

**THIS CIRCULAR AND THE ACCOMPANYING FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.** If you are in any doubt as to the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you sell or have sold or otherwise transferred all of your Ordinary Shares, please forward this Circular, together with the accompanying documents (but not any personalised Form of Proxy), at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you sell or have sold part only of your holding of Ordinary Shares, please consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

This Circular has been prepared for the purposes of complying with English law and the Listing Rules and the information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

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# OTAQ PLC

*(Incorporated and registered in England and Wales under the Companies Act 2006  
with company number 11429299)*

**Proposed Placing of up to 6,272,729 Ordinary Shares of 15 pence each  
at 22 pence per Ordinary Share**

## **Notice of General Meeting**

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**This Circular should be read as a whole. Your attention is drawn to the Letter from the Chairman which is set out in Part I of this Circular. The letter contains a recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below.**

**Notice of the General Meeting of the Company to be held at 10.00 a.m. on 10 January 2022 at the Company's offices at 8-3-4 Harpers Mill, South Road, White Cross, Lancaster LA1 4XF begins on page 12 of this Circular.** A Form of Proxy for use at the General Meeting is enclosed with this document. Shareholders are requested to complete and return the Form of Proxy, whether or not they intend to be present at the General Meeting, in accordance with the instructions printed on it. To be valid, Forms of Proxy should be completed and returned in accordance with the instructions set out therein to the Company's registrars, Share Registrars Limited, Molex House, The Millennium Centre, Crosby Way, Farnham, Surrey, GU9 7XX (by post or by hand) or by e-mail to [voting@shareregistrars.uk.com](mailto:voting@shareregistrars.uk.com) as soon as possible and, in any event, no later than 10.00 a.m. on 6 January 2022, being 48 hours (not counting any part of a day that is not a Business Day) before the time appointed for the holding of the General Meeting.

**A summary of the action to be taken by Shareholders in relation to the General Meeting is set out on page 13 of this Circular and in the accompanying Notice of General Meeting. Completion and return of a Form of Proxy, the giving of a CREST Proxy Instruction, or the completion of a proxy form online will not preclude Shareholders from attending and voting in person at the General Meeting (in substitution for their proxy vote) if they wish to do so and are so entitled.**

Dowgate Capital Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as broker to the Company in relation to the transaction referred to in this document. Persons receiving this document should note that Dowgate will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for advising any other person on the arrangements described in this document. Dowgate has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by it for the accuracy of any information or opinion contained in this document or for the omission of any information.

This Circular includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “anticipates”, “targets”, “aims”, “continues”, “expects”, “intends”, “hopes”, “may”, “will”, “would”, “could” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not facts. They appear in a number of places throughout this Circular and include statements regarding the Directors’ beliefs or current expectations concerning, amongst other things, the amount of capital which will be returned by the Company and the taxation of such amounts in the hands of Shareholders. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Investors should not place undue reliance on forward-looking statements, which speak only as of the date of this Circular.

The information given in this Circular and the forward-looking statements speak only as at the date of this Circular. The Company, Dowgate and their respective affiliates expressly disclaim any obligation or undertaking to update, review or revise any forward-looking statement contained in this Circular to reflect actual results or any change in the assumptions, conditions or circumstances on which any such statements are based unless required to do so by the Financial Services and Markets Act 2000, the Listing Rules, the Prospectus Regulation Rules or other applicable laws, regulations or rules.

The Existing Ordinary Shares and the New Ordinary Shares have not, nor will they be, registered under the US Securities Act of 1933, as amended (the “**US Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States or under the applicable securities laws of Australia, Canada, Japan or the Republic of South Africa. The Existing Ordinary Shares and the New Ordinary Shares to be issued by the Company may not be offered or sold directly or indirectly in or into the United States unless registered under the US Securities Act or offered in a transaction exempt from or not subject to the registration requirements of the US Securities Act or subject to certain exceptions, into Australia, Canada, Japan or the Republic of South Africa or to, or for the account or benefit of, any national, resident or citizen of Australia, Canada, Japan or the Republic of South Africa. The Company has not been, and will not be, registered under the US Investment Company Act of 1940, as amended. The distribution of this Circular may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The value of shares and the income from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested. All of the value of an investor’s investment in the Company will be at risk. Past performance is not a guide to future performance and the information in this circular or any documents relating to the matters described in it cannot be relied upon as a guide to future performance. Persons needing advice should contact a professional adviser.

