraging, positive progress for Tungsten, with revenues increasing by 2 per cent. to £18.3 million and by 5 per cent. on a constant currency basis. Adjusted EBITDA increased to £3.0 million (up £2.2 million on the equivalent six month period ended 31 October 2020 (“H1 FY21”)) and net cash increased to £1.9 million (a £0.9 million increase from H1 FY21). Whilst new deal bookings

were lower than the prior year, important strategic wins in H1 FY22 included the first Total AR customer win in the insurance sector, a significant existing AP buyer signing a new contract under the supply chain financing partnership with Orbian Corporation and two buyers joining the network via the Company's partnership with a leading US bank.

In its H1 FY22 results announcement, the Company stated:

*"We are encouraged by progress made in the period with some significant strategic wins across our portfolio and partnership offerings. Our focus on product and technology innovation has continued to enhance the experience of customers and partners across our digital ecosystem. The Tungsten team remain committed to supporting global enterprises realise tangible operational efficiency in uncertain economic times, and ensuring robust risk management as invoicing regulation continues to proliferate across the globe."*

A key aspect of Tungsten's strategy going forward, to drive faster growth, is to invest more in product development to ensure that Tungsten keeps pace with wider market developments and remains competitive with competitors, many of whom are materially larger and better capitalised, and to minimise customer churn and grow revenues more quickly than over the past few years. Successful execution of the strategy and investment in product development may require further capital that the Tungsten Board anticipates will have to be put in place through a combination of new equity capital and/or increasing and extending the Company's debt facility. In the Tungsten Board's opinion, the current environment for raising new equity and extending debt facilities may not be straightforward.

### **Chronology of interest**

On 14 December 2021, Tungsten announced that it had noted the speculation about interest in the Company and confirmed that it had received an unsolicited indicative proposal from Kofax relating to a possible cash offer for the entire issued and to be issued ordinary share capital of the Company at a price of 40 pence per share (the "**Proposal**"). Whilst the Tungsten Board believed that 40 pence per share significantly undervalued the Company, cognisant of its fiduciary duty to shareholders and on the basis that the Proposal had received the support of a major shareholder in the Company, the Tungsten Board facilitated due diligence.

It was also announced that Kofax had obtained an irrevocable undertaking from the Truell Associates in support of its Proposal in respect of (i) 21,542,558 Tungsten Shares over which the Truell Associates currently control the voting rights, and (ii) a further 1,500,000 Tungsten Shares over which the Truell Associates have an option to reacquire the voting rights, representing in aggregate 18.2 per cent. of Tungsten's existing issued share capital.

Following the announcement of 14 December 2021 regarding a possible offer from Kofax, Tungsten received an approach from Pagero and since then has engaged with Pagero to facilitate detailed due diligence in order to advance discussions in the interest of delivering the best value to Tungsten Shareholders.

On 7 February 2022, Tungsten received an indicative proposal from Pagero regarding a possible cash offer of between 35-45 pence per share in respect of the entire issued and to be issued share capital of Tungsten.

On 21 February 2022, Tungsten received a revised indicative proposal from Pagero regarding a possible cash offer of between 40-45 pence per share in respect of the entire issued and to be issued share capital of Tungsten, which was subsequently reconfirmed on 9 March 2022.

On 22 February 2022, Tungsten announced that on 18 February 2022, the Tungsten Board had received a Revised Proposal from Kofax. The Revised Proposal was subject to several pre-

conditions including completion of final confirmatory due diligence and on receiving a recommendation from the Tungsten Board for, and irrevocable undertakings from all Tungsten Directors, to vote in favour of, or accept, the Revised Proposal.

On 22 March 2022, the Tungsten Board and the Kofax Board were pleased to announce that they were in the advanced stages of reaching agreement on the key terms of the Revised Proposal. The Tungsten Board had confirmed to Kofax, that should a firm offer be made on the financial terms of the Revised Proposal, it was minded to recommend such an offer unanimously to Tungsten Shareholders, and (in respect of those directors who were Tungsten Shareholders) provide irrevocable undertakings to accept such an offer, subject to the agreement of other customary terms and conditions. Any announcement by Kofax of a firm intention to make an offer for Tungsten remained subject to, *inter alia*, agreeing the detailed terms of an offer and completion of the cash confirmation process.

On 24 March 2022, the boards of directors of Tungsten and Project California Bidco Limited, a newly formed vehicle, indirectly wholly-owned by Kofax, announced that they had agreed the terms of the Kofax Offer. The scheme document in respect of the Kofax Offer was published on 25 April 2022, and included, in the absence of a higher offer, a unanimous recommendation from the Tungsten Directors to the Tungsten Shareholders to vote in favour of the requisite resolutions in respect of the Kofax Offer at the Kofax Offer Shareholder Meetings.

The Tungsten Board confirmed that as of 24 March 2022, in addition to Kofax, it was in discussions with a small number of other parties in relation to a possible alternative offer(s) for the entire issued and to be issued ordinary share capital of Tungsten (the “**Potential Competing Offerors**”), which included Pagero.

On 24 March 2022, Pagero announced that it was in the advanced stages of preparing for and discussing with the Tungsten Board, a possible cash offer for the entire issued and to be issued share capital of Tungsten (the “**Possible Offer**”). The Possible Offer price under consideration by Pagero was 45 pence per share.

On 21 April 2022, Tungsten announced that one of the Potential Competing Offerors had confirmed to Tungsten that it had no intention of making an offer for Tungsten and accordingly discussions with that party were terminated.

As a result of this Announcement, the previous deadline of 5.00 p.m. on 11 May 2022 (being seven days prior to the date of the Court meeting in respect of the Kofax Offer) for the Remaining Potential Competing Offeror either to announce a firm intention to make an offer or to announce that it does not intend to make an offer is no longer applicable.

As detailed in this Announcement, the Tungsten Board has now received a firm offer from Pagero at a cash value for each Tungsten Share of 48 pence. The Offer represents a premium of approximately:

- 65.52 per cent. to the Closing Price of 29.00 pence per Tungsten Share on 13 December 2021 (being the last Business Day prior to the commencement of the Offer Period);
- 5.84 per cent. to the Closing Price per Tungsten Share of 45.35 pence on 6 May 2022 (being the Last Practicable Date);
- 59.15 per cent. to the volume weighted average price per Tungsten Share of 30.16 pence over the six (6) month period ending on and including 13 December 2021 (being the last Business Day prior to the commencement of the Offer Period); and



- 14.29 per cent. to the cash consideration of 42 pence per Tungsten Share under the terms of the Kofax Offer announced on 24 March 2022.

### **Conclusions and views of the Tungsten Board**

The Tungsten Directors have carefully considered Pagero's intentions for the business, management, employees and other stakeholders of Tungsten, including Tungsten's customers and partners. The Tungsten Directors have also considered the ability of Pagero to support the continued development of Tungsten's product offering and Pagero's plans to create one of the leading global operators with the Tungsten Group and its domain knowledge forming an important part of the enlarged Pagero organisation.

The Tungsten Directors note that Pagero does not have any plans to make any significant changes to the research and development functions of the Tungsten Group in terms of headcount, and that its detailed review of the Tungsten Group which is expected to occur within 6-12 months following completion of the Offer, will likely result in a limited degree of restructuring and redundancies where overlap and/or operational efficiencies are identified, likely to be principally focused on head office, finance and administrative related functions, especially those related to Tungsten's current status as a publicly quoted company on AIM.

The Tungsten Directors have evaluated the Offer on behalf of Tungsten Shareholders, as a whole. In evaluating the Offer, the Tungsten Directors have considered the interests of Tungsten's employees and customers, in particular Pagero's intentions to observe the existing contractual and statutory employment rights of Tungsten's employees and pension obligations as well as the economic benefits to the Tungsten Shareholders. In considering the terms of the Offer, the Tungsten Board has assessed a number of factors, including:

- the Tungsten Group is operating in a marketplace where several of its key competitors are materially larger and better capitalised;
- the potential challenges facing the Tungsten Group to secure a sufficient combination of debt and/or equity funding on appropriate terms to execute its strategy;
- the ability to increase the growth of Tungsten without additional investment; and
- the potential of a well-capitalised business under new ownership being to the benefit of all stakeholders, partners, customers and employees.

Against this background, after careful consideration, the Tungsten Board has determined that the Offer is in the best interests of Tungsten Shareholders. Accordingly, in light of the proposal put forward by Pagero as compared to the Kofax Offer, the Tungsten Board, which has been so advised by Canaccord Genuity, has unanimously agreed to recommend the Offer.

In light of their intended recommendation of the Offer, the Tungsten Directors have decided unanimously to withdraw their recommendation of the Kofax Offer and propose to adjourn the Kofax Offer Shareholder Meetings currently convened for 18 May 2022 to consider the Kofax Offer.

## **6. Irrevocable undertakings**

Pagero has received irrevocable undertakings to accept or procure acceptance of the Offer (or in the event that the Offer is implemented by way of a Scheme, vote in favour or procure the vote in favour of a Scheme at the requisite Court meeting and the resolutions to be proposed at a general meeting of Tungsten, as necessary) from Herald Investment Management Limited, Odey Asset Management LLP and Samson Rock Capital LLP, in respect of a total of

45,901,378 Tungsten Shares, representing approximately 36.27 per cent. of Tungsten's existing issued ordinary share capital on the Last Practicable Date.

Further details of the irrevocable undertakings (and the circumstances in which they shall cease to be binding or otherwise fall away) are set out in Appendix 3 to this Announcement.

## **7. Information relating to the Pagero Group**

Founded in 1999 and based in Gothenburg, Sweden, Pagero is a public limited liability company incorporated in Sweden whose shares were admitted to trading on the Nasdaq First North Growth Market on 22 October 2021. Pagero provides a global open and cloud-based smart business network that connects buyers, suppliers, partners, banks and governments in order to digitise and automate the P2P and O2C processes, including the communication of order messages, delivery documents, price catalogues, invoices and payments. Its self-developed network is purpose-built to integrate quickly and easily with customers' existing systems for secure and seamless communication with suppliers and customers, regardless of the formats or service providers used.

Pagero's vision is to make the buying and selling process easy and convenient for businesses and it aims to build the world's largest open business network for communication between companies. In addition to ensuring compliance with local rules and regulations, its network benefits customers in terms of increased productivity, efficiency and cost savings, as well as access to complete and accurate data. Digitisation, combined with an ability to validate, correct and visualise data, opens up new opportunities for process automation, increased control and traceability, whilst reducing risk and delivering sustainability/environmental benefits. Pagero serves customers in over 140 countries across multiple industry sectors, including healthcare, aviation, manufacturing, public sector and technology, with more than 30 offices and over 600 employees globally.

In order to enhance its market position, presence and customer experience, Pagero is pursuing an ambitious development strategy involving both strong organic growth and selective international expansion through targeted acquisitions.

