

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) (“FSMA”) if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Existing Ordinary Shares, please immediately forward this document to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, this document should not be forwarded to or sent into the United States or any of its territories, Canada, Australia, Japan or the Republic of South Africa or any other jurisdiction in which such publication, release or distribution would be unlawful. If you have sold only part of your holding of Existing Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

The Existing Ordinary Shares are admitted to trading on AIM. Conditional upon completion of the Fundraising application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. Subject to certain conditions being satisfied, including the passing of the Resolutions at the General Meeting, it is anticipated that Admission will become effective and that dealings in the Placing Shares and the Subscription Shares will commence on AIM at 8.00 a.m. on 30 December 2021.

The securities referred to in this document will only be available to qualified investors for the purposes of the Prospectus Regulation Rules or otherwise in circumstances not resulting in an offer of transferable securities to the public under section 102B of FSMA. The Placing does not constitute an offer to the public requiring an approved prospectus under section 85 and schedule 11A of FSMA and accordingly this document is not, and is not required to be, a prospectus for the purposes of the Prospectus Regulation Rules and has not been prepared in accordance with the Prospectus Regulation Rules. Accordingly, this document has not been, and will not be, reviewed or approved by the Financial Conduct Authority of the United Kingdom (“FCA”), pursuant to sections 85 and 87 of FSMA, the London Stock Exchange or any other authority or regulatory body. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules for Companies.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the FCA. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Neither the London Stock Exchange nor the FCA have examined or approved the contents of this document. A prospective investor should consider carefully whether an investment in the Company is suitable for him in the light of his personal circumstances and the financial resources available to him.

Directa Plus plc

(Incorporated England and Wales with registered number 04679109)

Proposed Fundraising to raise £7 million and

Notice of General Meeting

Cenkos Securities plc

Nominated Adviser and Joint Broker

Singer Capital Markets Securities Limited

Joint Broker

This document should be read as a whole. However, your attention is drawn to the letter from the Chairman of the Company which is set out in Part I of this document and which recommends you to vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

Cenkos Securities plc (“Cenkos”) and Singer Capital Markets Securities Limited (“Singer Capital Markets”) are each authorised and regulated in the United Kingdom by the FCA, are acting exclusively for the Company in relation to the Fundraising and are not acting for any other persons in relation to the Fundraising. Cenkos and Singer Capital Markets are acting exclusively for the Company and for no one else in relation to the matters described in this document and are not

advising any other person and accordingly will not be responsible to anyone other than the Company for providing the protections afforded to their clients, or for providing advice in relation to the contents of this document or any matter referred to in it. The responsibilities of Cenkos as the Company's nominated adviser and broker under the AIM Rules for Companies and the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director, Shareholder or any other person, in respect of his decision to acquire shares in the capital of the Company in reliance on any part of this document, or otherwise.

Neither Cenkos nor Singer Capital Markets have authorised the contents of, or any part of, this document. No liability is accepted by either Cenkos or Singer Capital Markets and nor do they make any representation or warranty, express or implied, as to the contents of this document including its accuracy, completeness or verification or for any other statement made or purported to be made by either of them or on their behalf, in connection with the Company, the Fundraising and Admission and accordingly both Cenkos and Singer Capital Markets disclaim all and any responsibility or liability whether arising in tort, contract or otherwise which either of them might otherwise have in respect of this document and its use, contents or any such statement or otherwise (including any omission of information from this document), to the maximum extent permitted by law and the regulations to which it is subject.

Notice of a General Meeting of the Company, to be held at the registered office of the Company at ComoNExT – Science and Technology Park, Via Cavour 2, 22074 Lomazzo (Co), Italy at 9.30 a.m. (local time) on 29 December 2021, is set out at the end of this document.

In running the General Meeting, the Board's priority remains to safeguard the wellbeing of its colleagues, shareholders and wider communities and will take all necessary and appropriate precautions to ensure their safety. Given the Italian Government's current Covid-19 guidance, the Board is asking that shareholders do not attend the meeting's physical venue. You will not receive a hard copy Form of Proxy for the General Meeting in the post. Instead, you will be able to vote electronically using the link www.signalshares.com. You will need to log into your Signal Shares account, or register if you have not previously done so, to register you will need your Investor Code, this is detailed on your share certificate or available from our Registrar, Link Group.

In the case of CREST members, you may utilise the CREST electronic proxy appointment service in accordance with the procedures described in the CREST Manual. In order for a proxy appointment or instruction 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 & Ireland Limited's 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 RA10) by 8.30 a.m. on 24 December 2021.

Proxy votes must be received no later than 8.30 a.m. on 24 December 2021.

You may request a hard copy form of proxy directly from the Registrars, Link Group on Tel: 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales.