Copies of this circular will be available free of charge during normal business hours on any weekday (except Saturdays, Sundays and public holidays) at the Company’s registered office from the date of this document. A copy of this document will also be available from the Company’s website at [www.OTAQ.com](http://www.OTAQ.com)

Dated 16 December 2021

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### EXPECTED TIMETABLE OF PRINCIPAL EVENTS

|   |                               |
|---|-------------------------------|
| Announcement  | 15 December 2021              |
| Publication of this Circular  | 16 December 2021              |
| Latest time and date for receipt of Forms of Proxy  | 10.00 a.m. on 6 January 2022  |
| CREST Proxy Instructions for the General Meeting  | 10.00 a.m. on 6 January 2022  |
| Record time for those Shareholders on the Register of Members entitled to attend or vote at the General Meeting | 10.00 a.m. on 6 January 2022  |
| General Meeting   | 10.00 a.m. on 10 January 2022 |
| Announcement of results of General Meeting  | 10 January 2022               |
| Admission of the Placing Shares   | 11 January 2022               |

Note:

All references in this Circular are to London times unless otherwise stated. **The dates and times given are indicative only and are based on the Company's current expectations and may be subject to change. If any of the times and/or dates above change, the revised times and/or dates will be notified to Shareholders by announcement through a regulatory information service.**

## PART I

### LETTER FROM THE CHAIRMAN

# OTAQ PLC

(Incorporated and registered in England and Wales under the Companies Act 2006  
with registered number 11429299)

*Directors:*

Alexander Robert Hambro (*Chairman*)  
Philip David Newby (*Chief Executive*)  
Matthew Jonathan Enright (*Finance Director*)  
Malcolm David Foster Pye (*Non-Executive Director*)  
William George Watt (*Non-Executive Director*)  
Sarah Emily Gills (*Non-Executive Director*)

*Registered Office:*

8-3-4 Harpers Mill  
South Road  
White Cross  
Lancaster  
LA1 4XF

16 December 2021

Dear Shareholders,

### **Proposed Placing of up to 6,272,729 Placing Shares at 22 pence per Placing Share**

#### **Notice of General Meeting**

#### **1. Introduction**

The Company announced on 15 December 2021 details of the Placing to raise gross proceeds of £1.38 million through the issue of 6,272,729 new Ordinary Shares in the capital of the Company to investors at a placing price of 22 pence per Placing Share. It is anticipated that the total gross proceeds of such participation will amount to approximately £1.38 million.

The Placing Price of 22 pence per share is a discount of 10.2 per cent. to the closing price of 24.5 pence per existing ordinary share on 14 December 2021, being the last business day prior to the announcement of the Placing. The Placing Shares will represent approximately 16.6 per cent. of the Company's Enlarged Issued Share Capital following Admission.

The Placing is conditional, *inter alia*, on the passing of the Resolutions by the Shareholders at the General Meeting, which has been convened for 10.00 a.m. on 10 January 2022. If the Resolutions are passed, the Placing Shares are expected to be allotted after the General Meeting, conditional on Admission, which is expected to occur on or around 8.00 a.m. on 11 January 2022. Should the Resolutions not be passed at the General Meeting, the Placing will not proceed. The Placing has not been underwritten.

**The purpose of this document is to explain the background to the Placing, to set out the reasons why the Board believes that the Placing is in the best interests of the Company and its Shareholders and to seek approval by Shareholders of the Resolutions at the General Meeting, which will be held at the Company's offices at 8-3-4 Harpers Mill, South Road, White Cross, Lancaster LA1 4XF at 10.00 a.m. on 10 January 2022. The formal notice of the General Meeting is set out at the end of this document.**

## 2. Background to and reasons for the Placing

The Group is a marine technology company focused on marine aquaculture, fisheries, offshore, and renewable industries. It operates in three primary segments:

- rental of acoustic deterrent devices (“**ADDs**”) designed to deter seals and sea lions from attacking fish farms
- the rentals of underwater measurement and leak detection devices in the offshore oil & gas market
- the design, manufacture and supply of underwater communication and other marine goods.