On 21 April 2022, Pagero announced its audited results for its financial year ended 31 December 2021, where it reported net sales of SEK441.8 million (2020: SEK348.2 million), a loss for the year of SEK158.4 million (2020: SEK84.8 million) and net assets as at 31 December 2021 of SEK795.3 million (2020: SEK457.3 million).

Further financial and other information on Pagero will be set out in the Offer Document.

## **8. Information relating to the Tungsten Group**

Tungsten 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 per cent. of the FTSE 100 and 68 per cent. of the Fortune 500 constituents. 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 U.S. Federal Government.

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

In its audited financial statements for its financial year ended 30 April 2021, Tungsten reported revenue of £36.1 million (2020: £36.8 million), a loss for the year of £34.7 million (2020: £26.0 million) and net assets of £56.2 million (2020: £86.8 million).

### *Current trading and prospects*

Tungsten current trading revenues for the 11 months to end March 2022 were GBP 34.4 million, representing 6 per cent. year-on-year revenue growth on a constant currency basis, with a number of potential new customer wins targeted for FY22 now expected to move into FY23.

Foreign exchange is estimated to have negatively impacted revenues to the end of March 2022 by GBP 0.6 million on a period-on-period, constant currency basis.

Whilst not quite yet at pre-Covid-19 levels of transaction volumes, Tungsten has seen an increase in transaction volumes for the 11 months to end March 2022 of 3 per cent. compared to the prior period.

There have been 27 upsells for the period with FY22 revenue of GBP 0.7 million and Total Contract Value (“TCV”) of GBP 1.5 million, and one new customer Accounts Receivable win which now has a TCV of GBP 0.1 million.

There has been significantly improved buyer retention, with a YTD March 2022 loss of 3 Accounts Payable buyers with annual recurring revenue (“ARR”) of GBP 0.1 million against a loss of 13 AP buyers with ARR of GBP 0.4 million for the prior period.

Costs have continued to be well controlled, and net cash as at 31 March 2022 was GBP 2.8 million.

Adjusted EBITDA for the 11 months to end March 2022 was approximately GBP 4.9 million.

Further financial and other information on Tungsten will be set out in the Offer Document.

## **9. Intentions of Pagero with regards to Tungsten’s directors, management, employees, research and development, assets and locations**

Pagero recognises and acknowledges the significant skills, expertise and operational experience of the existing Tungsten executive team and, following completion of the Offer, does not intend to implement material changes to the senior executive management structure and expects that existing management will play an important role in the integration of the two companies and future development of the Pagero Group.

The Pagero Directors believe that Pagero is the ideal partner for Tungsten and is well positioned and resourced to execute on a combined business plan to create one of the leading global operators within business-to-business communication with the Tungsten Group and its domain knowledge forming an important part of the enlarged Pagero organisation. However, on completion of the Offer, Pagero intends to commence a detailed review of the Tungsten Group in order to confirm and potentially identify additional operational efficiencies and cost-savings and maximise anticipated synergistic benefits, whereby cross-selling and a broadened offering are among the key opportunities. Such review and integration process, which will include engagement and due consultation with the appropriate stakeholders within both Pagero and Tungsten, is expected to occur within 6-12 months following completion of the Offer, and the integration process will likely result in a limited degree of restructuring and redundancies where overlap and/or operational efficiencies are identified, likely to be principally focused on head office, finance and administrative related functions, especially those related to Tungsten’s current status as a publicly quoted company on AIM.

In this regard, all of the non-executive Tungsten Directors, being Tony Bromovsky, Andrew Coulsen, Andrew Doman and Nicholas Wells, intend to resign with effect from completion of the Offer or, if later, on the date when admission of the Tungsten Shares to trading on AIM is cancelled. They will each receive remuneration in line with the termination provisions of their letters of appointment by way of compensation.

Pagero does not have any plans to make any significant changes to the research and development functions of the Tungsten Group, in terms of headcount, with its technical teams situated in Kuala Lumpur, Malaysia and Sofia, Bulgaria, serving to augment Pagero's existing network of six global R&D centres. Pagero will seek to integrate Tungsten's R&D functions into the existing Pagero R&D networks, with a particular aim to create a combined structure to increase the efficiency and capabilities of the enlarged group. Pagero already operates R&D centres across the globe and is committed to working in a dynamic and globalised structure. Pagero will accelerate the development of a scalable, high-performing organisation.

Similarly, Pagero does not have any plans to make any material changes either to the headcount or terms and conditions of employment or in the balance of the skills and functions of the management and employees of the Tungsten Group or the Pagero Group, other than as set out above with regard to the non-executive directors of Tungsten and anticipated limited number of redundancies focused on the corporate related areas outlined above.

The Pagero Board has given assurances to the Tungsten Board that, following the Offer becoming or being declared wholly unconditional, the existing contractual and statutory employment rights and terms and conditions of employment of the management and employees of the Tungsten Group will be fully safeguarded. The Tungsten Group has no defined benefit pension schemes and Pagero does not intend to make any changes with regards to any existing pension arrangements of the Tungsten Group.

Furthermore, Pagero generally expects that, following successful completion of the Offer, Tungsten would operate principally as it does today, but as a direct or indirect subsidiary of Pagero, and Pagero has no intention to redeploy any of the Tungsten Group's fixed asset base. The Pagero Directors also have no intention to change Tungsten's existing headquarters location or, save in the corporate related areas outlined above, headquarters functions in London.

It is intended that the appointment of the executive director of Tungsten will remain unchanged following successful completion of the Offer. There are no agreements or arrangements between Pagero and the directors, management or employees of Tungsten in relation to their on-going involvement in the business and the Offer will not be conditional on reaching agreement with such persons.

In addition, Pagero has not entered into discussions on any proposals to enter into any form of incentivisation arrangements with members of Tungsten's management who are interested in Tungsten Shares and has no plans to do so. Following completion of the Offer, Pagero may put in place incentive arrangements for certain members of the Tungsten management team. No proposals have been made on the terms of any incentive arrangements for relevant management.

As set out in paragraph 14 below, Pagero intends to seek the cancellation of the admission of the Tungsten Shares to trading on AIM shortly following the Offer becoming, or being declared, unconditional in all respects, and Pagero receiving acceptances of its Offer of greater than 75 per cent. of the Tungsten Shares. Should Pagero not receive acceptances to its Offer of greater than 75 per cent. of the Tungsten Shares then Pagero intends to seek the cancellation of the admission of Tungsten Shares to trading on AIM under the other provisions set out in Rule 41 of the AIM Rules. This will thereby enable Tungsten's management to be entirely focused on the growth and development of the business, rather than AIM investor and U.K. publicly quoted company related matters.

## 10. Tungsten Share Plans

Participants in the Tungsten Share Plans shall be contacted regarding the effect of the Offer on their options and awards under the Tungsten Share Plans and appropriate proposals shall be made to such participants in due course in accordance with Rule 15 of the Code.

Further details of the terms of such proposals shall be included in the Offer Document and in separate letters to be sent to participants in the Tungsten Share Plans.

The Offer will extend to any Tungsten Shares which are unconditionally allotted or issued while the Offer remains open for acceptance or, subject to the provisions of the Code, by such earlier date as Pagero may determine, including those allotted or issued to satisfy the exercise of options or vesting of awards under the Tungsten Share Plans.

## 11. Financing of the Offer

The cash consideration payable to Tungsten Shareholders by Pagero under the terms of the Offer will be financed by a combination of:

- the existing cash resources of Pagero; and
- debt in the form of senior secured floating rate notes issued by Pagero to certain noteholders initially represented by Hedda Manager AB as noteholders' agent pursuant to the terms and conditions dated 29 April 2022 entered into between Pagero as issuer and Hedda Manager AB as noteholders' agent, which will initially be (i) secured by a pledge of the shares in Pagero's subsidiary, Pagero AB, pursuant to and in accordance with the terms of a pledge agreement dated 2 May 2022 between Pagero as pledgor and certain secured parties represented by Hedda Manager AB as agent and (ii) guaranteed by Pagero AB pursuant to and in accordance with the terms of a guarantee agreement dated 29 April 2022 between Pagero, Pagero AB as guarantor and Hedda Manager AB as noteholders' agent,

the proceeds of which, in each case, have been placed in an escrow account with J.P. Morgan Chase Bank, N.A., London Branch (the "**Escrow Account**") and are subject to the terms of an escrow agreement dated 2 May 2022 (including a term requiring that enough cash be maintained in the Escrow Account to allow Pagero to satisfy the cash consideration payable by Pagero to Tungsten Shareholders in connection with the Offer unless and until the Offer terminates or lapses in accordance with its terms).

In accordance with Rule 2.7(d) of the Code, Strand Hanson, financial adviser to Pagero, is satisfied that sufficient resources are available to Pagero to satisfy in full the cash consideration payable to Tungsten Shareholders under the terms of the Offer.

Further information in relation to the financing of the Offer will be set out in the Offer Document.

## 12. Offer-related arrangements

### *Confidentiality Agreement*

Pagero and Tungsten entered into a confidentiality agreement dated 4 January 2022 (the "**Confidentiality Agreement**") pursuant to which each party has undertaken, *inter alia*, to: (i) keep confidential information relating to, *inter alia*, the Offer and the other party and its Group and not to disclose it to third parties (other than to certain authorised recipients); and (ii) use the confidential information only in connection with the Offer, in each case subject to certain exceptions.

These confidentiality obligations shall remain in force until the third anniversary of the Confidentiality Agreement.

The Confidentiality Agreement also includes customary non-solicitation obligations on Pagero.

#### ***Letter regarding Tungsten Share Plans***

Pagero has received a letter from Tungsten dated 5 May 2022 (the “**Tungsten Share Plans Letter**”) confirming (among other things) the following:

- 1,562,932 Tungsten Shares are expected to be issued on (or as soon as reasonably practicable following) completion of the Offer under the Tungsten Share Plans and the terms of an agreement with Darsh Advisers Limited (“**Adviser’s Agreement**”);
- Tungsten confirms that no additional options or awards over shares have been granted pursuant to the Tungsten Share Plans and the Adviser’s Agreement (together “**Awards**”) since 1 September 2021, and no further Awards shall be granted prior to the earlier of completion of the Offer and 31 December 2022;
- Pagero and Tungsten intend to jointly write to participants in the Awards on, or as soon as practicable after, the public announcement of the Offer to inform them of the impact of the Offer on their outstanding Awards, the extent to which their Awards will vest and, in the case of options, become exercisable as a result of the Offer (taking into account the Offer Price) and any actions they may need to take in connection with their Awards as a result of the Offer; and
- Tungsten Shareholders’ approval will be sought for an amendment to the articles of association of Tungsten so that any Tungsten shares issued or transferred on or after completion of the Offer will be automatically transferred to, or to the order of, Pagero in exchange for the provision by Pagero of the same consideration payable per share under the Offer (or such other consideration as may be agreed between Pagero and Tungsten and disclosed in the Offer Document).

