



# MedPal AI plc<sup>©</sup>

AIM Admission Document

ALL OF YOUR HEALTH DATA IN ONE PLACE WITH AI



**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under FSMA if you are in the United Kingdom or, if not, you should immediately consult another appropriately authorised independent professional adviser.**

The Company, the Directors and the Proposed Directors, whose names appear on page 15, accept responsibility individually and collectively for the information contained in this document. To the best of the knowledge of the Company and the Directors and the Proposed Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and makes no omission likely to affect its import.

This document, which comprises an AIM admission document, has been drawn up in accordance with the AIM Rules. This document does not contain an offer of transferable securities to the public within the meaning of section 85 and 102B of FSMA or otherwise. This document is not a prospectus for the purposes of the Prospectus Regulation Rules and accordingly, it has not been prepared in accordance with the Prospectus Regulation Rules, nor has it been approved by the FCA pursuant to section 85 of FSMA and a copy has not been delivered to the FCA under regulation 3.2 of the Prospectus Regulation Rules. Application will be made for the Enlarged Share Capital to be admitted to trading on AIM. It is expected that Admission will become effective, and that dealings in the Enlarged Share Capital on AIM will commence on 26 August 2025.

**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 Financial Conduct Authority. 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. Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on Admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange has not itself examined or approved the contents of this document.**

The AIM Rules for Companies are less demanding than those which apply to companies whose shares are listed on the Official List. It is emphasised that no application is being made for admission of the Enlarged Share Capital to the Official List or any other recognised investment exchange.

**Your attention is drawn to the discussion of risks and other factors which should be considered in connection with an investment in the Placing Shares set out in Part II “Risk Factors” of this document. All statements regarding the Company’s future business should be viewed in light of these risk factors. Notwithstanding this, prospective investors in the Company should read the whole text of this document.**



## MedPal AI plc

*(incorporated in England & Wales under the Companies Act 2006 with registered number 13578804)*

**PLACING OF 40,985,000 NEW ORDINARY SHARES AT 4 PENCE PER SHARE**

**RETAIL OFFER OF 9,015,000 NEW ORDINARY SHARES AT 4 PENCE PER SHARE**

**and**

**ADMISSION TO TRADING ON AIM**

**Nominated Adviser**

**Broker**



**Cairn Financial Advisers LLP**



**Clear Capital Markets Limited**

Cairn Financial Advisers LLP (“Cairn”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser to the Company in connection with the proposed admission of the Enlarged Share Capital to trading on AIM. Its responsibility as the Company’s nominated adviser under the AIM Rules for Nominated Advisers is owed solely to the London Stock Exchange and is not owed to the Company or to any Director or Proposed Director or to any other person in respect of their decision to acquire shares in the Company in reliance on any part of this document. Cairn is acting exclusively for the Company and for no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the contents of this document or the Placing or the proposed admission of the Enlarged Share Capital to trading on AIM.

Clear Capital Markets Limited (“Clear Capital”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as broker to the Company in connection with the Placing. Clear Capital is acting exclusively for the Company and for no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or

for providing advice in relation to the contents of this document or the Placing or the proposed admission of the Enlarged Share Capital to trading on AIM.

Investors must rely on their own representatives, including their own legal advisers and accountants, as to legal, financial, business, investment, tax, or any other related matters concerning the Company and an investment therein. None of the Company, Cairn or Clear Capital nor any of their respective directors, officers, partners, employees, agents, affiliates, representatives or advisers is making any representation to any offeree or purchaser of Ordinary Shares regarding the legality of an investment in the Ordinary Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

**Winterflood Securities, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and no one else in connection with the Retail Offer and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Retail Offer and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the Retail Offer or any transaction or arrangement referred to in this document. Apart from the responsibilities and liabilities, if any, that may be imposed on Winterflood Securities by FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, accepts no responsibility whatsoever for, and makes no representation or warranty, express or implied, as to the contents of, this document or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Ordinary Shares or the Retail Offer and nothing in this document will be relied upon as a promise or representation in this respect, whether or not to the past or future. Winterflood Securities accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this document or any such statement. Winterflood Securities has given and not withdrawn its consent to the issue of this document with the inclusion of the references to its name in the form and context to which they are included.**