Alternatively, you can request a hard copy proxy card by emailing shareholderenquiries@linkgroup.co.uk.

The distribution of this document and/or any accompanying documents in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents comes should inform themselves about and observe any such restrictions. No action has been taken by the Company, Cenkos or Singer Capital Markets that would permit possession or distribution of this document in any jurisdiction where action for that purpose is required. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The securities referred to in this document have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the securities referred to in this document may not be offered, sold or transferred, directly or indirectly, within the United States,

except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and the securities laws of any state or other jurisdiction of the United States. No public offering of the securities referred to in this document is being made in the United States, the United Kingdom or elsewhere and the Company does not intend to register any portion of the offering in the United States or conduct a public offering of securities in the United States, the United Kingdom or elsewhere. The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, or any other securities commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Placing Shares, nor have they approved this document or confirmed the accuracy or adequacy of the information contained in this document. Any representation to the contrary is a criminal offence in the United States.

The securities referred to in this document have not been, and will not be, registered under the applicable securities laws of Canada, Australia, Japan or the Republic of South Africa. Subject to certain exceptions, the securities referred to in this document may not be offered, sold, taken up, delivered or transferred in or into, or to any national, resident or citizen of, Canada, Australia, Japan or the Republic of South Africa or any other jurisdiction in which such publication, release or distribution would be unlawful.

Forward-looking statements

This document contains 'forward-looking statements' concerning the Group that are subject to risks and uncertainties. Generally, the words 'will', 'may', 'should', 'continue', 'believes', 'targets', 'plans', 'expects', 'aims', 'intends', 'anticipates' or similar expressions or negatives thereof identify forward-looking statements. Forward looking statements 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 the Group's operations; and (iii) the effects of government regulation on the Group's business.

These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the Group's ability to control or estimate precisely, such as (i) changes in demand for the Group's products and services; (ii) currency fluctuations; (iii) loss of market share and industry competition; (iv) environmental and physical risks; (v) risks associated with the identification of suitable potential acquisition properties and targets, and successful negotiation and completion of such transactions; (vi) legislative, fiscal and regulatory developments; (vii) economic and financial market conditions in various countries and regions; (viii) political risks, including the risks of renegotiation of the terms of contracts with governmental entities, delays or advancements in the approval of projects and delays in the reimbursement of shared costs; and (ix) changes in trading conditions. The Company cannot give any assurance that such forward-looking statements will prove to have been correct. The reader is cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. The Company does not undertake any obligation to update or revise publicly any of the forward-looking statements set out herein, whether as a result of new information, future events or otherwise, except to the extent legally required.

Nothing contained herein shall be deemed to be a forecast, projection or estimate of the future financial performance of the Group or any other person following the implementation of the Fundraising or otherwise.

Certain figures included in this document have been subject to rounding adjustments. Accordingly, discrepancies in tables between the totals and the sums of the relevant amounts is due to rounding.

The price of shares and the income from them may go down as well as up and investors may not get back the full amount invested on disposal of the shares. Past performance is no guide to future performance and persons who require advice should consult an independent financial adviser.

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FUNDRAISING STATISTICS

Issue Price	150p
Number of Existing Ordinary Shares in issue as at the date of this document	61,365,459
Number of EIS/VCT Placing Shares	1,672,958
Number of Non-EIS/VCT Placing Shares	703,969
Number of Subscription Shares	2,289,740
Total Number of New Ordinary Shares	4,666,667
Enlarged Share Capital following Admission*	66,032,126
Percentage of the Enlarged Share Capital represented by the New Ordinary Shares	7.1 per cent.
Gross proceeds of the Fundraising receivable by the Company	Approximately £7 million
Net proceeds of the Fundraising receivable by the Company	Approximately £6.5 million

* on the assumption that no new Ordinary Shares are issued under the Company's share schemes prior to the date of Admission.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of the Fundraising	9 December 2021
Announcement of the results of the Fundraising	10 December 2021
Posting of this document and the Notice of General Meeting	10 December 2021
Latest time and date for receipt of Forms of Proxy	8.30 a.m. on 24 December 2021
Voting record date	5.00 p.m. on 24 December 2021
General Meeting	9.30 a.m. (local time) on 29 December 2021
CREST members' accounts credited in respect of the EIS/VCT Placing Shares in uncertificated form	by 3.00 p.m. on 29 December 2021
CREST members' accounts credited in respect of the Non EIS/VCT Placing Shares in uncertificated form	as soon as possible after 8.00 a.m. on 30 December 2021
Admission effective and dealings in Placing Shares and Subscription Shares expected to commence on AIM	8.00 a.m. on 30 December 2021

Notes:

1. Each of the times and dates in the above timetable, and shown elsewhere in this document, are indicative only and if any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service.
2. All of the above times refer to London time unless otherwise stated.
3. All events listed in the above timetable following the General Meeting are conditional on the passing of the Resolutions at the General Meeting.