### **13. Structure of and Conditions to the Offer and compulsory acquisition**

It is intended that the Offer will be implemented by way of a contractual takeover offer (as defined in Part 28 of the Companies Act), the provisions of which will be set out in full in the Offer Document (although Pagero reserves the right to elect to implement the Offer by means of a Court-approved scheme of arrangement between Tungsten and Tungsten Shareholders, (subject to Panel consent)).

The Tungsten Shares shall be acquired under the Offer fully paid and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other rights and interests of any nature whatsoever and together with all rights now and hereafter attaching thereto, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the date of this Announcement.

The Offer will be subject to the Conditions and certain further terms set out in Appendix 1 to this Announcement, and to the full terms and conditions to be set out in the Offer Document. The Offer will only be capable of being declared unconditional if, among other things, on or before the Long Stop Date valid acceptances are received (and not validly withdrawn in accordance with the rules and requirements of the Code and the terms of the Offer) by not later than 1.00 p.m. on the Unconditional Date (or such later time(s) and/or date(s) as Pagero may specify, subject to the rules of the Code and where applicable with the consent of the Panel) in respect of not less than 75 per cent. (or such lesser percentage as Pagero may decide) of Tungsten Shares to which the Offer relates and of the voting rights attached to those shares.

The Offer shall lapse if the Offer does not become and is not declared unconditional by the Long Stop Date, provided, however, that the deadline for the Offer to become or be declared unconditional in all respects may be extended by agreement between Tungsten and Pagero.

Subject to the satisfaction or waiver of the Conditions and certain further terms set out in Appendix 1, it is expected that the Offer will become or be declared unconditional in the second half of 2022.

Further details of the Offer, including an indicative expected timetable of principal events, shall be set out in the Offer Document and (where applicable) accompanying Form of Acceptance, which shall be despatched to Tungsten Shareholders as soon as reasonably practicable and, in any event, within 28 days of this Announcement (unless Pagero and Tungsten otherwise agree, and the Panel consents, to a later date). Tungsten Shareholders are urged to read the Offer Document and (where applicable) the accompanying Form of Acceptance carefully once they have been dispatched.

#### *Compulsory acquisition*

If Pagero receives acceptances under the Offer in respect of, and/or otherwise acquires, 90 per cent. or more of the Tungsten Shares by nominal value, and voting rights attaching to such shares, to which the Offer relates and assuming that all of the Conditions of the Offer have been satisfied or waived (if capable of being waived), Pagero intends to exercise its right pursuant to the provisions of Chapter 3 of Part 28 of the Companies Act to acquire compulsorily the remaining Tungsten Shares in respect of which the Offer has not been accepted on the same terms as the Offer.

## **14. Cancellation of admission to trading on AIM and re-registration**

On successful completion of the Offer, Tungsten will become a subsidiary of Pagero. Following the Offer becoming, or being declared, wholly unconditional and if Pagero has by virtue of acceptances of the Offer acquired, or agreed to acquire, Tungsten Shares which represent greater than 75 per cent. of the voting rights attaching to the Tungsten Shares, Pagero intends to procure that Tungsten makes an application to the appropriate authorities for the cancellation of the admission of the Tungsten Shares to trading on AIM. Should Pagero proceed with the intended cancellation a notice period of not less than 20 Business Days will be given on or after the date on which the Offer becomes, or is declared, wholly unconditional.

Should Pagero not receive sufficient acceptances to the Offer to proceed with procuring such an application, then Pagero currently intends, dependent on the ownership level achieved, following completion of the Offer, to seek the cancellation of the admission of Tungsten Shares to trading on AIM under the other provisions set out in Rule 41 of the AIM Rules.

**The cancellation of the admission of the Tungsten Shares to trading on AIM would significantly reduce the liquidity and marketability of any Tungsten Shares in respect of which the Offer has not been accepted at that time and the value of any such Tungsten Shares may be adversely affected as a consequence.**

It is also intended that following the Offer becoming or being declared unconditional in all respects and the admission to trading on AIM of Tungsten Shares having been cancelled, Tungsten will be re-registered as a private limited company under the relevant provisions of the Companies Act.

## **15. Dividends**

If, on or after the date of this Announcement, any dividend, distribution or other return of value (including any return of capital) is announced, declared, made or paid by Tungsten or becomes

payable in respect of Tungsten Shares, Pagero reserves the right to reduce the consideration payable under the terms of the Offer by an amount up to the aggregate amount of such dividend, distribution or other return of value, in which case any references in this Announcement to the consideration payable under the terms of the Offer will be deemed to be a reference to the consideration as so reduced. In such circumstances, Tungsten Shareholders would be entitled to retain any such dividend, distribution or other return of value declared, made or paid.

## **16. Disclosure of interests in Tungsten securities**

As at the close of business on the Last Practicable Date, save for the irrevocable undertakings referred to in paragraph 6 above, neither Pagero nor any of its directors, nor, so far as Pagero is aware, any person acting in concert (within the meaning of the Code) with Pagero for the purposes of the Offer:

- had any interest in, or right to subscribe for, or had any arrangement in relation to, any Tungsten Shares or any relevant securities of Tungsten;
- had any short positions in relation to any Tungsten Shares or any relevant securities of Tungsten, whether conditional or absolute and whether in the money or otherwise, including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery of any Tungsten Shares or any relevant securities of Tungsten;
- had any Dealing Arrangement of the kind referred to in Note 11 of the definition of acting in concert in the Code, in relation to Tungsten Shares or in relation to any securities convertible into Tungsten Shares;
- had procured an irrevocable commitment or a letter of intent to accept the terms of the Offer in respect of any Tungsten Shares or any relevant securities of Tungsten; or
- had borrowed or lent any Tungsten Shares or any relevant securities of Tungsten.

For these purposes, “arrangement” includes any indemnity or option arrangement, any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities of Tungsten which may be an inducement to deal or refrain from dealing in such securities.

## **17. General**

Pagero reserves the right to elect (with the consent of the Panel) to implement the Offer by way of a Scheme of Arrangement for the Tungsten Shares as an alternative to the Offer. In such event, the Scheme of Arrangement shall be implemented on substantially the same terms, subject to appropriate amendments to reflect the change in method of effecting the Offer (including such amendments as may be required by law or regulation), including (without limitation and subject to the consent of the Panel):

- (i) the Long Stop Date ceasing to apply (and Pagero may, in accordance with the Code, specify a new long stop date by which the Scheme must become effective and specific dates by which the relevant Court and Tungsten Shareholder meetings and the Court hearing to sanction the Scheme must be held); and
- (ii) Condition 1 in Part 1 of Appendix 1 ceasing to apply and, instead, the Scheme becoming effective and binding following: (a) approval of the Scheme at the Court meeting (or Court meetings), or any adjournments thereof, by a majority (or majorities) in number representing not less than 75 per cent. of each relevant class or classes of Tungsten Shareholders present and voting, either in person or by proxy; (b) the passing



by the requisite majority or majorities of all Tungsten Shareholder resolutions necessary to approve and implement the Scheme; (c) sanction of the Scheme by the Court (with or without modification, with any such modification being acceptable to Pagero and Tungsten); and (d) the delivery of a copy of the Court order to the Registrar of Companies sanctioning the Scheme pursuant to Part 26 of the Companies Act.

The Offer will be subject to the Conditions and certain further terms set out in Appendix 1 to this Announcement and to the full terms and conditions which will be set out in the Offer Document. The bases of calculation and sources of certain information contained in this Announcement are set out in Appendix 2 to this Announcement. A summary of the irrevocable undertakings given in relation to the Offer is contained in Appendix 3 to this Announcement. Certain terms used in this Announcement are defined in Appendix 4 to this Announcement.

It is expected that the Offer Document and (where applicable) the accompanying Form of Acceptance shall be despatched to Tungsten Shareholders as soon as practicable and, in any event, within 28 days of this Announcement.

This Announcement does not constitute an offer or an invitation to purchase or subscribe for any securities.

## **18. Consents**

Strand Hanson and Canaccord Genuity have each given and not withdrawn their consent to the publication of this Announcement with the inclusion herein of the references to their names in the form and context in which they appear.

## **19. Documents available on websites**

This Announcement, and copies of the following documents shall be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, for inspection on Tungsten's website at [www.tungsten-network.com/takeover-documentation](http://www.tungsten-network.com/takeover-documentation), and on Pagero's website at [www.pagero.com/investors](http://www.pagero.com/investors), respectively by no later than 12.00 noon (London time) on 10 May 2022 until the end of the Offer Period:

- the irrevocable undertakings referred to in paragraph 6 above and summarised in Appendix 3 to this Announcement;
- documents relating to the financing of the Offer referred to in paragraph 11 above;
- the Confidentiality Agreement referred to in paragraph 12 above;
- the Tungsten Share Plans Letter referred to in paragraph 12 above; and
- the consent letters from each of Strand Hanson and Canaccord Genuity referred to in paragraph 18 above.

The content of the websites referred to in this Announcement is not incorporated into and does not form part of this Announcement.

## **Enquiries:**

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Simon Bridges

Andrew Potts

White & Case LLP has been retained as English legal adviser to Pagero.

RBG Legal Services Limited, trading as Memery Crystal, has been retained as legal adviser to Tungsten.