Its product portfolio includes Sealfence, an acoustic deterrent system designed to protect fish farming sites from sea lions and seals and OceanSense, which helps in underwater leak & cement detection. The Group also manufactures underwater connectors, penetrators, and communication systems and has a strong track record of developing new products for use in its core segments.

More recently the Group has diversified into the shrimp sector through its investment in, and supply agreement with, Minnowtech LLC (“**Minnowtech**”) and, additionally, geo tracking technology following its purchase of the trade and assets of ROS Technology Limited.

### Aquaculture

OTAQ is a proven innovator in marine technology and engineering, creating solutions that optimise aquaculture operations across the world. The Group delivers products to meet the evolving demands of modern fisheries. Aquaculture is amongst the world’s fastest growing food production sectors.

#### *Sealfence*

The Company’s main aquaculture sales have historically been from its Sealfence product, which uses acoustic technology to deter seal and sea lion predators from fish farming sites. The Group’s key target markets are in Scotland, Chile and wider European finfish markets. To date OTAQ has delivered and installed over 1,300 Sealfence devices.

Marine Scotland in 2020 announced a review of ADD use in connection with the operation of the European Protected Species (EPS) regulations related to the use of ADDs within Scottish waters (the “**Marine Scotland Review**”). In relation to the Marine Scotland Review, the Company has previously announced that the trial programme for the Company’s ADDs with Marine Scotland has now concluded and the results are hoped to be received around the end of the first quarter in 2022. The Board continues to believe that the programme data will support and better inform the EPS licensing process.

#### *Shrimp Biomass*

The Company announced on 25 November 2021 that it has entered into a new and exclusive multi-year contract to supply US company Minnowtech with the Group’s sonar technology. Minnowtech, which is developing a non-invasive technology for managing shrimp farming around the world, has jointly developed with OTAQ, a proprietary shrimp biomass solution for which the Group’s sonar hardware is a key component.

OTAQ has supplied units for testing purposes, with a value to date of over US\$50,000, which have performed in excess of expectations in real-world field tests, offering significantly better results than comparable sonar products when tested alongside OTAQ’s sonar. Minnowtech is now preparing for commercial launch in a target country in Asia where an estimated 100,000 plus shrimp ponds are in operation and could benefit from Minnowtech’s solution. The signing of the new contract begins with an initial order for over US\$200,000 of further sonars with an expectation of further orders from 2022. OTAQ holds a beneficial interest in approximately 15.2 per cent. of Minnowtech’s ordinary share capital.

As previously announced, as a consequence of the ongoing Marine Scotland Review, one of the Group’s main customers operating in Scotland has served notice terminating its contract for use of the Group’s ADDs, effective April 2022. Accordingly, the Board has taken mitigating action and is considering a range of funding options, including a significant EU development grant for which the Company has successfully completed the first application stage and will understand the outcome of the second stage in 2022. In addition, the Company is reviewing its working capital opportunities and restructuring some of its financial obligations as well as looking to capitalise on current and prospective new opportunities.

### *Harmful Algal Bloom Analysis*

The Company is developing its Live Plankton Analysis System (LPAS) which identifies and monitors pollutants and water quality for the aquaculture sector. The technology is designed to identify Harmful Algal Blooms which are a particularly challenging and increasingly significant issue for both finfish and shellfish farming. In May 2021 the Company completed a 10 per cent. equity investment of US\$300,000 in Blue Lion Labs LLC (“**Blue Lion**”), a Canadian aquaculture technology start up. Contemporaneously cooperation and licensing agreements were signed with Blue Lion to expedite the development of LPAS, with Blue Lion having specialised solutions to efficiently identify phytoplankton.

### **Offshore**

The Group produces a range of marine technology products for the offshore and renewables industries, supplying customers around the world including subsea oil and gas, renewable energy, remotely operated vehicle operations, commercial diving and oceanographic research. OTAQ specialises in subsea leak and cement detection, laser measurement systems, underwater imagery & telemetry solutions, as well as subsea survey solutions.

### **Product and Business Developments**

The Group continues to make progress on a number of other projects, including additional ADD deployment in Chile and ADD trials in Australia.