**An investment in the Company carries risk. Prospective investors should read the whole of this document and should carefully consider whether an investment in Ordinary Shares is suitable for them in light of their circumstances and financial resources. The whole of this document should be read. Your attention is drawn, in particular, to Part I: "Information on the Company" and Part II: "Risk Factors" for a more complete discussion of the factors that could affect the Company's future performance and the industry in which it operates.**

This document does not constitute an offer to issue or sell, or the solicitation of any offer to subscribe for or buy, any of the Ordinary Shares in any jurisdiction where it may be unlawful to make such offer or solicitation. The distribution of this document in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe such restrictions. Any such distribution could result in a violation of the laws of such jurisdictions. In particular, this document is not for distribution in or into the United States, Canada, Australia, Japan or the Republic of South Africa and is not for distribution directly or indirectly to any US Person. The Ordinary Shares have not been and will not be registered under the US Securities Act, or under the securities legislation of, or with any securities regulatory authority of, any state or other jurisdiction of the United States or under the applicable securities laws of any province or territory of Canada or under the securities laws of Australia, Japan or the Republic of South Africa. Unless an exemption under relevant securities laws is applicable, the Ordinary Shares may not be offered or sold, directly or indirectly, in or into the United States, Australia, Canada, Japan, South Africa or to or for the account or benefit of any national, resident or citizen of Australia, Canada, Japan, South Africa or any person located in the United States. This document does not constitute an offer of, or the solicitation of an offer to subscribe for or buy, any Ordinary Shares to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction and is not for distribution in, or into, the United States, Australia, Canada, Japan or South Africa. There will be no public offer of the Ordinary Shares in the United States. The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves of and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Copies of this document will be available free of charge during normal business hours on any day (except Saturdays, Sundays and public holidays) from the registered office of the Company at Hill Dickinson LLP, 8th Floor, The Broadgate Tower, 20 Primrose Street, London, United Kingdom, EC2A 2EW, United Kingdom from the date of this document and for at least one month from Admission and from the Company's website: [medpalplc.com](http://medpalplc.com)

## IMPORTANT NOTICE

This document should be read in its entirety before making any decision to subscribe for Ordinary Shares. Prospective investors should rely only on the information contained in this document. No person has been authorised to give any information or make any representations other than as contained in this document and, if given or made, such information or representations must not be relied on as having been authorised by the Company, Cairn, Clear Capital or any of their respective affiliates, officers, directors, partners, employees or agents. Without prejudice to the Company's obligations under the AIM Rules for Companies, neither the delivery of this document nor any subscription made under this document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information contained herein is correct as at any time subsequent to its date.

Prospective investors in the Company must not treat the contents of this document or any subsequent communications from the Company, Cairn, Clear Capital or any of their respective affiliates, officers, directors, partners, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

If you are in any doubt about the contents of this document or the action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent adviser who is authorised under the FSMA if you are in the United Kingdom, or, if outside the United Kingdom, from another appropriately authorised independent adviser. The Company does not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media or any other person regarding the Placing, the Admission, the Company and/or the Company. The Company makes no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

As required by the AIM Rules for Companies, the Company will update the information provided in this document by means of a supplement to it if a significant new factor that may affect the evaluation of the Placing by prospective investors occurs prior to Admission or if it is noted that this document contains any mistake or substantial inaccuracy. This document and any supplement thereto will be made public in accordance with the AIM Rules for Companies.

This document is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation, by the Company, Cairn, Clear Capital or any of their respective representatives, that any recipient of this document should subscribe for or purchase any of the Ordinary Shares. Prior to making any decision as to whether to subscribe for or purchase any Ordinary Shares, prospective investors should read the entirety of this document and, in particular, Part II (Risk Factors) of this document.