***Important Notices***

*Strand Hanson Limited, which is authorised and regulated in the U.K. by the Financial Conduct Authority, is acting exclusively as financial adviser to Pagero and no one else in connection with the Offer and will not be responsible to anyone other than Pagero for providing the protections afforded to clients of Strand Hanson Limited, nor for providing advice in connection with the Offer or any other matter referred to herein.*

*Canaccord Genuity Limited, which is authorised and regulated by the Financial Conduct Authority, is acting as financial adviser to Tungsten and no one else in connection with the matters described in this Announcement and will not be responsible to anyone other than Tungsten for providing the protections afforded to clients of Canaccord Genuity Limited nor for providing advice in connection with the matters referred to herein. Neither Canaccord Genuity Limited nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Canaccord Genuity Limited in connection with this Announcement, any statement contained herein, the Offer or otherwise.*

*This Announcement is for information purposes only and is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer or invitation to purchase, or otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise, nor shall there be any sale, issuance or transfer of securities of Tungsten pursuant to the Offer or otherwise in any jurisdiction in contravention of applicable laws.*

*The Offer will be made solely by means of the Offer Document and (in respect of Tungsten Shares held in certificated form) the Form of Acceptance accompanying the Offer Document, which will, together, contain the full terms and conditions of the Offer including details of how it may be accepted. Any decision in respect of, or other response to, the Offer should be made only on the basis of the information contained in the Offer Document and (in respect of Tungsten Shares held in certificated form) the Form of Acceptance accompanying the Offer Document.*

*The Offer Document and the Form of Acceptance will be made available to all Tungsten Shareholders at no cost to them. Tungsten Shareholders are advised to read the Offer Document (and in respect of Tungsten Shares held in certificated form) the Form of Acceptance accompanying the Offer Document carefully when they become available because they will contain important information in relation to*

*the Offer. This Announcement does not constitute a prospectus, prospectus equivalent document or an exempted document.*

### **Overseas Shareholders**

*The release, publication or distribution of this Announcement in or into certain jurisdictions other than the United Kingdom or Sweden may be restricted by law. Persons who are not resident in the United Kingdom or Sweden or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements.*

*Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Offer disclaim any responsibility or liability for the violation of such restrictions by any person.*

*This Announcement has been prepared for the purpose of complying with applicable English law, Swedish law, the Code, the AIM Rules, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules, and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside of England or Sweden.*

*Unless otherwise determined by Pagero or required by the Code, and permitted by applicable law and regulation, the Offer shall not be made available, directly or indirectly, in, into or from, and will not be capable of acceptance in or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may accept the Offer by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Announcement and all formal documents relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this Announcement and all formal documents relating to the Offer (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction.*

*The availability of the Offer to Tungsten Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements. Further details in relation to overseas Tungsten Shareholders will be contained in the Offer Document.*

*The Offer shall be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange, the AIM Rules, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules.*

### **Additional information for U.S. investors**

*The Offer relates to shares of an English company and is proposed to be effected by means of a Takeover Offer. The Offer shall be made in compliance with all applicable laws and regulations of the United Kingdom and the United States, including any applicable exemptions under the U.S. Securities Exchange Act of 1934 (the “**U.S. Exchange Act**”).*

*In accordance with normal United Kingdom practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, Pagero or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of Tungsten outside the Offer during the period in which such Offer would remain open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. If such purchases or arrangements to purchase were to be made, they would be made outside the United States and would comply with applicable law, including United Kingdom laws and the U.S. Exchange Act. Any such purchases by Pagero or its affiliates will not be made at prices higher than the price of*

*the Offer provided in this Announcement unless the price of the Offer is increased accordingly. Any information about such purchases or arrangements to purchase shall be disclosed as required in the United Kingdom, shall be reported to a Regulatory Information Service and shall be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com). To the extent that such information is required to be publicly disclosed in the United Kingdom in accordance with applicable regulatory requirements, this information will, as applicable, also be publicly disclosed in the United States.*

*However, if Pagero were to elect to implement the Offer by means of a Scheme of Arrangement under the laws of England and Wales, such Scheme would not be subject to the tender offer rules or the proxy solicitation rules under the U.S. Exchange Act. Accordingly, the Offer would be subject to the disclosure and procedural requirements applicable in the United Kingdom to schemes of arrangement which differ from the disclosure requirements of the United States tender offer and proxy solicitation rules.*

*Neither the Offer nor this Announcement have been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have such authorities approved or disapproved or passed judgement upon the fairness or the merits of the Offer, or determined if the information contained in this Announcement is adequate, accurate or complete. Any representation to the contrary is a criminal offence in the United States.*

*The receipt of consideration by a U.S. holder for the transfer of its Tungsten Shares pursuant to the Offer shall be a taxable transaction for United States federal income tax purposes. Each Tungsten Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Offer applicable to them, including under applicable United States state and local, as well as overseas and other, tax laws.*

*Financial information relating to Tungsten included in this Announcement and to be included in the Offer Document has been or shall have been prepared in accordance with accounting standards applicable in the United Kingdom and may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.*

*Pagero is organised under the laws of Sweden and Tungsten is organised under the laws of England and Wales. Some or all of the officers and directors of Pagero and Tungsten, respectively, are residents of countries other than the United States. In addition, some of the assets of Pagero and Tungsten are located outside the United States. As a result, it may be difficult for U.S. holders of Tungsten Shares to effect service of process within the United States upon Pagero or Tungsten or their respective officers or directors or to enforce against them a judgement of a U.S. court predicated upon the federal or state securities laws of the United States.*

#### ***Cautionary note regarding forward-looking statements***

*This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Offer, and other information published by Tungsten, any member of the Tungsten Group, Pagero or any member of the Pagero Group contain statements which are, or may be deemed to be, “forward-looking statements” (including “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995). Such forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and on numerous assumptions regarding the business strategies and the environment in which Tungsten, any member of the Tungsten Group, Pagero or any member of the Pagero Group shall operate in the future and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements.*

*The forward-looking statements contained in this Announcement relate to Tungsten, any member of the Tungsten Group, Pagero or any member of the Pagero Group’s future prospects, developments and business strategies, the expected timing and scope of the Offer and other statements other than*

historical facts. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “will look to”, “would look to”, “plans”, “prepares”, “anticipates”, “expects”, “is expected to”, “is subject to”, “budget”, “scheduled”, “forecasts”, “synergy”, “strategy”, “goal”, “cost-saving”, “projects”, “intends”, “may”, “will”, “shall” or “should” or their negatives or other variations or comparable terminology. 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 Tungsten, any member of the Tungsten Group, Pagero or any member of the Pagero Group’s operations; and (iii) the effects of global economic conditions on Tungsten, any member of the Tungsten Group, Pagero or any member of the Pagero Group’s business.

By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that shall occur in the future. These events and circumstances include, but are not limited to: changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates, future business combinations or disposals, and any epidemic, pandemic or disease outbreak. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions prove 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.

None of Tungsten, any member of the Tungsten Group, Pagero or any member of the Pagero Group, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement shall actually occur. Given these risks and uncertainties, you are cautioned not to place any reliance on forward-looking statements.

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

Tungsten, each member of the Tungsten Group, Pagero and each member of the Pagero Group expressly disclaim any obligation to update such statements other than as required by law or by the rules of any competent regulatory authority, whether as a result of new information, future events or otherwise.

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

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

#### **Disclosure requirements of the Code**

Under Rule 8.3(a) of the 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 10<sup>th</sup> business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10<sup>th</sup> 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 Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the 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.

### **Electronic communications**

Please be aware that addresses, electronic addresses and certain other information provided by Tungsten Shareholders, persons with information rights and other relevant persons for the receipt of communications from Tungsten may be provided to Pagero during the Offer Period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) of the Code.

### **Publication on websites and availability of hard copies**

A copy of this Announcement and the documents required to be published pursuant to Rule 26 of the Code shall be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Pagero's and Tungsten's websites at [www.pagero.com/investors](http://www.pagero.com/investors) and at [www.tungsten-network.com/takeover-documentation/](http://www.tungsten-network.com/takeover-documentation/) respectively, by no later than 12 noon (London time) on the Business Day following this Announcement. For the avoidance of doubt, the contents of these websites are not incorporated into and do not form part of this Announcement.

Tungsten Shareholders may request a hard copy of this Announcement by contacting Tungsten's registrars, Equiniti, either in writing to Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, United Kingdom or by calling +44 (0)371 3842030. You may also request that all future documents, announcements and information to be sent to you in relation to the Offer should be in hard copy form. Calls outside the U.K. will be charged at the applicable international rate. Lines are open between 8.30 a.m. and 5.30 p.m. Monday to Friday excluding public holidays in England and Wales. For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to them in relation to the Offer should be in hard copy form.

If you are in any doubt about the contents of this Announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank

*manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.*

***Rounding***

*Certain figures included in this Announcement 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.*

## Appendix 1

### Conditions and Certain Further Terms of the Offer

#### Part 1

#### Conditions of the Offer

1. The Offer will be conditional upon valid acceptances being received (and not validly withdrawn in accordance with the rules and requirements of the Code and the terms of the Offer) by not later than 1.00 p.m. (London time) on the Unconditional Date (or such other time(s) and/or date(s) as Pagero may specify, subject to the rules of the Code and where applicable with the consent of the Panel) in respect of not less than 75 per cent. (or such lesser percentage as Pagero may decide) of Tungsten Shares to which the Offer relates and of the voting rights attached to those shares (the “**Acceptance Condition**”), provided that: (i) this Condition will not be satisfied unless Pagero and/or any of its wholly-owned subsidiaries and their respective nominees shall have acquired or agreed to acquire (whether pursuant to the Offer or otherwise) Tungsten Shares carrying, in aggregate, more than 50 per cent. of the voting rights then exercisable at a general meeting of Tungsten; and (ii) unless the Panel consents otherwise, this Condition shall only be capable of being satisfied when all of the Conditions set out in paragraphs 2(a) to 2(m) below have been satisfied or waived;

For the purposes of this Condition 1:

- 1.1 Tungsten Shares that are unconditionally allotted but not issued before the Offer becomes or is declared unconditional, whether pursuant to the exercise of any outstanding subscription rights or conversion rights or otherwise, shall be deemed to carry the voting rights which they will carry upon issue;
  - 1.2 valid acceptances shall be deemed to have been received in respect of Tungsten Shares which are treated for the purposes of the Companies Act as having been acquired or contracted to be acquired by Pagero by virtue of acceptances of the Offer or otherwise;
  - 1.3 the expression “Tungsten Shares to which the Offer relates” shall be construed in accordance with Part 28 of the Companies Act; and
  - 1.4 all percentages of voting rights and share capital are to be calculated by reference to the percentage held in issue excluding any and all shares held in treasury by Tungsten from time to time.
2. In addition, the Offer shall be conditional upon the following Conditions and, accordingly, the Offer shall not become or be declared unconditional unless the following Conditions (as amended, if appropriate) have been satisfied or, where relevant, waived:

#### **Notifications, waiting periods and Authorisations**

- (a) all material notifications, filings or applications which are necessary under any applicable law or regulation to implement the Offer having been made;
- (b) all necessary waiting periods (including any extensions thereof) under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated (as appropriate);
- (c) all statutory and regulatory obligations material in the context of the Wider Tungsten Group and the Offer in any applicable jurisdiction having been complied with in each case in respect of the Offer;



- (d) all Authorisations in any jurisdiction necessary for the Offer to be implemented and, except pursuant to Chapter 3 of Part 28 of the Companies Act, the acquisition or the proposed acquisition of any shares or other securities in, or control or management of, Tungsten or any other member of the Wider Tungsten Group by any member of the Wider Pagero Group having been obtained in terms and in a form satisfactory to Pagero (acting reasonably) from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider Tungsten Group or the Wider Pagero Group has entered into contractual arrangements;
- (e) all such Authorisations necessary to carry on the business of any member of the Wider Tungsten Group in any jurisdiction having been obtained; and
- (f) all such Authorisations referred to in Conditions 2(d) and 2(e) remaining in full force and effect at the time at which the Offer becomes otherwise wholly unconditional and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations, in each case in any way that would or would reasonably be considered to be material in the context of the Offer;