OTAQ are developing this specialist location tracker applications where high functional performance is required, the Group has secured contracts to supply a major sporting event with a beneficial tracking application, tracking multiple race competitors.

The Group is also in advanced negotiations to develop and supply personnel trackers to enhance railway workforce safety.

### **Current trading and prospects**

As announced in the interim results to 30 September 2021 released on 15 December 2021, aquaculture revenue has been adversely impacted in the period at £0.9 million (H1 2020: £1.2 million) and against £2.6 million in the full year to 31 March 2021. The Aquaculture division has suffered from the challenges of Covid-19 travel restrictions and the uncertainty in the Scottish market resulting from the Marine Scotland regulatory review. However, despite ongoing travel restrictions, progress has been made in Chile with 288 (30 September 2020: 130) Sealfences units being rented by Chilean customers at the end of the period. The successful conclusion in October 2021 of a six-month trial with a major Chilean salmon farmer has resulted in discussions about a further rollout to the customer’s sites. Chile also expects to see the final quarter launch of OTAQ’s mooring inspection offering, which will utilise the Offshore division’s Dragonfish laser measurement device, to provide a required service to ensure salmon farm moorings are operating as expected.

The Offshore division has performed well during the period with new product launches of OceanSense 4 and the seabed survey product, Lander, helping revenue to grow to £0.4 million (H1 2020: £0.3 million). The new products launched by the Offshore division are expected to help the division achieve double digit growth for the full year to 31 March 2022 of around £0.9 million (2021: £0.5 million).

The Connectors division moved into larger premises in November 2020 which has provided the required facility to help the division grow. Unfortunately, Connectors was impacted in the first two months of the year due to Covid-related supply issues and labour shortages but has recovered well in the final four months to achieve Revenue of £0.5 million (H1 2020: £0.5 million) and following several significant customer orders, is on track to exceed the sales of £0.9 million achieved in the year to March 2021.

OTAQ’s investment in the shrimp industry through Minnowtech will see additional revenue in the second half of the year with 27 sonars delivered to Minnowtech by December 2021 and an order placed for 100 more to be delivered in Q4. This will deliver over £0.2 million of revenue. Minnowtech’s business plans forecast rollout of a high three figure number of sonars, which will be supplied by OTAQ, in the 2022 calendar year.

Adjusted EBITDA declined to a loss of £0.2 million from £0.4 million in 2020. This decline resulted from lower revenue in the period but also a change in the sales mix as higher EBITDA-contributing aquaculture revenue was replaced in part with lower margin product sales. There was additionally no grant in this period as there was in 2020 (2020: £0.1 million). Overheads increased in part due to increased research costs incurred that have been required in order to gain regulatory approval for the Tasmanian salmon market as well as ongoing research costs supporting the Marine Scotland review.

The net debt position of £1.3 million is a result of the losses generated in the period as well as continued development of the Group's research and development portfolio. Investment in Sealfence units has also continued as a result of the commitment to new Sealfences made in the first half of the previous financial year. In order to facilitate the development of the Group's LPAS, an investment in Blue Lion, a Canadian company with specialty in plankton detection, was made in May 2021 for US\$300,000.

The impact of the regulatory review in the Scottish aquaculture market is now being starkly felt and is evident in the interim results to 30 September 2021 and will impact the full year results. OTAQ is actively engaged with Marine Scotland and the Group continues to work towards the hoped for positive conclusion of this work around the end of the first calendar quarter of 2022.

As a result of the Group diversifying and developing its interests outside of the Scottish salmon market, Chile has seen growth in the first half of the year and the recent successful conclusion of a six-month trial with a major Chilean salmon farmer is expected to lead to increased growth in Chile in the second half of the year and beyond.

The Group's investment and collaboration with Minnowtech has resulted in a multi-year supply agreement signed to support Minnowtech's launch into Asia.

Outside of Aquaculture, the Offshore division has launched a survey product to support seabed surveys in the renewables sector with one unit sold already. The next iteration of the OceanSense product was also launched, named OceanSense 4, and is seeing strong interest with one unit sold for a large five figure sum. The Connectors division is now, although belatedly, benefitting from the move to new premises with a new six-figure order signed with an existing customer as well as multiple five-figure orders signed helping support the expectation of double digit percentage growth in the division.