Investors should ensure that they read the whole of this document and not just rely on key information or information summarised within it. In making an investment decision, prospective investors must rely upon their own examination (or an examination by the prospective investor's FSMA-authorised or other appropriate advisers) of the Company and the terms of this document, including the risks involved. Any decision to purchase Ordinary Shares should be based solely on this document and the prospective investor's own (or such prospective investor's FSMA-authorised or other appropriate advisers') examination of the Company and the Company. Investors who subscribe for Placing Shares will be deemed to have acknowledged that: (i) they have not relied on the Directors, the Proposed Directors, the Company, Cairn, Clear Capital or any affiliated person in connection with any investigation of the accuracy of any information contained in this document for their investment decision; (ii) they have relied only on the information contained in this document; and (iii) no person has been authorised to give any information or to make any representation concerning the Company or the Ordinary Shares (other than as contained in this document) and, if given or made, any such other information or representation has not been relied upon as having been authorised by or on behalf of the Company, the Directors, the Proposed Directors, the Company, Cairn, Clear Capital or any of their respective representatives. None of the Directors, the Proposed Directors, the Company, Cairn, Clear Capital nor any of their respective representatives makes any representation to any subscriber of Placing Shares regarding the legality of an investment by such subscriber.

## **General**

No broker, dealer or other person has been authorised by the Company, its Directors, Proposed Directors, Cairn or Clear Capital to issue any advertisement or to give any information or make any representation in connection with the offering or sale of any Ordinary other than those contained in this document and if issued, given or made, that advertisement, information or representation must not be relied upon as having been authorised by the Company, its Directors, Proposed Directors, Cairn or Clear Capital.

Prospective investors should not treat the contents of this document as advice relating to legal, taxation, investment or any other matters. Prospective investors should inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer, repurchase or other disposal of Ordinary Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer, repurchase or other disposal of Ordinary Shares which they might encounter; and (c) the income or other taxation consequences which may apply in their own countries as a result of the purchase, holding transfer, repurchase or other disposal of Ordinary Shares. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants as to legal, taxation, investment and other related matters concerning the Company and an investment therein.

Statements made in this document are based on the law and practice currently in force in England and Wales and are subject to change therein.

## **Forward-looking statements**

Certain statements in this document are “forward-looking statements” including, without limitation, statements containing the words “believes”, “anticipate”, “expect”, “target”, “estimate”, “will”, “may”, “should”, “would”, “plan”, “goal”, “could”, “intend” and similar expressions. These forward-looking statements are not based on historical facts but rather on the expectations of the Directors or the Proposed Directors regarding the Company’s future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), planned expansion and business prospects and opportunities. Such forward-looking statements reflect the Directors’ and Proposed Directors’ current beliefs and assumptions and are based on information currently available to the Directors and the Proposed Directors. Forward-looking statements involve significant known and unknown risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including risks associated with vulnerability to general economic market and business conditions, competition, environmental and other regulatory changes or actions by governmental authorities, the availability of capital, reliance on key personnel, uninsured and underinsured losses and other factors, many of which are beyond the control of the Company. Although the forward-looking statements contained in this document are based upon what the Directors and the Proposed Directors believe to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements.

These forward-looking statements speak only as at the date of this document. Subject to its legal and regulatory obligations (including under the AIM Rules for Companies), the Company expressly disclaims any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

## **United States securities law**

The Ordinary Shares have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The Ordinary Shares are only being offered and sold outside the United States in “offshore transactions” within the meaning of and pursuant to Regulation S. There will be no public offer of Ordinary Shares in the United States.

The Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission or by any US state securities commission or authority, nor has any such US authority reviewed, approved or confirmed the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence.



## Notice to prospective investors in the United Kingdom

This document is being distributed to, and is directed only at such persons in the United Kingdom who are “qualified investors” within the meaning of Article 2 of the UK Prospectus Regulation and (a) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as amended (the “FPO”); and/or (b) who are high net worth entities falling within Article 49(2)(a) to (d) of the FPO; and (iii) other persons to whom it may otherwise be lawfully distributed (each a “relevant person”). Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with such persons. Persons who are not relevant persons should not rely on or act upon this document.

## Notice to prospective investors in the EEA

In relation to each member state of the EEA which has implemented the Prospectus Regulation other than the United Kingdom (each, a “**Relevant Member State**”), no Ordinary Shares have been offered or will be offered pursuant to the Placing to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the competent authority in that Relevant Member State, all in accordance with the Prospectus Regulation, except that offers of Ordinary Shares to the public may be made at any time under the following exemptions under the Prospectus Regulation, if they have been implemented in that Relevant Member State:

- (1) to any legal entity which is a qualified investor as defined in Article 2 of the Prospectus Regulation;
- (2) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) in such Relevant Member State; or
- (3) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Regulation or any measure implementing the Prospectus Regulation in a Relevant Member State and each person who initially acquires any Ordinary Shares or to whom any offer is made under the Placing will be deemed to have represented, acknowledged and agreed that it is a “qualified investor” within the meaning of the law of the Relevant Member state implementing Article 2(e) of the Prospectus Regulation.