#### **General antitrust and regulatory**

- (g) no Third Party having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything, or having enacted, made or proposed any statute, regulation, decision, order or change to published practice (and in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or would reasonably be expected to and, in the case of any of the foregoing, which is or would reasonably be considered to be material in the context of the Offer:
  - (i) require, prevent or materially delay the divestiture or materially alter the terms envisaged for such divestiture by any member of the Wider Pagero Group or by any member of the Wider Tungsten Group of all or any material part of its businesses, assets or property or impose any limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof);
  - (ii) except pursuant to Chapter 3 of Part 28 of the Companies Act, require any member of the Wider Pagero Group or the Wider Tungsten Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Tungsten Group or any asset owned by any Third Party (other than in the implementation of the Offer);
  - (iii) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Pagero Group directly or indirectly to acquire, hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in Tungsten or on the ability of any member of the Wider Tungsten Group or any member of the Wider Pagero Group directly or indirectly to hold or exercise effectively all or any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise voting or management control over, any member of the Wider Tungsten Group;
  - (iv) otherwise adversely affect any or all of the business, assets, profits or prospects of any member of the Wider Tungsten Group or any member of the Wider Pagero Group;

- (v) result in any member of the Wider Tungsten Group or any member of the Wider Pagero Group ceasing to be able to carry on business under any name under which it presently carries on business;
- (vi) make the Offer, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Tungsten by any member of the Wider Pagero Group void, unenforceable and/or illegal under the laws of any relevant jurisdiction, or otherwise, directly or indirectly materially prevent or prohibit, restrict, restrain, or delay or otherwise materially interfere with the implementation of, or impose material additional conditions or obligations with respect to, or otherwise materially challenge, impede, interfere or require material amendment of the Offer or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Tungsten by any member of the Wider Pagero Group;
- (vii) require, prevent or materially delay a divestiture by any member of the Wider Pagero Group of any shares or other securities (or the equivalent) in any member of the Wider Tungsten Group or any member of the Wider Pagero Group;
- (viii) result in the refusal, withholding, suspension, withdrawal, cancellation, termination or modification in whole or in part of any material licence, authority, permission or privilege held or enjoyed by any member of the Wider Tungsten Group or of the Wider Pagero Group which is necessary for the proper carrying on of its business as carried on as at the date hereof or the imposition of any material conditions, restrictions or limitations upon such licence, authority, permission or privilege which would materially inhibit the exercise thereof; or
- (ix) impose any material limitation on the ability of any member of the Wider Pagero Group or any member of the Wider Tungsten Group to conduct, integrate or co-ordinate all or any part of its business with all or any part of the business of any other member of the Wider Pagero Group and/or the Wider Tungsten Group,

and all applicable waiting and other time periods (including any extensions thereof) during which any such antitrust regulator or Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Offer or the acquisition or proposed acquisition of any Tungsten Shares or otherwise intervene having expired, lapsed or been terminated;

**Certain matters arising as a result of any arrangement, agreement, etc.**

- (h) except as Disclosed, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider Tungsten Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject or any event or circumstance which, as a consequence of the Offer or the acquisition or the proposed acquisition by any member of the Wider Pagero Group of any shares or other securities (or the equivalent) in Tungsten or because of a change in the control or management of any member of the Wider Tungsten Group or otherwise, would or would reasonably be expected to result in:
  - (i) any monies borrowed by, or any other indebtedness, actual or contingent, of, or any grant available to, any member of the Wider Tungsten Group being or becoming repayable, or capable of being declared repayable, immediately or

prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;

- (ii) the creation, save in the ordinary and usual course of business, or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider Tungsten Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen) becoming enforceable;
- (iii) any such arrangement, agreement, lease, licence, franchise, permit or other instrument being terminated or the rights, liabilities, obligations or interests of any member of the Wider Tungsten Group being adversely modified or adversely affected or any obligation or liability arising or any adverse action being taken or arising thereunder;
- (iv) any liability of any member of the Wider Tungsten Group to make any severance, termination, bonus or other payment to any of its directors, or other officers;
- (v) the rights, liabilities, obligations, interests or business of any member of the Wider Tungsten Group or any member of the Wider Pagero Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider Tungsten Group or any member of the Wider Pagero Group in or with any other person or body or firm or company (or any agreement or arrangement relating to any such interests or business) being or becoming capable of being terminated, or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
- (vi) any member of the Wider Tungsten Group ceasing to be able to carry on business under any name under which it presently carries on business;
- (vii) the value of, or the financial or trading position or prospects of, any member of the Wider Tungsten Group being prejudiced or adversely affected; or
- (viii) the creation or acceleration of any material liability (actual or contingent) by any member of the Wider Tungsten Group other than trade creditors or other liabilities incurred in the ordinary course of business,

which, in each of the foregoing cases is material and adverse in the context of the Wider Tungsten Group (taken as a whole) and, except as Disclosed, no event having occurred which, under any provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Tungsten Group is a party or by or to which any such member or any of its assets are bound, entitled or subject, would or would reasonably be expected to result in any of the events or circumstances as are referred to in Conditions 2(h)(i) to (viii) (in each case, to the extent which is material in the context of the Wider Tungsten Group (taken as a whole));

#### **Certain events occurring since 30 April 2021**

- (i) except as Disclosed, no member of the Wider Tungsten Group having since 30 April 2021:
  - (i) issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue, of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible

securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of Tungsten Shares out of treasury except, where relevant, as between Tungsten and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of Tungsten and except for the issue or transfer out of treasury of Tungsten Shares on the exercise of employee share options or vesting of employee share awards in the ordinary course or otherwise in accordance with the Tungsten Share Plans;

- (ii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus issue, dividend or other distribution (whether payable in cash or otherwise) other than dividends (or other distributions whether payable in cash or otherwise) lawfully paid or made by any wholly-owned subsidiary of Tungsten to Tungsten or any of its wholly-owned subsidiaries;
- (iii) other than pursuant to the Offer and except for transactions between Tungsten and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of Tungsten and transactions in the ordinary course of business, implemented, effected, authorised or proposed or announced its intention to implement, effect, authorise or propose any merger, demerger, reconstruction, amalgamation, scheme, commitment or acquisition or disposal of assets or shares or loan capital (or the equivalent thereof) in any undertaking or undertakings in any such case to an extent which is material in the context of the Wider Tungsten Group taken as a whole;
- (iv) except for transactions between Tungsten and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of Tungsten and except for transactions in the ordinary course of business, disposed of, or transferred, mortgaged or created any security interest over any asset or any right, title or interest in any asset or authorised, proposed or announced any intention to do so, in each case to an extent which is or would reasonably be considered to be material in the context of the Wider Tungsten Group taken as a whole;
- (v) except for transactions between Tungsten and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of Tungsten and except for transactions in the ordinary course of business, issued, authorised or proposed or announced an intention to authorise or propose, the issue of or made any change in or to the terms of any debentures or become subject to any contingent liability or incurred or increased any indebtedness which is material in the context of the Wider Tungsten Group as a whole;
- (vi) entered into or varied or authorised, proposed or announced its intention to enter into or vary any material contract, arrangement, agreement, transaction, commitment, franchise, licence or permit (whether in respect of capital expenditure or otherwise) except in the ordinary course of business which is of a long-term, unusual or onerous nature or magnitude or which is or which involves or could reasonably be expected to involve an obligation of a nature or magnitude which is reasonably likely to be materially restrictive on the business of any member of the Wider Tungsten Group which, taken together with any other such material transaction, arrangement, agreement, contract or commitment, is material in the context of the Wider Tungsten Group as a whole;
- (vii) entered into or varied the terms of, or made any offer (which remains open for acceptance) to enter into or vary to a material extent the terms of any contract, service agreement, commitment or arrangement with any director or senior executive of any member of the Wider Tungsten Group, except for promotions,

salary increases, bonuses or variations of terms in the ordinary course, such entry, variation or authorisation being material in the context of the Wider Tungsten Group taken as a whole or in the context of the Offer;

- (viii) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any employee of the Wider Tungsten Group which, taken as a whole, is material in the context of the Wider Tungsten Group taken as a whole;
- (ix) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, except in respect of the matters mentioned in sub-paragraph (i) above, made any other change to any part of its share capital;
- (x) except in the ordinary course of business, waived, compromised or settled any claim by or against any member of the Wider Tungsten Group which is material in the context of the Wider Tungsten Group as a whole;
- (xi) terminated or varied the terms of any agreement or arrangement between any member of the Wider Tungsten Group and any other person in a manner which would or would reasonably be expected to have a material adverse effect on the financial position of the Wider Tungsten Group taken as a whole;
- (xii) made any material alteration to its memorandum or articles of association or other incorporation documents;
- (xiii) except in relation to changes made or agreed as a result of, or arising from, changes to legislation, made or agreed or consented to any significant change to:
  - (A) the terms of the trust deeds and rules constituting the pension scheme(s) established by any member of the Wider Tungsten Group for its directors, employees or their dependants;
  - (B) the contributions payable to any such scheme(s) or to the benefits which accrue, or to the pensions which are payable, thereunder;
  - (C) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
  - (D) the basis upon which the liabilities (including pensions) of such pension scheme(s) are funded, valued, made, agreed or consented to, to an extent which is in any such case material in the context of the Wider Tungsten Group taken as a whole;
- (xiv) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business which is material in the context of the Wider Tungsten Group taken as a whole;
- (xv) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or any analogous or equivalent steps or

proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed, in each case as would or would reasonably be expected to have a material adverse effect on the financial position of the Wider Tungsten Group taken as a whole;

- (xvi) made, authorised, proposed or announced an intention to propose any change in its loan capital which is material in the context of the Offer;
- (xvii) except for transactions between Tungsten and its wholly-owned subsidiaries and transactions entered into in the ordinary course of business, entered into, implemented or authorised the entry into, any joint venture, asset or profit-sharing arrangement, partnership or merger of business or corporate entities which imposes restrictions on the business of any member of the Wider Tungsten Group which are or would reasonably be considered to be material in the context of either the Wider Tungsten Group taken as a whole or the Offer;
- (xviii) having taken (or agreed to take) any action which requires or would require, the consent of the Panel or the approval of Tungsten Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Code; or
- (xix) entered into any agreement, arrangement, commitment or contract or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition 2(i) which, in any case, is material in the context of the Wider Tungsten Group taken as a whole;