The Board anticipates that revenues for the full year will be broadly in line with the full year to 31 March 2021, although as a result of the challenges set out above, it is expected that higher costs will result in an EBITDA loss for the full year. The Board remains committed to continuing business development and will continue to rigorously pursue its product development program during this period, although the timing and results of these from these initiatives cannot yet be predicted with certainty.

### **Reasons for the Placing and Use of Proceeds**

The Company intends to use the net proceeds of the Placing which are estimated to be approximately £1.23 million:

- for the completion of key development projects;
- to fund Aquaculture revenue losses sustained as a result of the ongoing Marine Scotland Review; and
- for working capital and restructuring costs.

### **3. Key terms of the Placing**

The Company proposes to issue up to 6,272,729 Placing Shares to existing and other institutional shareholders at the Placing Price of 22 pence per share. The Placing is expected to raise approximately £1.38 before expenses.

Dowgate is acting as Sole Broker in connection with the Placing. The Placing is subject to the conditions and termination rights set out in the placing agreement between the Company and Dowgate (the "**Placing Agreement**").

### *Directors' participation in the Placing*

Certain Directors have indicated they wish to subscribe for Placing Shares conditional upon satisfaction of the conditions related to the Placing for the following Placing Shares:

|               | <i>Number of<br/>existing<br/>Ordinary<br/>Shares</i> | <i>Percentage<br/>of existing<br/>Ordinary<br/>Capital</i> | <i>Number of<br/>Placing<br/>Shares</i> | <i>Number of<br/>Ordinary<br/>Shares<br/>following<br/>Admission</i> | <i>Percentage<br/>of enlarged<br/>Share<br/>Capital<br/>following<br/>Admission</i> |
|---------------|---|--|---|--|---|
| Alex Hambro   | 185,000   | 0.59%  | 127,273                                 | 312,273  | 0.83%   |
| Philip Newby* | 760,232   | 2.42%  | 90,910                                  | 851,142  | 2.26%   |
| Matt Enright  | 9,686   | 0.03%  | 9,091                                   | 18,777   | 0.05%   |
| George Watt   | 120,000   | 0.38%  | 90,910                                  | 210,910  | 0.56%   |
| Sarah Gills   | 345,921   | 1.10%  | 22,727                                  | 368,648  | 0.98%   |

\*Philip Newby's beneficial holding includes 349,606 Ordinary Shares held by his wife, Diane Newby

#### **4. General Meeting**

The Placing is conditional upon passing of the Resolutions as set out in the Notice of Meeting and summarised below. The Notice of Meeting is set out at the end of this Circular convening the General Meeting to be held on 10 January 2022.

At the General Meeting, Resolutions will be proposed to the following effect:

- Resolution 1, which is an ordinary resolution to authorise the Directors to allot shares up to an aggregate nominal value of £940,909.35, being equal to 6,272,729 new Ordinary Shares (i.e. the approximate number of new Ordinary Shares to be issued pursuant to the Placing); and
- Resolution 2, which is conditional on the passing of Resolution 1 and is a special resolution to authorise the Directors to allot equity securities up to an aggregate nominal value of £940,909.35, being equal to 6,272,729 new Ordinary Shares (i.e. the maximum number of new Ordinary Shares to be issued pursuant to the Placing) on a non pre-emptive basis.

The authorities to be granted pursuant to the Resolutions will expire on the date falling 6 months from the date of passing of the Resolutions (unless renewed, varied or revoked by the Company before that date) and will be in addition to the Directors' authorities to allot relevant securities on a non pre-emptive basis granted at the Company's last annual general meeting held on 24 September 2021.

The Company has received irrevocable undertakings from Alex Hambro, Philip Newby, Matt Enright, George Watt and Sarah Gills (each a Director of the Company) to vote in favour of the Resolutions in respect of their respective entire holdings of Existing Ordinary Shares, representing, in aggregate, approximately 3.41 per cent of the Existing Ordinary Shares.