For the purposes of this provision, the expression “an offer to the public” in relation to any offer of Ordinary Shares in any Relevant Member State means a communication in any form and by any means presenting sufficient information on the terms of the Placing and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Regulation in that Relevant Member State and the expression the “Prospectus Regulation” means Directive 2017/1129/EC (as amended), to the extent implemented in the Relevant Member State and includes any relevant implementing measure in each Relevant Member State.

## Notice to Distributors

Solely for the purposes of Paragraph 3.2.7R regarding the responsibilities of UK Manufacturers under the Product Governance requirements contained within Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares are: (i) compatible with an end target market of (a) retail investors, (b) investors who meet the criteria of professional clients and (c) eligible counterparties, each as defined in UK Product Governance Requirements; and (ii) eligible for distribution through all distribution channels as are permitted by UK Product Governance Requirements (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to

the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to, the Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

### **Third party information**

The data, statistics and information and other statements in this document regarding the markets in which the Company operates, or its market position therein, is based upon the Company's records or are taken or derived from statistical data and information derived from the third-party sources described in this document.

In relation to these third-party sources, such information has been accurately reproduced from the identified information, and, so far as the Directors and the Proposed Directors are aware and are able to ascertain from the information provided by the suppliers of this information, no facts have been omitted which would render such information inaccurate or misleading.

### **Presentation of financial information**

The financial information contained in this document, including the financial information presented in a number of tables in this document, has been rounded to the nearest whole number or the nearest decimal place. Therefore, the actual arithmetic total of the numbers in a column or row in a certain table may not conform exactly to the total figure given for that column or row. In addition, certain percentages presented in the tables in this document reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

### **Market, economic and industry data**

The data, statistics and information and other statements in this document regarding the markets and industry in which the Company operates, or its market position therein, is based upon the Company's records or are taken or derived from statistical data and information derived from the sources described in this document. In relation to these sources, such information has been accurately reproduced from the published information, and, so far as the Directors and the Proposed Directors are aware and are able to ascertain from the information provided by the suppliers of these sources, no facts have been omitted which would render such information inaccurate or misleading.

### **Time Zone**

All times referred to in this document are, unless otherwise stated, references to London time.

### **Currencies**

Unless otherwise indicated, all references in this document to: (a) **"GBP", "£", "pounds sterling", "pounds", "sterling", "pence" or "p"** are to the lawful currency of the United Kingdom and (b) **"US\$", "US Dollar"**, are to the lawful currency of the United States of America.

### **No incorporation of website**

The information on the Company's website (or any other website) does not form part of this document.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

**2025**

Launch of Retail Offer	20 August
Close of Retail Offer	21 August
Publication of this document	25 August
Admission becomes effective and dealings in the Enlarged Share Capital expected to commence on AIM	8.00 a.m. on 26 August
CREST accounts expected to be credited (where applicable) in respect of Placing Shares and Retail Offer Shares as soon as reasonably practicable in the morning of	26 August
Definitive share certificates expected to be despatched in respect of the Placing Shares and Retail Offer Shares (where applicable)	Within 10 business days of Admission

*Each of the times and dates in the above timetable is subject to change without further notice. All references are to London time unless otherwise stated. Temporary documents of title will not be issued.*

## ADMISSION STATISTICS

Number of Existing Ordinary Shares	363,083,335
Placing Price per Placing Share and Retail Offer Share	4p
Number of new Ordinary Shares to be issued pursuant to the Placing	40,985,000
Number of new Ordinary Shares to be issued pursuant to the Retail Offer	9,015,000
Enlarged Share Capital at Admission	413,083,335
Expected market capitalisation on Admission at the Placing Price*	£16,523,333
Percentage of the Enlarged Share Capital represented by the Placing Shares and Retail Offer Shares	12.1 per cent.
Options over Ordinary Shares outstanding at Admission	40,308,331
Warrants over Ordinary Shares at Admission	135,746,667
Fully Diluted Enlarged Share Capital at Admission*	589,138,333
Gross proceeds of the Placing before expenses	£1,639,400
Gross proceeds of the Retail Offer before expenses	£360,600
Estimated net proceeds of the Fundraise (taking into account the Company's cash position) receivable by the Company, after expenses	£1,650,000
TIDM	MPAL
LEI Number	984500EDP8B0A14CBA61
ISIN	GB00BTRC7N37
SEDOL	BTRC7N3