**No adverse change, litigation, regulatory enquiry or similar**

- (j) except as Disclosed, since 30 April 2021 there having been:
  - (i) no adverse change and no circumstance having arisen which would or would reasonably be expected to result in any adverse change in, the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Wider Tungsten Group which is material in the context of the Wider Tungsten Group taken as a whole;
  - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened in writing, announced or instituted by or against or remaining outstanding against or in respect of, any member of the Wider Tungsten Group or to which any member of the Wider Tungsten Group is or may become a party (whether as claimant, defendant or otherwise) having been threatened in writing, announced, instituted or remaining outstanding by, against or in respect of, any member of the Wider Tungsten Group, in each case which would reasonably be expected to have a material adverse effect on the Wider Tungsten Group taken as a whole;
  - (iii) no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Tungsten Group having been threatened in writing, announced or instituted or remaining outstanding by, against or in respect of any member of the Wider Tungsten Group, in each case which might reasonably be expected to have a material adverse effect on the Wider Tungsten Group taken as a whole;
  - (iv) other than in the ordinary course of business, no contingent or other liability having arisen or become apparent to Pagero or increased which is reasonably likely to affect adversely the business, assets, financial or trading position or profits or prospects of any member of the Wider Tungsten Group in each case

to an extent which is material in the context of the Wider Tungsten Group taken as a whole; and

- (v) no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Tungsten Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which would reasonably be expected to have a material adverse effect on the Wider Tungsten Group taken as a whole;

**No discovery of certain matters regarding information, liabilities and environmental issues**

- (k) except as Disclosed, Pagero not having discovered that:
  - (i) any financial information concerning the Wider Tungsten Group publicly announced within the last year, and any business or other information, concerning the Wider Tungsten Group publicly announced prior to the date of this Announcement, by or on behalf of any member of the Wider Tungsten Group prior to the date of this Announcement or disclosed at any time to any member of the Wider Pagero Group by or on behalf of any member of the Wider Tungsten Group prior to the date of this Announcement is misleading, contains a material misrepresentation of any fact, or omits to state a fact necessary to make that information not misleading, in any such case to a material extent, where the relevant information has not subsequently been corrected prior to the date of this Announcement and such correction has been Disclosed, in any such case to an extent which is material in the context of the Wider Tungsten Group taken as a whole;
  - (ii) any member of the Wider Tungsten Group or any partnership, company or other entity in which any member of the Wider Tungsten Group has a significant economic interest and which is not a subsidiary undertaking of Tungsten is, otherwise than in the ordinary course of business, subject to any liability, contingent or otherwise and which is material in the context of the Wider Tungsten Group taken as a whole;
  - (iii) any past or present member of the Wider Tungsten Group has not complied with all applicable legislation, regulations or other requirements of any jurisdiction or any Authorisations relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance or any substance likely to impair the environment (including property) or harm human health or otherwise relating to environmental matters or the health and safety of humans, which non-compliance would be likely to give rise to any liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Wider Tungsten Group, in each case which is or might reasonably be considered to be material in the context of either the Wider Tungsten Group taken as a whole or the Offer;
  - (iv) there has been a disposal, discharge, spillage, accumulation, release, leak, emission or the migration, production, supply, treatment, storage, transport or use of any waste or hazardous substance or any substance likely to impair the environment (including any property) or harm human health which (whether or not giving rise to non-compliance with any law or regulation), would be likely to give rise to any liability (whether actual or contingent) on the part of any member of the Wider Tungsten Group, in each case which is or would

reasonably be considered to be material in the context of either the Wider Tungsten Group or the Offer;

- (v) there is or is reasonably likely to be any obligation or liability (whether actual or contingent) or requirement to make good, remediate, repair, reinstate or clean up any property, asset or any controlled waters currently or previously owned, occupied, operated or made use of or controlled by any past or present member of the Wider Tungsten Group (or on its behalf), or in which any such member may have or previously have had or be deemed to have had an interest, under any environmental legislation, common law, regulation, notice, circular, Authorisation or order of any Third Party in any jurisdiction or to contribute to the cost thereof or associated therewith or indemnify any person in relation thereto to the extent which is or might reasonably be considered to be material in the context of either the Wider Tungsten Group or the Offer; or
- (vi) circumstances exist (whether as a result of making the Offer or otherwise) which would be reasonably likely to lead to any Third Party instituting (or whereby any member of the Wider Tungsten Group would be likely to be required to institute), an environmental audit or take any steps which would in any such case be reasonably likely to result in any actual or contingent liability to improve or install new plant or equipment or to make good, repair, reinstate or clean up any property of any description or any asset now or previously owned, occupied or made use of by any past or present member of the Wider Tungsten Group (or on its behalf) or by any person for which a member of the Wider Tungsten Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest, which is material in the context of the Wider Tungsten Group taken as a whole;

#### **Anti-corruption**

- (l) except as Disclosed, Pagero not having discovered that:
  - (i) any member of the Wider Tungsten Group or any person that performs or has performed services for or on behalf of any such company is or has engaged in any activity, practice or conduct which would constitute an offence under the U.K. Bribery Act 2010, the U.S. Foreign Corrupt Practices Act of 1977 (as amended) or any other applicable anti-corruption legislation;
  - (ii) any member of the Wider Tungsten Group is ineligible to be awarded any contract or business under section 23 of the Public Contracts Regulations 2006 or section 26 of the Utilities Contracts Regulations (2006) (each as amended) or the U.S. Federal Acquisition Regulation or Defence Federal Acquisition Regulation Supplement or any other applicable debarment legislation; or
  - (iii) any member of the Wider Tungsten Group has engaged in any transaction which would cause any member of the Wider Pagero Group to be in breach of applicable law or regulation upon completion of the Offer, including the economic sanctions of the United States, United Kingdom, the European Union or any of its member states; and

#### **No criminal property**

- (m) except as Disclosed, Pagero not having discovered that any asset of any member of the Wider Tungsten Group constitutes criminal property as defined by section 340(3) of the U.K. Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition).



## Part 2

### Waiver and Invocation of the Conditions

1. Pagero reserves the right to waive, in whole or in part, all or any of the Conditions set out in Part 1 of this Appendix 1 above, except for Condition 1 (Acceptance Condition), which cannot be waived. The Offer shall be subject to the satisfaction (or waiver, if permitted) of the Conditions set out in this Appendix 1, to the further terms set out in this Appendix 1, and to the full terms and conditions which will be set out in the Offer Document and accompanying Form of Acceptance.
2. The Offer shall lapse unless all of the Conditions have been fulfilled or, where permitted, waived or, where appropriate, have been determined by Pagero to be or remain satisfied, by midnight (London time) on the earlier of the Unconditional Date and the Long Stop Date (subject to the rules of the Code and where applicable the consent of the Panel).
3. Pagero shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as satisfied any of Conditions 2(a) to 2(m) (inclusive) in Part 1 of this Appendix 1 by a date earlier than the latest date specified above for the fulfilment of the relevant Condition, notwithstanding that the other Conditions to the Offer may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any such Condition(s) may not be capable of fulfilment.
4. Subject to paragraph 5 below, under Rule 13.5(a) of the Code, Pagero may only invoke a Condition so as to cause the Offer not to proceed, to lapse or to be withdrawn with the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Pagero in the context of the Offer. This will be judged by reference to the facts of each case at the time that the relevant circumstances arise.
5. Condition 1 of Part 1 of this Appendix 1 is not subject to Rule 13.5(a) of the Code.
6. Any Condition that is subject to Rule 13.5(a) may be waived by Pagero.
7. If Pagero is required by the Panel to make an offer or offers for Tungsten Shares under the provisions of Rule 9 of the Code, Pagero may make such alterations to any of the above Conditions and terms of the Offer as are necessary to comply with the provisions of that Rule.
8. Save as may otherwise be required by the Panel, the Offer will not proceed, will lapse or will be withdrawn if on the Long Stop Date:
  - a. sufficient acceptances have not been received so as to enable Condition 1 (Acceptance Condition) to be satisfied; or
  - b. where sufficient acceptances have been received so as to enable Condition 1 (Acceptance Condition) to be satisfied, one or more of the Conditions relating to an official authorisation or regulatory clearance has not been satisfied or waived and the Panel consents to the Offer not proceeding, lapsing or being withdrawn.
9. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

### **Part 3**

#### **Certain further terms of the Offer**

1. The Tungsten Shares acquired under the Offer shall be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights now or hereafter attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of value (whether by reduction of share capital or share premium account or otherwise) made or paid on or after the date of this Announcement.
2. If on or after the date of this Announcement, any dividend, distribution and/or other return of value is declared, paid or made or becomes payable in respect of the Tungsten Shares, Pagero reserves the right (without prejudice to any right of Pagero, with the consent of the Panel, to invoke Condition 2(i)(ii) in Part 1 of this Appendix 1), to reduce the consideration payable under the terms of the Offer for the Tungsten Shares by an amount up to the amount of such dividend, distribution and/or other return of value. In such circumstances, Tungsten Shareholders would be entitled to retain any such dividend, distribution or other return of value declared, made or paid.

If and to the extent that any such dividend, distribution and/or other return of value is paid or made or becomes payable and Pagero exercises its rights under this paragraph 2 to reduce the consideration payable under the terms of the Offer, any reference in this Announcement or the Offer Document to the consideration payable under the terms of the Offer shall be deemed to be a reference to the consideration as so reduced.

If and to the extent that any such dividend, distribution and/or other return of value has been declared or announced but not paid or made or is not payable by reference to a record date on or prior to the date on which the Offer becomes or is declared unconditional or shall be: (i) transferred pursuant to the Offer on a basis which entitles Pagero to receive the dividend, distribution and/or other return of value and to retain it; or (ii) cancelled, the consideration payable under the terms of the Offer shall not be subject to change in accordance with this paragraph 2.

Any exercise by Pagero of its rights referred to in this paragraph 2 shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Offer.

3. Pagero reserves the right to elect (with the consent of the Panel) to implement the Offer by way of a Scheme of Arrangement for the Tungsten Shares not already directly or indirectly owned by it as an alternative to the Offer. In such event, the Scheme of Arrangement shall be implemented on the same terms, subject to appropriate amendments to reflect the change in method of effecting the Offer (including such amendments as may be required by law or regulation), including (without limitation and subject to the consent of the Panel):
  - 3.1 the Long Stop Date ceasing to apply (and Pagero may, in accordance with the Code, specify a new long stop date by which the Scheme must become effective and specific dates by which the relevant Court and Tungsten Shareholder meetings and the Court hearing to sanction the Scheme must be held); and
  - 3.2 Condition 1 in Part 1 of Appendix 1 ceasing to apply and, instead, the Scheme becoming effective and binding following: (a) approval of the Scheme at the Court meeting (or Court meetings), or any adjournments thereof, by a majority (or majorities) in number representing not less than 75 per cent. of each relevant class or classes of Tungsten Shareholders present and voting, either in person or by proxy; (b) the passing by the requisite majority or majorities of all Tungsten Shareholder resolutions necessary to approve and implement the Scheme; (c) sanction of the Scheme by the Court (with or without modification, with any such modification

being acceptable to Pagero and Tungsten); and (d) the delivery of a copy of the Court order to the Registrar of Companies sanctioning the Scheme pursuant to Part 26 of the Companies Act.