#### **5. Recommendation**

**The Board considers the Placing and the Resolutions to be in the best interests of Shareholders as a whole. Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting as the Directors intend to do in respect of their shareholdings representing 3.41 per cent. of the existing issued share capital in the Company.**

Yours faithfully

**Alex Hambro**  
*Chairman*

**PART II**  
**DEFINITIONS**

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

|   |  |
|---|--|
| <b>Admission</b>                              | means the admission of the Placing Shares to the Official List by way of a Standard Listing and to trading on the London Stock Exchange's Main Market for listed securities;   |
| <b>Business Day</b>                           | means a day (other than a Saturday or a Sunday) on which banks are open for business in London;  |
| <b>Circular</b>                               | means this document;   |
| <b>Company</b>                                | OTAQ plc;  |
| <b>CREST or CREST System</b>                  | means the computer-based system (as defined in the CREST Regulations) operated and administered by Euroclear enabling securities to be evidenced otherwise than by certificates and transferred otherwise than by written instruments; |
| <b>CREST Proxy Instruction</b>                | means the instruction whereby CREST members send a CREST message appointing a proxy for the General Meeting and instructing the proxy how to vote and containing the information set out in the CREST Manual;                          |
| <b>CREST Regulations</b>                      | means The Uncertified Securities Regulations 2001 (SI 2001 3755), as amended;  |
| <b>Directors, Board or Board of Directors</b> | means the current directors of the Company or the board of directors from time to time of the Company, as the context requires, and "Director" is to be construed accordingly;   |
| <b>Dowgate</b>                                | means Dowgate Capital Limited, the Company's placing agent and adviser for the purposes of the Placing;  |
| <b>Enlarged Issued Share Capital</b>          | means the share capital of the Company immediately following Admission;  |
| <b>Existing Ordinary Shares</b>               | means the 31,405,540 Ordinary Shares of £0.15 each in issue as at the date of this Document;   |
| <b>Existing Shareholders</b>                  | means shareholders of Existing Ordinary Shares as at the date of this Document;  |
| <b>FCA</b>                                    | means the UK Financial Conduct Authority;  |
| <b>Form of Proxy</b>                          | means the form of proxy accompanying this Circular for use by the Existing Shareholders at the General Meeting;  |
| <b>FSMA</b>                                   | means the UK Financial Services and Markets Act 2000, as amended;  |
| <b>£, pounds sterling or GBP</b>              | means British pounds sterling;   |

|                                       |  |
|---------------------------------------|--|
| <b>General Meeting</b>                | means the general meeting of the Company to be held at 10.00 a.m. on 10 January 2022 (and any adjournment(s) of such meeting) at the Company's offices at 8-3-4 Harpers Mill, South Road, White Cross, Lancaster LA1 4XF, notice of which is set out in the Notice of General Meeting; |
| <b>Group or OTAQ</b>                  | means the Company and each of its subsidiaries and subsidiary undertakings;  |
| <b>Listing Rules</b>                  | means the listing rules made by the UK Listing Authority under section 73A of FSMA as amended from time to time;   |
| <b>London Stock Exchange</b>          | means London Stock Exchange plc;   |
| <b>Main Market</b>                    | means the main market for listed securities of the London Stock Exchange;  |
| <b>Market Abuse Regulation or MAR</b> | means the UK version of the EU Market Abuse Regulation (2014/596/EU) (incorporated into UK law by virtue of the EUWA) and the relevant provisions of the EU Market Abuse Regulation (2014/596/EU);   |
| <b>Non-Executive Director</b>         | means a director who is not a full or part-time employee of the Company or holder of an executive office;  |
| <b>Notice of Meeting</b>              | means the notice of general meeting set out in Part III of this Circular;  |
| <b>Official List</b>                  | means the official list maintained by the UK Listing Authority;  |
| <b>Ordinary Shares</b>                | means the ordinary shares of £0.15 each in the capital of the Company;   |
| <b>Placee</b>                         | means any person that has conditionally agreed to subscribe for Placing Shares in the Placing;   |
| <b>Placing</b>                        | means the proposed placing of the new Ordinary Shares by the Company at the Placing Price, conditional <i>inter alia</i> on passing of the Resolutions and on Admission;   |
| <b>Placing Price</b>                  | means 22 pence per Placing Share;  |
| <b>Placing Shares</b>                 | means the 6,272,729 new Ordinary Shares proposed to be issued and allotted pursuant to the Placing;  |
| <b>Prospectus Regulation Rules</b>    | the Prospectus Regulation Rules made by the FCA under Part VI of the FSMA;   |
| <b>Registrar</b>                      | means Share Registrars Limited or any other registrar appointed by the Company from time to time;  |
| <b>Regulated Activities Order</b>     | means the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (as amended)   |
| <b>Resolutions</b>                    | means the resolutions to be put to the Existing Shareholders at the General Meeting as detailed in the Notice of Meeting;  |
| <b>SEC</b>                            | means the U.S. Securities and Exchange Commission;   |
| <b>Securities Act</b>                 | means the U.S. Securities Act of 1933, as amended;   |