DEFINITIONS

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

<i>“Admission”</i>	means admission of the Placing Shares and the Subscription Shares to trading on AIM becoming effective in accordance with the AIM Rules
<i>“AIM”</i>	means the AIM market operated by the London Stock Exchange
<i>“AIM Rules”</i>	means the rules published by the London Stock Exchange entitled AIM Rules for Companies in force from time to time
<i>“Bookbuild”</i>	means the accelerated bookbuilding process conducted by the Joint Brokers and closed on 9 December 2021
<i>“Business Day”</i>	means a day on which AIM is open for trading to occur
<i>“Cenkos”</i>	means Cenkos Securities plc, the Company’s nominated adviser and joint broker
<i>“Company” or “Directa Plus”</i>	means Directa Plus plc, a company registered in England and Wales with company number 04679109
<i>“CREST”</i>	means the relevant system (as defined in the Uncertificated Securities Regulations 2001) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in such regulations)
<i>“Directors” or “Board”</i>	means the directors of the Company as at the date of this document, or any duly authorised committee thereof
<i>“EIS”</i>	means the Enterprise Investment Scheme as detailed in Part V of the Income Tax Act 2007
<i>“EIS/VCT Placing”</i>	means the conditional placing of the EIS/VCT Placing Shares at the Issue Price by the Joint Brokers, details of which are set out in this document
<i>“EIS/VCT Placing Shares”</i>	means the 1,672,958 new Ordinary Shares to be issued by the Company pursuant to the EIS/VCT Placing in the number to be agreed between the Joint Brokers and the Company following completion of the Bookbuild
<i>“Enlarged Share Capital”</i>	means the issued Ordinary Shares immediately following Admission
<i>“EUWA”</i>	means the European Union (Withdrawal) Act 2018
<i>“Existing Ordinary Shares”</i>	means the 61,365,459 Ordinary Shares currently in issue at the date of this document
<i>“FCA” or “Financial Conduct Authority”</i>	means the Financial Conduct Authority
<i>“Form of Proxy”</i>	means the form of proxy for use in connection with the General Meeting
<i>“FSMA”</i>	means the Financial Services and Markets Act 2000, as amended
<i>“Fundraising”</i>	means the Placing and the Subscription
<i>“General Meeting”</i>	means the general meeting of the Company convened for 9.30 a.m. (local time) on 29 December 2021 to approve the Resolutions (and any adjournment thereof), notice of which is set out in this document
<i>“Group”</i>	means the Company, its subsidiaries, and its subsidiary undertakings
<i>“Issue Price”</i>	means 150 pence per New Ordinary Share

<i>“Joint Brokers”</i>	means Cenkos and Singer Capital Markets
<i>“London Stock Exchange”</i>	means London Stock Exchange plc
<i>“New Ordinary Shares”</i>	means the Subscription Shares and the Placing Shares, as appropriate
<i>“Non-EIS/VCT Placing”</i>	means the conditional placing of the Non-EIS/VCT Placing Shares at the Issue Price by the Joint Brokers, details of which are set out in this document
<i>“Non-EIS/VCT Placing Shares”</i>	means the 703,969 new Ordinary Shares to be issued by the Company pursuant to the Non-EIS/VCT Placing
<i>“Notice of General Meeting”</i>	means the notice convening the General Meeting which is set out on page 16 of this document
<i>“Ordinary Shares”</i>	means ordinary shares of 0.25 pence each in the capital of the Company
<i>“Placing”</i>	means the EIS/VCT Placing and the Non-EIS/VCT Placing
<i>“Placing Shares”</i>	means the EIS/VCT Placing Shares and the Non-EIS/VCT Placing Shares
<i>“Placing Agreement”</i>	means the conditional agreement dated 9 December 2021 between the Company and the Joint Brokers relating to the Placing, as described in paragraph 6 of the letter from the Chairman of the Company included in this document
<i>“Prospectus Regulation”</i>	means the UK version of Regulation (EU) 2017/1129, as it forms part of the UK law by virtue of the EUWA
<i>“Prospectus Regulation Rules”</i>	means the prospectus regulation rules of the FCA made in accordance with section 73A of FSMA implementing and incorporating <i>inter alia</i> the Prospectus Regulation and the Prospectus Supplementary Regulation
<i>“Prospectus Supplementary Regulation”</i>	means the UK version of the Commission Delegated Regulation (EU) 2019/980, as it forms part of UK law by virtue of the EUWA
<i>“Regulation S”</i>	means Regulation S promulgated under the Securities Act
<i>“Regulatory Information Service”</i>	means a regulatory information service that is approved by the FCA as meeting primary information provider criteria and that is on the list of regulatory information services maintained by the FCA
<i>“Resolutions”</i>	means the resolutions set out in the Notice of General Meeting
<i>“Securities Act”</i>	means the US Securities Act of 1933, as amended
<i>“Setcar”</i>	means Setcar SA, a 52%-owned subsidiary of the Company
<i>“Shareholders”</i>	means holders of Ordinary Shares
<i>“Singer Capital Markets”</i>	means Singer Capital Markets Securities Limited, the Company's joint broker
<i>“subsidiary” or “subsidiary undertaking”</i>	each have the meaning given to that term in the Companies Act 2006
<i>“Subscription”</i>	means the conditional subscription for Subscription Shares by certain existing Shareholders and Directors at the Issue Price
<i>“Subscription Shares”</i>	means the 2,289,740 new Ordinary Shares to be issued by the Company pursuant to the Subscription
<i>“United Kingdom” or “UK”</i>	means the United Kingdom of Great Britain and Northern Ireland
<i>“VCT”</i>	means venture capital trust