## DEFINITIONS

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

<b>“Act”</b>	the Companies Act 2006 (as amended);
<b>“Additional Lock-in Agreements”</b>	the lock-in agreements entered into by certain of the Locked-In Shareholders who are not subject to Rule 7 of the AIM Rules, pursuant to which such shareholders are restricted from disposing of their interests in Ordinary Shares for a period of 12 months from the date of Admission and who are also subject to orderly market provisions for a further 12 month period, further details of which are set out in paragraph 12.18 of Part VI;
<b>“Admission”</b>	admission of the Enlarged Share Capital to trading on AIM and such admission becoming effective in accordance with Rule 6 of the AIM Rules for Companies;
<b>“AI”</b>	artificial intelligence;
<b>“AIM”</b>	the market of that name operated by the London Stock Exchange;
<b>“AIM Rules” or “AIM Rules for Companies”</b>	the AIM Rules for Companies published by the London Stock Exchange from time to time;
<b>“AIM Rule 7 Lock-in Agreements”</b>	the lock-in agreements entered into by certain of the Locked-in Shareholders who are subject to Rule 7 of the AIM Rules, pursuant to which such shareholders are restricted from disposing of their interests in Ordinary Shares for a period of 12 months from the date of Admission and who are also subject to orderly market provisions for a further 12 month period, further details of which are set out in paragraph 12.18 of Part VI;
<b>“AIM Rules for Nominated Advisers”</b>	the AIM Rules for Nominated Advisers published by the London Stock Exchange from time to time;
<b>“APA”</b>	the asset purchase agreement entered into between the Company and Jason Drummond on 4 April 2025, as further described in paragraph 12.4 of Part VI;
<b>“Articles” or “Articles of Association”</b>	the articles of association of the Company as amended from time to time;
<b>“Associates”</b>	shall in respect of Shareholders, bear the meaning ascribed to it in paragraph (c) of the definition of “related party” in the AIM Rules for Companies as if such Shareholder fell within paragraphs (a) and/or (b) of such definition;
<b>“Audit Committee”</b>	the audit committee of the Board as described in Part V;
<b>“Board”</b>	the directors of the Company from time to time;
<b>“Broker” or “Clear Capital”</b>	Clear Capital Markets Limited, the Company’s broker;
<b>“Cairn”</b>	Cairn Financial Advisers LLP, registered in England and Wales with partnership number OC351689, the Company’s nominated adviser pursuant to the AIM Rules;
<b>“Cairn Warrants”</b>	the warrants issued by the Company to Cairn pursuant to the Cairn Warrant Instrument;