|                               |   |
|-------------------------------|---|
| <b>Shareholders</b>           | means the holders of Ordinary Shares;   |
| <b>Standard Listing</b>       | means a standard listing under Chapter 14 of the Listing Rules;   |
| <b>subsidiary undertaking</b> | has the meaning given to it in section 1161 of the Companies Act 2006;  |
| <b>UK Listing Authority</b>   | means the FCA in its capacity as the competent authority for listing in the U.K. pursuant to Part VI of FSMA;   |
| <b>UK Relevant Persons</b>    | means persons who (if they are in the UK) are (i) persons having professional experience in matters relating to investments falling within the definition of ‘investment professionals’ in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”); or (ii) persons who are high net worth bodies corporate, unincorporated associations and partnerships and the trustees of high value trusts, as described in Article 49(2)(a) to (d) of the Order; or (iii) persons to whom it may otherwise be lawful to distribute; |
| <b>United Kingdom or U.K.</b> | means the United Kingdom of Great Britain and Northern Ireland;   |
| <b>United States or U.S.</b>  | means the United States of America; and   |
| <b>“£”</b>                    | pounds sterling, the lawful currency of the UK.   |

## PART III

### NOTICE OF GENERAL MEETING

# OTAQ PLC

*(Incorporated and registered in England and Wales under the Companies Act 2006  
with registered number 11429299)*

### NOTICE OF GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a General Meeting ("**Meeting**") of OTAQ plc (the "**Company**") will be held on 10 January 2022 at the Company's offices at 8-3-4 Harpers Mill, South Road, White Cross, Lancaster LA1 4XF at 10.00 a.m.

You will be asked to consider and, if thought fit, vote on the resolutions set out below. Resolution 1 will be proposed as an ordinary resolution and Resolution 2 will be proposed as a special resolution. Terms defined in the Circular published by the Company and dated 16 December 2021 of which this notice forms part, hereinafter referred to as the "**Circular**" shall have the same meanings in this Notice.

### ORDINARY RESOLUTION

1. **THAT**, in addition to all other powers granted to the Directors at the Company's Annual General Meeting on 24 September 2021, in accordance with section 551 of the Companies Act 2006 (the "Companies Act"), the Directors be generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to a maximum aggregate nominal amount of £940,909.35 (being equal to 6,272,729 Ordinary Shares) pursuant to the Placing, as defined in the Circular to Shareholders of which this Notice forms part, provided that this authority will expire on the date falling six months from the date of the passing of this Resolution (unless renewed, varied or revoked by the Company prior to or on that date) but the Company may, before this authority expires, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after this authority expires and that the Directors may allot shares in the Company or grant rights pursuant to such an offer or agreement as if the authority conferred by this Resolution had not expired.

### SPECIAL RESOLUTIONS

2. **THAT**, in addition to all other powers granted to the Directors at the Company's Annual General Meeting on 24 September 2021, subject to and conditional upon the passing of Resolution 1 as contained in this Notice, in accordance with section 571(1) of the Companies Act, the Directors be empowered to allot equity securities for cash (within the meaning of section 560 of the Companies Act) pursuant to the authority conferred by Resolution 1, as if section 561 of the Companies Act did not apply to any such allotment, provided that this power shall:
  - (a) be limited to the allotment of equity securities pursuant to the Placing up to an aggregate nominal value of £940,909.35 (being equal to 6,272,729 Ordinary Shares); and
  - (b) expire on the date falling six months from the date of passing this Resolution but may be previously revoked or varied by special resolution and so that the Company may, before such expiry, revocation or variation, make an offer or agreement which would or might require equity

securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if such power had not expired.