4. The availability of the Offer to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements. Further information in relation to Overseas Shareholders will be contained in the Offer Document.
5. The Offer is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any jurisdiction where to do so would violate the laws of that jurisdiction.
6. The Offer shall be governed by the laws of England and Wales and will be subject to the jurisdiction of the English courts and to the Conditions and further terms set out in this Appendix 1 and to be set out in the Offer Document. The Offer shall be subject to the applicable rules, regulations and requirements of the Code, the Panel, the London Stock Exchange, the AIM Rules, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules and the Registrar of Companies.

## Appendix 2

### Sources of Information and Bases of Calculation

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

1. The value attributed to the fully diluted share capital of Tungsten is based upon: (i) the Offer Price; (ii) the 126,537,962 Tungsten Shares in issue; and (iii) the 1,562,932 Tungsten Shares which may be issued on or after the date of this Announcement in respect of in-the-money options outstanding that are currently anticipated to be satisfied by the issue of new Tungsten Shares pursuant to the Tungsten Share Plans and other outstanding share awards made to certain professional advisers; in each case as at 6 May 2022 (being the last Business Day prior to the date of this Announcement).
2. The maximum cash consideration payable pursuant to the Offer is based upon: (i) the Offer Price of 48 pence per share; and (ii) Tungsten's fully diluted share capital of 128,100,894 Tungsten Shares, as set out in paragraph 1 above.
3. Unless otherwise stated, all prices for Tungsten Shares are closing middle market quotations derived from the AIM Appendix to the London Stock Exchange's Daily Official List for the particular date(s) concerned.
4. The volume weighted average price of 30.16 pence per Tungsten Share over the six-month period ending on and including 13 December 2021, is derived from Bloomberg's daily volume weighted average price data.
5. The volume weighted average price of 30.23 pence per Tungsten Share over the twelve-month period ending on and including 13 December 2021, is derived from Bloomberg's daily volume weighted average price data.
6. Unless otherwise stated, the financial information relating to the Tungsten Group has been extracted or derived (without material adjustment) from Tungsten's audited consolidated Annual Report and Accounts for its financial year ended 30 April 2021 and unaudited consolidated interim results for the six month period ended 31 October 2021.
7. Unless otherwise stated, the financial information relating to the Pagero Group has been extracted or derived (without material adjustment) from Pagero's audited consolidated Annual Report and Accounts for its financial year ended 31 December 2021.
8. All other information relating to Tungsten or Pagero has been extracted from published sources (including the abovementioned financial information) which has been extracted without material adjustment from such sources and/or provided by persons duly authorised by Tungsten or Pagero as applicable.

**Certain figures included in this Announcement have been subject 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.**

## Appendix 3

### Details of Irrevocable Undertakings

#### Institutional Shareholders

Pagero has received irrevocable undertakings to accept or procure the acceptance of (or vote or procure the vote in favour of), the Offer in respect of a total of 45,901,378 Tungsten Shares (representing, in aggregate, approximately 36.27 per cent. of Tungsten Shares in issue on the Last Practicable Date) from the following shareholders:

Name	Number of Tungsten Shares	Percentage of issued Tungsten Shares
Herald Investment Management Limited	3,960,000	3.13
Odey Asset Management LLP	19,191,169	15.17
Samson Rock Capital LLP	22,750,209	17.97
<b>Total:</b>	<b>45,901,378</b>	<b>36.27</b>

1. The obligations contained in the irrevocable undertaking received from Herald Investment Management Limited, lapse and cease to have effect if:
  - a. an announcement is made in accordance with Rule 2.7 of the Code of a competing offer for Tungsten and the consideration payable to Tungsten Shareholders per Tungsten Share under such competing offer is at least ten per cent. higher than the Offer Price;
  - b. this Announcement is not released by or on 9 May 2022 or such later time and/or date as Pagero and Tungsten may agree not being later than 10 May 2022;
  - c. the Panel consents to Pagero not proceeding with the Offer;
  - d. an event occurs which means that Pagero is no longer required by the Code to proceed with the Offer;
  - e. Pagero becomes aware of any condition of the Offer as set out in this announcement which has or may become incapable of being fulfilled and the Panel consents to Pagero not proceeding with the Offer; or
  - f. the Offer lapses or is otherwise withdrawn (and no new replacement offer or scheme of arrangement is announced by Pagero on the same date).
2. The obligations contained in the irrevocable undertaking received from Odey Asset Management LLP (“OAM”) (the “OAM Undertaking”), lapse and cease to have effect if:

- a. this Announcement is not released by or on 9 May 2022 or such later date as Pagero and Odey Asset Management LLP may agree;
  - b. the Offer Document is not sent to shareholders of Tungsten within 28 days (or such longer period as the Panel may agree) after the date of this Announcement;
  - c. the Offer is declared unconditional in accordance with the requirements of the Code (provided that OAM has fully complied with the terms of and its obligations set out in the OAM Undertaking);
  - d. the Offer lapses or is withdrawn without becoming unconditional in all respects unless Pagero publicly announces, within 20 Business Days of such lapse or withdrawal and with the consent of the Panel, a firm intention to switch to a Scheme;
  - e. the Offer does not become unconditional in accordance with the requirements of the Code, or, if Pagero elects to implement the Offer by way of a Scheme, the Scheme does not become effective, by the Long Stop Date; or
  - f. an announcement is made in accordance with Rule 2.7 of the Code of a competing offer, whether made by way of an offer or a scheme of arrangement or any other transaction which constitutes a takeover offer for the purposes of the Code, for Tungsten and the consideration payable to Tungsten Shareholders per Tungsten Share under such competing offer is at least 52.8 pence per Tungsten Share (a “**Competing Announcement**”) and Pagero does not increase the consideration to be paid for the shares pursuant to the Offer to at least an equivalent amount per share within 10 days of the Competing Announcement. In such circumstances, OAM agrees to notify Pagero in writing that, or otherwise make an announcement or notification under Rule 2.10(c) of the Code that, OAM no longer intends to accept the Offer or, as the case may be, to accept the Offer pursuant to the terms of the OAM Undertaking (in which case the OAM Undertaking shall not lapse pursuant to this sub-paragraph f).
3. The obligations contained in the irrevocable undertaking received from Samson Rock Capital LLP (“**Samson**”) (the “**Samson Undertaking**”), lapse and cease to have effect if:
- a. this Announcement is not released by or on 9 May 2022 or such later date as Pagero and Samson may agree;
  - b. the Offer Document is not sent to shareholders of Tungsten within 28 days (or such longer period as the Panel may agree) after the date of this Announcement;
  - c. the Offer is declared unconditional in accordance with the requirements of the Code (provided that Samson has fully complied with the terms of and its obligations set out in the Samson Undertaking);
  - d. the Offer lapses or is withdrawn without becoming unconditional in all respects unless Pagero publicly announces, within 20 Business Days of such lapse or withdrawal and with the consent of the Panel, a firm intention to switch to a Scheme;
  - e. the Offer does not become unconditional in accordance with the requirements of the Code, or, if Pagero elects to implement the Offer by way of a Scheme, the Scheme does not become effective, by the Long Stop Date;

- f. an announcement is made in accordance with Rule 2.7 of the Code of a competing offer, whether made by way of an offer or a scheme of arrangement or any other transaction which constitutes a takeover offer for the purposes of the Code, for Tungsten and the consideration payable to Tungsten Shareholders per Tungsten Share under such competing offer is higher than 50.4 pence per Share (a “**Competing Offer**”). In such circumstances, Samson agrees to notify Pagero in writing that, or otherwise make an announcement or notification under Rule 2.10(c) of the Code that, Samson no longer intends to accept the Offer or, as the case may be, to accept the Offer pursuant to the terms of the Samson Undertaking (in which case the Samson Undertaking shall not lapse pursuant to this sub-paragraph f);
- g. the date on which any Competing Offer is declared wholly unconditional or, if proceeding by way of a scheme of arrangement, becomes effective; or
- h. the date which is 6 calendar months following the date of the Samson Undertaking.

## Appendix 4

### Definitions

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

<b>Acceleration Statement</b>	a statement in which Pagero, in accordance with Rule 31.5 of the Code, brings forward the latest date by which all of the Conditions to the Offer must be satisfied or waived
<b>Acceptance Condition</b>	has the meaning given in paragraph 1 of Part 1 of Appendix 1 to this Announcement
<b>AIM</b>	the market of that name operated by the London Stock Exchange
<b>AIM Rules</b>	the AIM Rules for Companies published by the London Stock Exchange (as amended from time to time)
<b>Announcement</b>	this announcement including its appendices made pursuant to Rule 2.7 of the Code dated 9 May 2022
<b>AP</b>	Accounts Payable
<b>AR</b>	Accounts Receivable
<b>Authorisations</b>	regulatory authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions or approvals
<b>Bloomberg</b>	Bloomberg L.P., a financial software services, news and data company
<b>Business Day</b>	any day (other than a Saturday, Sunday or public or bank holiday in the U.K.) on which clearing banks in the City of London are open for the transaction of general commercial business
<b>Canaccord Genuity</b>	Canaccord Genuity Limited, the financial adviser, nominated adviser and corporate broker to Tungsten
<b>Closing Price</b>	the closing middle market price of a Tungsten Share on a particular trading day as derived from the Daily Official List
<b>Code</b>	the City Code on Takeovers and Mergers in the U.K. issued by the Panel
<b>Companies Act</b>	the UK Companies Act 2006, as amended from time to time
<b>Conditions</b>	the conditions to the implementation of the Offer, as set out in Appendix 1 to this Announcement and to be set out in the Offer Document
<b>Confidentiality Agreement</b>	the confidentiality agreement dated 4 January 2022 between Pagero and Tungsten, as described in paragraph 12 of this Announcement
<b>Court</b>	the High Court of Justice in England and Wales