“£” and “pence”

means respectively, pounds and pence sterling, the lawful currency of the United Kingdom

LETTER FROM THE CHAIRMAN

Directa Plus plc
*(incorporated in England and Wales under the Companies Act 2006 with
company number 04679109)*

Directors

Sir Peter Middleton (Non-Executive Chairman)
Giulio Cesareo (Chief Executive Officer)
Giorgio Bonfanti (Chief Financial Officer)
David Gann (Non-Executive-Director)
Neil Warner (Non-Executive-Director)
Richard Hickinbotham (Non-Executive Director)

Registered Office

3rd Floor
11-12 St James's Square
London
United Kingdom
SW1Y 4LB

10 December 2021

To Shareholders and, for information only, to the holders of options over Ordinary Shares

Dear Shareholders

Proposed Fundraising to raise £7 million and Notice of General Meeting

1. Introduction and summary

The Company on 9 December 2021 announced the Fundraising to conditionally raise approximately £7 million (before expenses) for the Company through the issue of 4,666,667 New Ordinary Shares at the Issue Price pursuant to the Placing and the Subscription.

The net proceeds of the Fundraising will be used principally to fund two key projects in the Environmental and Textiles verticals and will also be used to provide the financial strength necessary to fund the Company's continued investment in exploring and developing new growth opportunities, provide the balance sheet strength to support the Company and its subsidiaries in responding to significant new tenders currently in progress, and to provide additional liquidity for its general working capital purposes.

This continued investment aims to pursue Directa Plus' long term strategy towards growth and value creation for its Shareholders.

The Placing was conducted through the Bookbuild which was managed by Cenkos and Singer Capital Markets.

The Placing will be conducted in two separate tranches over two Business Days to assist EIS and VCT investors to claim certain tax reliefs.

The Issue Price represents a discount of 1.3 per cent. to the closing mid-market price of the Company's Ordinary Shares of 152 pence on 8 December 2021 (being the last Business Day prior to the announcement of the Fundraising).

Currently, the Directors do not have authority in place to issue and allot all of the New Ordinary Shares. Accordingly, the Fundraising is conditional upon, among other things, the Company obtaining approval from its Shareholders to grant the Board authority to allot the New Ordinary Shares and to disapply pre-emption rights which would otherwise apply to the allotment of the New Ordinary Shares.

Subject to all relevant conditions being satisfied (or, if applicable, waived), it is expected that Admission will take place on or around 8.00 a.m. on 30 December 2021.

The purpose of this document is to provide you with information about the background to and the reasons for the Fundraising, to explain why the Board considers that the Fundraising will assist in promoting the success of the Company and is in the best interests of the Company and its Shareholders as a whole, to explain why the Directors recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, notice of which is set out at the end of this document, and to seek your approval of the Resolutions.

2. Background to and reasons for the Fundraising

Introduction

Directa Plus was established in 2005 and admitted to trading on the AIM market in 2016. The Company has a unique and proven process for the production of pristine, chemical free graphene nanoplatelets, tailored to its partners' and customers' requirements and which is both flexible and scalable. The Company relies on an increasingly valuable intellectual property portfolio that continues to build and the benefits of its chemical-free production process sets Directa Plus apart from its competitors. The Company's current patent portfolio comprises 71 granted patents plus 26 patents pending, grouped in 18 families – four covering the G+® production process and 14 covering G+® products and applications. The Company is transitioning from a learning and discovery company to greater commercialisation and growth. The Fundraising will allow the Company to progress to the next stage in its journey.

Strategy

Global graphene demand is expected to increase significantly over the next 10 years. The Company is well positioned to benefit from this market growth and to play a key role in its near-term development. The Company's strategy is to target existing products and markets that can be significantly improved with the addition of Directa Plus products. The Company works with key partners, benefitting from their knowledge of the market, strong reputation and commercial channels.