Dated 16 December 2021

*BY ORDER OF THE BOARD*

**Matthew Jonathan Enright**  
*Director & Company Secretary*  
OTAQ plc

*Registered office:*

8-3-4 Harpers Mill, South Road,  
White Cross, Lancaster,  
England, LA1 4XF

## **EXPLANATORY NOTES TO THE NOTICE OF GENERAL MEETING:**

### *Appointment of proxies*

1. As a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
2. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you must appoint your own choice of proxy (not the chairman) and give your instructions directly to the relevant person.
3. You may appoint more than one proxy provided that each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you must complete a separate proxy form for each proxy and specify against the proxy's name the number of shares over which the proxy has rights. If you are in any doubt as to the procedure to be followed for the purpose of appointing more than one proxy you must contact the Company's registrars, Share Registrars Limited, Molex House, The Millennium Centre, Crosby Way, Farnham, Surrey, GU9 7XX or by emailing [voting@shareregistrars.uk.com](mailto:voting@shareregistrars.uk.com). If you fail to specify the number of shares to which each proxy relates, or specify a number of shares greater than that held by you on the record date, proxy appointments will be invalid.
4. If you do not indicate to your proxy how to vote on any resolution, your proxy will vote or abstain from voting at their discretion. Your proxy will vote (or abstain from voting) as they think fit in relation to any other matter which is put before the meeting. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against a resolution.

### *Appointment of a proxy using the hard copy proxy form*

5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.
6. To appoint a proxy using the proxy form, it must be
  - (a) completed and signed;
  - (b) sent or delivered to the Company's registrars, Share Registrars Limited, Molex House, The Millennium Centre, Crosby Way, Farnham, Surrey, GU9 7XX or the completed proxy form can be scanned and emailed to [voting@shareregistrars.uk.com](mailto:voting@shareregistrars.uk.com); and
  - (c) received by the Company's registrars no later than 10.00 a.m. on 6 January 2022.
7. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
8. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

9. The Company, pursuant to regulation 41 of The Uncertificated Securities Regulations 2001 (SI 2001/3755), specifies that only those ordinary shareholders registered in the register of members of the Company by 10.00 a.m. on 6 January 2022 or, if the meeting is adjourned, in the register of members 48 hours prior to the time of any adjourned meeting (ignoring any part of the day that is not a working day) will be entitled to attend or vote at the meeting in respect of the number of Ordinary Shares registered in their name at that time. Changes to entries on the register of members after that time will be disregarded in determining the rights of any person to attend or vote at the meeting.

#### *Appointment of proxies through CREST*

10. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
11. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & International Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID: 7RA36) by 10.00 a.m. on 6 January 2022. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
12. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as is necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
13. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (SI 2001/3755).

#### *Appointment of proxy by joint members*

14. In the case of joint holders of shares, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder (being the first named holder in respect of the shares in the Company's register of members) will be accepted.

#### *Changing proxy instructions*

15. To change your proxy instructions simply submit a new proxy appointment using the methods set out in paragraphs 6 or 11 above. Note that the cut off time for receipt of proxy appointments specified in those paragraphs also applies in relation to amended instructions. Any amended proxy appointment received after the specified cut off time will be disregarded.
16. Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard copy proxy form, please contact the Company's registrar as indicated in paragraph 3 above.
17. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

#### *Termination of proxy appointments*

18. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrar as indicated in paragraph 3 above. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
19. The revocation notice must be received by the Company no later than 10.00 a.m. on 6 January 2022.
20. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to paragraph 21 below, your proxy appointment will remain valid.
21. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

#### *Corporate representatives*

22. A corporation, which is a member, can appoint one or more corporate representatives, who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

#### *Issued shares and total voting rights*

23. As at 5.00 p.m. on 14 December 2022 (being the latest practicable date prior to the publication of this notice), the Company's issued share capital comprised 31,405,540 ordinary shares of £0.15 each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 5.00 p.m. on 14 December 2021 is 31,405,540.

#### *Communication*

24. You may not use any electronic address provided either in this notice of meeting or any related documents (including the document within which this notice of meeting is incorporated and the proxy form) to communicate with the Company for any purposes other than those expressly stated.