<b>Daily Official List</b>	the Daily Official List published by the London Stock Exchange
<b>Day 60</b>	means the 60th day following the publication of the Offer Document or such other date as may otherwise be set by the Takeover Panel
<b>Dealing Arrangement</b>	an arrangement of the kind referred to in Note 11(a) on the definition of acting in concert in the Code
<b>Dealing Disclosure</b>	has the same meaning as in Rule 8 of the Code
<b>Deferred Share Bonus Plan</b>	the deferred share bonus plan operated by Tungsten under which awards over ordinary shares have been granted to employees
<b>Disclosed</b>	the information disclosed by or on behalf of Tungsten: (i) in the annual report and accounts of the Tungsten Group for its financial year ended 30 April 2021; (ii) the interim results of the Tungsten Group for the six-month period ended on 31 October 2021; (iii) in this Announcement; (iv) in any other announcement made via a Regulatory Information Service prior to the publication of this Announcement; or (v) as otherwise fairly disclosed to Pagero (or its respective officers, employees, agents or advisers) (including via the virtual data room operated by and on behalf of Tungsten in respect of the Offer) prior to the date of this Announcement
<b>Disclosure Guidance and Transparency Rules</b>	the Disclosure Guidance and Transparency Rules made by the FCA (as amended from time to time)
<b>FCA or Financial Conduct Authority</b>	the Financial Conduct Authority of the United Kingdom in its capacity as the competent authority for the purposes of Part VI of FSMA, including its successor(s) from time to time
<b>Form of Acceptance</b>	the form of acceptance and authority relating to the Offer to be despatched to Tungsten Shareholders (where applicable) with the Offer Document
<b>FSMA</b>	the U.K. Financial Services and Markets Act 2000 (as amended from time to time)
<b>FY21</b>	Tungsten’s financial year ended 30 April 2021
<b>FY22</b>	Tungsten’s financial year ended 30 April 2022
<b>FY23</b>	Tungsten’s financial year ended 30 April 2023
<b>Group</b>	in relation to any person, its subsidiaries, subsidiary undertakings, holding companies and parent undertakings and the subsidiaries and subsidiary undertakings of any such holding company or parent undertaking, and “ <b>Pagero Group</b> ” or “ <b>Tungsten Group</b> ” shall be construed accordingly
<b>H1 FY21</b>	Tungsten’s half year ended 31 October 2020
<b>H1 FY22</b>	Tungsten’s half year ended 31 October 2021

<b>Kofax</b>	Kofax Parent Limited, a private company incorporated in Jersey with registered number 124147 and with its registered office address at 4th Floor, St Paul's Gate, 22-24 New Street, St Helier, Jersey, JE1 4TR
<b>Kofax Board</b>	the directors of Kofax
<b>Kofax Offer</b>	the cash offer to acquire the entire issued and to be issued ordinary share capital of Tungsten made by Project California Bidco Limited on 25 April 2022 and, where the context admits, any subsequent revision, variation, extension or renewal thereof
<b>Kofax Offer Shareholder Meetings</b>	the Court meeting and general meeting convened by Tungsten, in respect of the Kofax Offer
<b>Last Practicable Date</b>	close of business on 6 May 2022 (being the latest practicable date prior to the publication of this Announcement)
<b>London Stock Exchange</b>	London Stock Exchange plc, together with any successor thereto
<b>Long Stop Date</b>	midnight on 31 December 2022, or such later date (if any) as Pagero may with the consent of Tungsten or with the consent of the Panel, specify
<b>Long Term Incentive Plan</b>	the long-term incentive plan operated by Tungsten under which awards over ordinary shares have been granted to employees
<b>Market Abuse Regulation</b>	Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, as applicable in the U.K. by virtue of section 3 of the European Union (Withdrawal) Act 2018, as amended from time to time (including by the Market Abuse (Amendment) (EU Exit) Regulations 2019 (SI 2019/310))
<b>Nasdaq First North Growth Market</b>	the multilateral trading platform Nasdaq First North Growth Market operated by Nasdaq Stockholm Aktiebolag, registered number 556420-8394
<b>O2C</b>	order-to-cash
<b>Offer Document</b>	the formal document to be despatched on behalf of Pagero containing, <i>inter alia</i> , the terms and conditions of the Offer and, where appropriate, any other document(s) containing the terms and conditions of the Offer constituting the full terms and conditions of the Offer
<b>Offer Period</b>	the offer period (as defined by the Code) relating to Tungsten, which commenced on 14 December 2021
<b>Offer Price</b>	48 pence per Tungsten Share in cash
<b>Opening Position Disclosure</b>	has the same meaning as in Rule 8 of the Code
<b>Overseas Shareholders</b>	Tungsten Shareholders (or nominees of, or custodians or trustees for Tungsten Shareholders) neither resident in, nor nationals or citizens of, the United Kingdom
<b>P2P</b>	purchase-to-pay

<b>Panel</b>	the Panel on Takeovers and Mergers in the United Kingdom
<b>Pagero</b>	Pagero Group AB (publ), a public limited liability company incorporated in Sweden with registration number 559189-9173
<b>Pagero Board</b>	the Pagero Directors acting together as the board of directors of Pagero
<b>Pagero Directors</b>	the directors of Pagero at the date of this Announcement or, where the context so requires, the directors of Pagero from time to time
<b>Pagero Group</b>	Pagero and its subsidiary undertakings and, where the context permits, each of them
<b>R&amp;D</b>	research and development
<b>Registrar of Companies</b>	the Registrar of Companies in England and Wales
<b>Regulation</b>	Council Regulation (EC) 139/2004 (as amended)
<b>Regulatory Information Service</b>	any regulatory information service as defined in the FCA Handbook of rules and guidance as amended from time to time
<b>Remaining Potential Competing Offeror</b>	a party in discussion with Tungsten in relation to a possible alternative offer for the entire issued and to be issued ordinary share capital of Tungsten, being one of the Potential Competing Offerors
<b>Restricted Jurisdiction</b>	any jurisdiction where making the Offer or making information concerning the Offer available may: (i) constitute a violation of the relevant laws or regulations of such jurisdiction; or (ii) result in the requirement to comply with any governmental or other consents or any registration, filing or other formality which Tungsten and Pagero regard as unduly onerous
<b>Revised Proposal</b>	the revised indicative proposal from Kofax relating to a possible cash offer for the entire issued and to be issued ordinary share capital of Tungsten at a price of 42 pence per share, received by the Tungsten Board on 18 February 2022
<b>Scheme or Scheme of Arrangement</b>	should the Offer be implemented by way of a scheme of arrangement under Chapter 2 of Part 26 of the Companies Act, such scheme of arrangement between Tungsten and the Tungsten Shareholders to implement the Offer, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Tungsten and Pagero
<b>Share Appreciation Rights</b>	the share appreciation rights granted under the share option scheme for the grant of share appreciation rights operated by Tungsten
<b>Strand Hanson</b>	Strand Hanson Limited, the financial adviser to Pagero
<b>Takeover Offer or Offer</b>	the recommended cash offer to be made by Pagero to acquire the entire issued and to be issued ordinary share capital of Tungsten (other than any Tungsten Shares held by Tungsten in treasury and not already held, or agreed to be acquired, by

Pagero) and, where the context admits, any subsequent revision, variation, extension or renewal thereof

<b>Third Party</b>	each of a central bank, government or governmental, quasi-governmental, supranational (including the European Union), statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, any employee representative body, tribunal (including any national or supranational anti-trust, competition or merger control authority, any sectoral ministry or regulator and any foreign investment review body), national, state, municipal or local government (including any subdivision, court, tribunal, administrative agency or commission or other authority thereof), any entity owned or controlled by them, any private body exercising any regulatory, taxing, importing or other authority, trade agency or any other body or person whatsoever in any jurisdiction
<b>Truell Associates</b>	associates of Mr Edmund Truell, being Issus LP and Long Term Assets Limited
<b>Tungsten or Company</b>	Tungsten Corporation plc, a public limited company incorporated in England and Wales, with registration number 07934335
<b>Tungsten Board</b>	the Tungsten Directors acting together as the board of directors of Tungsten
<b>Tungsten Directors</b>	the directors of Tungsten at the date of this Announcement or, where the context so requires, the directors of Tungsten from time to time
<b>Tungsten Group</b>	Tungsten and its subsidiary undertakings and, where the context permits, each of them
<b>Tungsten Shareholders or Shareholders</b>	the holders of Tungsten Shares from time to time
<b>Tungsten Share Plans</b>	the Deferred Share Bonus Plan, the Long Term Incentive Plan, the U.K. Share Option Plan, the U.S. Stock Option Plan and the Share Appreciation Rights
<b>Tungsten Share Plans Letter</b>	the letter regarding the Tungsten Share Plans dated 5 May 2022 from Tungsten to Pagero, as described in paragraph 12 of this Announcement
<b>Tungsten Shares</b>	the existing unconditionally allotted or issued and fully paid ordinary shares of 0.438 pence each in the capital of Tungsten and any further such ordinary shares which are unconditionally allotted or issued while the Offer remains open for acceptance or, subject to the provisions of the Code, by such earlier date as Pagero may determine
<b>U.K. Share Option Plan</b>	the Tungsten Corporation Plc Share Option Scheme operated by Tungsten under which awards over ordinary shares have been granted to employees

<b>U.S. Exchange Act</b>	the United States Securities Exchange Act 1934, as amended
<b>U.S. Securities and Exchange Commission</b>	the United States Securities and Exchange Commission, in its capacity as an independent agency of the U.S. Federal Government
<b>U.S. Stock Option Plan</b>	the Tungsten Corporation Plc Stock Option Plan (For U.S. Employees and Service Providers) operated by Tungsten under which awards over ordinary shares have been granted to employees
<b>Unconditional Date</b>	Day 60 or such earlier date as Pagero may specify in the Offer Document or any Acceleration Statement unless, where permitted, it has set aside that statement
<b>United Kingdom or U.K.</b>	the United Kingdom of Great Britain and Northern Ireland
<b>United States or U.S.</b>	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction and any political sub-division thereof
<b>Wider Pagero Group</b>	the Pagero Group and any of its subsidiaries, subsidiary undertakings and associated undertakings and any other body corporate, partnership, joint venture or person in which Pagero and such undertakings (aggregating their interests) have a direct or indirect interest of 20 per cent. or more of the voting or equity capital or equivalent
<b>Wider Tungsten Group</b>	the Tungsten Group and any of its subsidiaries, subsidiary undertakings and associated undertakings and any other body corporate, partnership, joint venture or person in which Tungsten and such undertakings (aggregating their interests) have a direct or indirect interest of 20 per cent. or more of the voting or equity capital or equivalent

For the purposes of this Announcement, “**subsidiary**”, “**subsidiary undertaking**”, “**parent undertaking**”, “**undertaking**” and “**associated undertaking**” have the respective meanings given thereto by the Companies Act 2006.

All references to “**£**”, “**pence**”, and “**p**” are to the lawful currency of the United Kingdom. All references to “**US\$**” are to the lawful currency of the United States. All references to “**SEK**” are to the lawful currency of Sweden.

All references to “**€**” are to the lawful currency of the member states of the European Union that adopt a single currency in accordance with the Treaty establishing the European Community as amended by the Treaty on the European Union.

All the times referred to in this Announcement are London times unless otherwise stated. References to the singular include the plural and *vice versa* unless the context otherwise requires and words importing the masculine gender shall include the feminine or neutral gender.

Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

**END**