The Company is currently targeting four key markets:

- Environmental remediation – through its Setcar subsidiary, using Directa Plus' Grafysorber® technology to help the oil and gas industry to tackle environmental issues from hydrocarbon pollution;
- Textiles – printing nanoplatelets on fabrics, and enhanced membranes for the sports, luxury, fashion, workwear and military markets;
- Composites – introducing the next generation of graphene-enhanced asphalts for a lower carbon world; and
- Lithium-sulphur batteries – the development of a Lithium-Suplhur battery using the Directa Plus' G+® pristine graphene nanoplatelets

3. Use of proceeds from the Fundraising

The Company is seeking to raise capital to fund what it regards as two significant future growth opportunities in existing verticals.

Water treatment plant and absorbent materials

The Company plans to invest approximately £1.9 million in the development of its Grafysorber® technology, to broaden the number of applications offered in its Environmental remediation vertical, and in the construction of a water treatment plant, providing dedicated equipment for in-house treatment of industrial water and for the removal of hydrocarbons and other organic pollutants using its Grafysorber® technology. The Company also plans to continue its research and development activities for the production of absorbent materials such as Grafysorber®-made booms, pillows, socks and pads for the oil and gas industry and others and to locate a Grafysorber® production unit in Sectar's premises in Romania, close to existing customers.

Air and water filters

The Company plans to invest approximately £1.3 million to advance the application of Directa Plus' G+® technology to non-woven fabrics to confer antibacterial and antiviral properties. The Company is targeting new markets leveraging on its progress in air-filter applications. As announced on 1 December 2021, the Company has signed a Letter of Intent with an Italian-based global chemicals and materials group and a major player in the non-woven materials industry to collaborate on an exclusive basis for an initial period of 12 months. The collaboration will see Directa Plus G+® technologies combined with those of its partner to

develop specific products for the global air and water filtration markets. If the initial collaboration is successful and the technical results envisaged are achieved, the two companies will negotiate a technical and commercial partnership agreement.

The commercialisation of G+® functionalised non-woven materials will be accelerated through its partner's sales channels and Directa Plus aims to benefit with a revenue-sharing business model.

Other

The remainder of the net proceeds of the Fundraising will provide the financial strength necessary to fund the Company's continued investment in exploring and developing new growth opportunities, provide the balance sheet strength to support the Company and its subsidiaries in responding to significant new tenders currently in progress, and to provide additional liquidity for its general working capital purposes.

4. Current trading and prospects

The Company announced its interim results for the 6 months to 30 June 2021 on 29 September 2021, reporting the best results in its history, with revenue up 41 per cent. to €3.95m and EBITDA loss reduced by 70 per cent. to €0.44 million. Cash at the period end was €5.19 million, with net cash (including lease liabilities) of €2.5 million.

The Company has continued to trade strongly in the second half of 2021, with growth driven by both the Environmental and Textile verticals. Revenue for the 9 months to 30 September 2021 grew to €5.74 million (excluding the benefit of €0.50 million of one-off income from Setcar) with an EBITDA loss for the period of €0.87 million.

The Company has a significant current pipeline of opportunities at various stages of development and across all verticals.

The impact of the investment from the Fundraising is expected to positively impact the Company's revenues and profitability from FY2023 onwards and to have no material impact on the Company's financial performance in the interim.

Management retains a positive outlook for the Company and has confidence in meeting current market expectations and achieving its target of turning EBITDA positive during FY2022.

5. The Fundraising

On 9 December 2021, the Company announced a Fundraising to raise approximately £7 million before expenses for the Company through the issue of 4,666,667 New Ordinary Shares at 150 pence each.

The Fundraising comprises two elements-

- the Placing, which was conducted through the Bookbuild and managed by the Joint Brokers; and
- the Subscription, pursuant to which certain existing Shareholders and Directors have conditionally agreed to subscribe for the Subscription Shares.

Both elements of the Fundraising are conditional upon, amongst other things, the passing of the Resolutions by Shareholders at the General Meeting.

The Subscription Shares will be subscribed for on the basis agreed pursuant to a subscription agreement with the Company, rather than the terms and conditions of the Placing.

The Issue Price represents a discount of 1.3 per cent. to the closing mid-market price of the Company's Ordinary Shares of 152 pence on 8 December 2021 (being the last Business Day prior to the announcement of the Fundraising).

Upon Admission, and assuming no further exercise of options under the Company's share schemes, the Enlarged Share Capital is expected to be 66,032,126 Ordinary Shares. On this basis, the New Ordinary Shares will represent approximately 7.1 per cent. of the Company's Enlarged Share Capital.

It is intended that the Company will issue the EIS/VCT Placing Shares to the persons nominated by the Company in accordance with the Placing Agreement no later than 3.00 p.m. on 29 December 2021, being one Business Day prior to Admission. The issue of the EIS/VCT Placing Shares will not be conditional on Admission. It is intended that the Company will issue the Non-EIS/VCT Placing Shares to the persons nominated by the Company in accordance with the Placing Agreement no later than 8.00 a.m. on 30 December 2021. The issue of the Non-EIS/VCT Placing Shares will be conditional on Admission. Investors should be aware of the possibility that only the EIS/VCT Placing Share might be issued and that none of the Non-EIS/VCT Placing Shares are issued.

Application will be made to the London Stock Exchange for the New Ordinary Shares to be issued pursuant to the Fundraising to be admitted to trading on AIM. It is expected that Admission will occur and that dealings in the Placing Shares and the Subscription Shares will commence at 8.00 a.m. on 30 December 2021 on which date it is also expected that the Placing Shares and the Subscription Shares will be enabled for settlement in CREST.

The New Ordinary Shares will be issued and credited as fully paid and will rank in full for all dividends and other distributions declared, made or paid after the admission of those Ordinary Shares and will otherwise rank on Admission *pari passu* in all respects with each other and with the Existing Ordinary Shares.

6. The Placing Agreement

On 9 December 2021, the Company entered into the Placing Agreement with the Joint Brokers pursuant to which the Joint Brokers, as agents for the Company, agreed to use their reasonable endeavours to procure subscribers for the Placing Shares at the Issue Price.

The Placing is conditional upon, amongst other things:

- the Joint Brokers and the Company agreeing the Issue Price and the number of Placing Shares at the close of the Bookbuild;
- the passing of the Resolutions without amendment to be proposed at the General Meeting;
- the Placing Agreement having become unconditional (save for Admission) and not having been terminated in accordance with its terms prior to Admission;
- the allotment of the EIS/VCT Placing Shares in advance of the allotment of the Non-EIS/VCT Placing Shares; and
- Admission taking place by no later than 8.00 a.m. on 30 December 2021 (or such later date as the Joint Brokers may agree in writing with the Company, being not later than 8.00 a.m. on 13 January 2022).

If any of the conditions are not satisfied or waived by both of the Joint Brokers in their absolute discretion (where permitted under the terms of the Placing Agreement), the New Ordinary Shares (other than possibly the EIS/VCT Placing Shares) will not be issued and Admission will not take place.

The Placing Agreement contains customary warranties given by the Company in favour of the Joint Brokers in relation to, *inter alia*, the accuracy of the information in this document and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify the Joint Brokers in relation to certain liabilities which the Joint Brokers may incur in respect of the Placing.

Under the Placing Agreement, the Company has agreed to pay to the Joint Brokers a commission based on the aggregate value of the New Ordinary Shares issued pursuant to the Placing at the Issue Price.

Each Joint Broker has the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, in the event of a breach of any of the warranties or a material adverse change.

The Placing Agreement also provides for the Company to pay all costs, charges and expenses of, or incidental to, the Placing and Admission including all legal and other professional fees and expenses.

The Placing Shares have not been made available to the public and have not been offered or sold in any jurisdiction where it would be unlawful to do so.

7. Related Party Transactions

Nant Capital, LLC and Dompe Holdings S.r.l. are each considered to be “related parties” as they are “substantial shareholders” as such terms are defined under the AIM Rules and, accordingly, their participation in the Subscription constitutes a related party transaction for the purposes of Rule 13 of the AIM Rules. The Directors consider, having consulted with the Company’s nominated adviser, Cenkos, that the terms of the participation in the Subscription by each of Nant Capital, LLC and Dompe Holdings S.r.l are fair and reasonable insofar as the Shareholders are concerned.

8. The General Meeting

The Directors do not currently have authority to allot all the New Ordinary Shares and, accordingly, the Board is seeking the approval of Shareholders to allot the New Ordinary Shares on a non pre-emptive basis at the General Meeting.

A notice convening the General Meeting, which is to be held at the offices of the Company at ComoNEXt – Science and Technology Park, Via Cavour 2, 22074 Lomazzo (Co), Italy at 9.30 a.m. (local time) on 29 December 2021, is set out at the end of this document. At the General Meeting, the following Resolutions will be proposed:

- Resolution 1, which is an ordinary resolution to authorise the Directors to allot shares or securities up to an aggregate nominal amount of £11,666.67, being equal to 4,666,667 new Ordinary Shares (i.e. the approximate number of new Ordinary Shares to be issued under the Fundraising); 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 £11,666.67, being equal to 4,666,667 new Ordinary Shares (i.e. the maximum number of new Ordinary Shares to be issued under the Fundraising) on a non-pre-emptive basis.

The authorities to be granted pursuant to the Resolutions will expire at the conclusion of the annual general meeting of the Company to be held in 2022 or the close of business on 30 June 2022, whichever is earlier (unless renewed, varied or revoked by the Company before or on that date).

Shareholders should be aware that if the Resolutions are not approved at the General Meeting, the Placing and the Subscription will not proceed and any associated subscription monies in respect of the New Ordinary Shares will be returned to investors.

9. EIS / VCT

The Company received advance assurance on 1 April 2016 from HM Revenue & Customs (“HMRC”) that it is a qualifying company for the purposes of the Enterprise Investment Scheme (“EIS Advance Assurance”). On 6 September 2021, the Company applied to HMRC to receive advance assurance that it continues to be a qualifying company for EIS Advance Assurance.

The Company received an email from HMRC dated 11 October 2021, stating that they believe they will be able to authorise the Company to issue compliance certificates under Section 204(1) Income Tax Act 2007 in respect of the Ordinary Shares to be issued, following receipt of a form EIS1 satisfactorily completed. HMRC also confirmed that the Company would be considered ‘knowledge intensive’ for the proposed issue of shares pursuant to the EIS/VCT Placing.

HMRC can no longer consider applications to receive advance assurance that a company is a qualifying company for the purposes of the Venture Capital Trust rules (“VCT Advance Assurance”) where the details of the potential qualifying holding are not given.

The assurance does not guarantee the availability of any form of relief under the Enterprise Investment Scheme to any particular subscriber and there can be no certainty that either VCT Advance Assurance will be granted by HMRC or that the EIS Advance Assurance will be reconfirmed.

Investors considering taking advantage of EIS Relief or making a qualifying VCT investment are recommended to seek their own professional advice in order that they may fully understand how the relief legislation may apply in their individual circumstances. Any Shareholder who is in any doubt as to his taxation position under the EIS and VCT legislation, or who is subject to tax in a jurisdiction other than the UK, should consult an appropriate professional adviser.

10. Action to be taken

In running the General Meeting, the Board's priority remains to safeguard the wellbeing of its colleagues, shareholders and wider communities and will take all necessary and appropriate precautions to ensure their safety. Given the Italian Government's current Covid-19 guidance, the Board is asking that shareholders do not attend the meeting's physical venue.

You are strongly advised to complete and return a Form of Proxy or CREST proxy voting instructions and to appoint the Chairman of the General Meeting as your proxy and give your instructions on how you wish the Chairman to vote on the proposed Resolutions, as soon as possible and, in any event, so as to reach the Company's registrars, Link Group (electronically, by post or by hand), by no later than 8.30 a.m. on 24 December 2021.

Completion and return of a Form of Proxy may be the only way your vote will be counted at the General Meeting as you will be discouraged from attending the General Meeting in person.

A hard copy Form of Proxy may be requested in accordance with Note 4 of the Notice of General Meeting.

11. Recommendation

The Directors believe that the Fundraising and the passing of the Resolutions are in the best interests of the Company and Shareholders as a whole. Accordingly, the Directors unanimously recommend Shareholders to vote in favour of the Resolutions, as the Directors intend to do in respect of their aggregate beneficial holdings of 4,181,985 Ordinary Shares, representing approximately 6.81 per cent. of the Existing Ordinary Shares.

The Fundraising is conditional, among other things, upon the passing of the Resolutions at the General Meeting. Shareholders should be aware that if the Resolutions are not approved by Shareholders at the General Meeting, the Fundraising will not proceed.

Yours faithfully

Sir Peter Middleton
Non-Executive Chairman

NOTICE OF GENERAL MEETING

Directa Plus plc

(registered in England and Wales with registered number 04679109)

NOTICE IS HEREBY GIVEN that a general meeting of Directa Plus plc (the “**Company**”) will be held at ComoNEXt – Science and Technology Park, Via Cavour 2, 22074 Lomazzo (Co), Italy at 9.30 a.m. (local time) on 29 December 2021 for the purpose of considering and, if thought fit, passing the following resolutions, of which resolution 1 will be proposed as an ordinary resolution and resolution 2 will be proposed as a special resolution:

Unless the context requires otherwise, words and expressions used in this notice have the meanings given to them in the circular to shareholders of the Company dated 10 December 2021 of which this notice forms part.

ORDINARY RESOLUTION

Authority to Allot Shares

1. To generally and unconditionally authorise the board of directors of the Company (the “**Board**”), in substitution for any existing authority, but without prejudice to the exercise of any such authority prior to the date of the passing of this resolution which would or might require equity securities to be allotted on or after that date, pursuant to and in accordance with section 551 of the Companies Act 2006 (the “**Act**”) to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company in connection with the Fundraising, up to an aggregate nominal amount of £11,666.67 (representing 4,666,667 ordinary shares) and unless revoked, varied or extended by the Company, this authority shall expire at the conclusion of the annual general meeting of the Company to be held in 2022 or the close of business on 30 June 2022, whichever is earlier, save that the Company may before such expiry make an offer or enter into an agreement which would or might require shares to be allotted, or rights to subscribe for or to convert securities into shares to be granted, after such expiry and the Board may allot shares or grant such rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTION

Authority to Disapply Pre-emption Rights

2. That, subject to the passing of resolution 1 above, the Board be authorised to allot equity securities (as defined in the Companies Act 2006) for cash pursuant to the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, provided that such authority to be limited to, in connection with the Fundraising, the allotment of equity securities up to an aggregate nominal amount of £11,666.67 (representing 4,666,667 ordinary shares) and, unless renewed varied or revoked by the Company, such authority shall expire at the conclusion of the annual general meeting of the Company to be held in 2022 or on 30 June 2022, whichever is the earlier, save that the Company may before such expiry make an offer or enter into an agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such agreement as if the authority conferred hereby had not expired.

By order of the Board:

Paul Cooper
Company Secretary
Directa Plus plc

10 December 2021

Registered Office:

3rd Floor
11-12 St. James's Square
London SW1Y 4LB

Notes to the Notice of General Meeting:

The following notes explain your general rights as a shareholder and your right to attend and vote at the meeting or to appoint someone else to vote on your behalf.

1. **Covid-19 and attendance in person:** Given the Italian Government's current Covid-19 guidance, the Board is asking that shareholders do not attend the meeting's physical venue. It is intended that the meeting will be attended only by the Chairman of the meeting, plus one other designated person, representing a shareholder, to ensure the meeting is quorate, and the Chairman of the meeting will be available to act as proxy for shareholders.
2. **Entitlement to attend and vote:** To be entitled to attend and vote at the meeting (and for the purpose of the determination by the Company of the number of votes they may cast), shareholders must be registered in the Register of Members of the Company at close of business on 24 December 2021. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

It is the current intention that, in accordance with article 19.10 of the Company's Articles of Association, at the beginning of the meeting the Chairman of the meeting will demand a poll on each of the resolutions to be put to the meeting.

On a poll vote every shareholder who is present in person or by proxy or by representative (in the case of a corporate member) has one vote for every share of which he is the holder, proxy or representative. On a poll, a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes in the same way.

In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. Seniority is determined by the order in which the names of the shareholders stand in the Register of Members of the Company.

3. **Appointment of proxies:** Members are entitled to appoint a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different ordinary share or ordinary shares held by that shareholder. A proxy need not be a shareholder of the Company. However, in the circumstances, only the Chairman of the meeting will be able to act as your proxy for the purpose of casting your vote in this meeting.
4. **Hard copy Form of Proxy:** In the event that you require a hard copy Form of Proxy posted to you at your registered address, please contact Link Group as follows:

By phone: 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales.

By email: shareholderenquiries@linkgroup.co.uk

By post: Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL.

5. **Appointment of proxy electronically:** Shareholders can appoint a proxy electronically up to 8.30 a.m. on 24 December 2021 (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time of the adjourned meeting) either by the shareholder portal at www.signalshares.com or, for CREST holders, via the CREST Network (see note 10 below).
6. **Appointment of proxy by joint members:** In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first named being the most senior).
7. **Nominated persons:** Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
The statement of the rights of shareholders in relation to the appointment of proxies in notes 3 and 5 do not apply to Nominated Persons.
8. **Votes withheld and discretionary votes:** A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
9. **Changing proxy instructions:** If you return more than one proxy appointment, either by paper or electronic communication, that appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
10. **Appointment of proxies through CREST:** CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment of the meeting) by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/site/public/EUI>). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a 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.

In order for a proxy appointment or instruction 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 & Ireland Limited's 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 issuers' agent (ID RA10) by 8.30 a.m. on 24 December 2021 (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time of the adjourned meeting). For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuers agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. 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 shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this

connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. 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.

11. **Corporate representatives:** Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that no more than one corporate representative exercises powers in relation to the same shares.
12. **Issued shares and total voting rights:** As at 9 December 2021 (being the latest practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consisted of 61,365,459 ordinary shares, carrying one vote each. No shares are held in treasury. Therefore, the total voting rights in the Company as at 9 December 2021 are 61,365,459.
13. **Questions at the meeting:** Any shareholder attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered. Shareholders are encouraged to send any questions they would have raised at the meeting to Paul.Cooper@vistra.com before the date of the meeting. After the meeting has concluded the Company will respond to you directly.
14. **Communication:** You may not use any electronic address provided in either this Notice or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.
15. **Website giving information regarding the meeting:** A copy of this Notice, and other information required by section 311A of the Companies Act 2006, can be found on the Company's website at www.directa-plus.com.