<b>“Cairn Warrant Instrument”</b>	the warrant instrument, in the agreed form, pursuant to which the Company shall grant warrants to Cairn;
<b>“City Code”</b>	the City Code on Takeovers and Mergers issued by the Panel;
<b>“Clear Capital Warrants”</b>	the warrants issued by the Company to Clear Capital pursuant to the Clear Capital Warrant Instrument;
<b>“Clear Capital Warrant Instrument”</b>	the warrant instrument, in the agreed form, pursuant to which the Company shall grant warrants to Clear Capital;
<b>“Companies Act” or “Act”</b>	the UK Companies Act 2006 (as amended from time to time);
<b>“Company” or “MedPal”</b>	MedPal AI plc, a company incorporated in England and Wales with company number 13578804 and its registered office, Hill Dickinson, The Broadgate Tower, 20 Primrose Street, London EC2A 2EW;
<b>“Concert Party”</b>	the concert party in relation to the Company under Rule 9 of the Takeover Code comprising Jason Drummond, Justin Drummond, Marie Juste, Matthew Drummond, Oscar Drummond and Phoebe Drummond;
<b>“CREST”</b>	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear which facilitates the transfer of title to shares in uncertificated form;
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755) including any enactment or subordinate legislation which amends or supersedes those regulations and any applicable rules made under those regulations or any such enactment or subordinate legislation for the time being in force;
<b>“CQC”</b>	Care Quality Commission;
<b>“Dalheim”</b>	Dalheim Limited, an investing company incorporated in the Bahamas, owned solely and controlled by Karolina Karlsson, Karl Karlsson’s adult daughter;
<b>“Dalheim Warrants”</b>	the warrants issued by the Company to Dalheim pursuant to the Dalheim Warrant Instrument;
<b>“Dalheim Warrant Instrument”</b>	the warrant instrument, in the agreed form, pursuant to which the Company shall grant warrants to Dalheim;
<b>“Directors”</b>	the directors of the Company (including the Proposed Directors) whose names are set out on page 15;
<b>“EBITDA”</b>	earnings before interest, tax, depreciation and amortisation;
<b>“EEA”</b>	European Economic Area;
<b>“EC”</b>	the European Commission;
<b>“Enlarged Share Capital”</b>	the total number of Ordinary Shares in issue on Admission, comprising the Existing Ordinary Shares, the Placing Shares and the Retail Offer Shares;
<b>“Epassi”</b>	Epassi UK Limited, a company incorporated in England and Wales with company number 03997432 and its registered office at

	Rockwood House, 9-17 Perrymount Road, Haywards Heath, West Sussex, RH16 3TW;
<b>"Epassi Agreement"</b>	a framework distribution and marketing agreement dated 12 June 2025 between (1) the Company and (2) Epassi (as amended by a letter of variation dated 15 August 2025);
<b>"ESMA"</b>	European Securities and Markets Authority;
<b>"EU"</b>	the European Union;
<b>"Euroclear"</b>	Euroclear UK & International Limited, a company incorporated in England & Wales with registration number 02878738, being the operator of CREST;
<b>"Executive Directors"</b>	Jason Drummond, Justin Drummond and Adam Monaco;
<b>"Existing Ordinary Shares"</b>	the 363,083,335 Ordinary Shares (including the Fee Shares) in issue at the date of this document;
<b>"FCA"</b>	the United Kingdom's Financial Conduct Authority;
<b>"Fee Shares"</b>	the Ordinary Shares issued to certain advisers to the Company on Admission, further details of which are set out in paragraphs 12.7 and 12.14 of Part VI;
<b>"FPO"</b>	The Financial Services and Markets Act 2000 (Financial Promotion) Order 2001;
<b>"FSMA"</b>	the Financial Services and Markets Act 2000 of the UK as amended;
<b>"Fully Diluted Enlarged Share Capital"</b>	the Enlarged Share Capital together with the maximum number of shares capable of being issued on exercise of the Options and the Warrants;
<b>"Fundraise"</b>	together, the Placing and the Retail Offer;
<b>"HMRC"</b>	HM Revenue & Customs;
<b>"HSCA 2008"</b>	Health and Social Care Act 2008;
<b>"Intermediaries"</b>	financial intermediaries authorised by the FCA or the Prudential Regulatory Authority in the United Kingdom;
<b>"Investor Associate"</b>	an investor's subsidiaries and holding companies (if any) and each of the subsidiaries of any such holding companies and each of their respective officers, directors and employees from time to time;
<b>"ISIN"</b>	International Securities Identification Number;
<b>"Lock-in Agreements"</b>	the lock-in agreements, details of which are set out in paragraph 12.18 of Part VI;
<b>"Locked-In Shareholders"</b>	Shareholders who are party to the AIM Rule 7 Lock-in Agreements, the Additional Lock-in Agreements and the Short Lock-in Agreements, further details of which are set out in paragraph 12.18 of Part VI;
<b>"London Stock Exchange"</b>	London Stock Exchange Group plc;

<b>“Long Term Incentive Plan”</b> or <b>“LTIP”</b>	the MedPal AI plc Long Term Incentive Plan, details of which are set out in paragraph 18 of Part I;
<b>“MAR”</b>	the Market Abuse Regulation (2014/596/EU) (incorporating the technical standards, delegated regulations and guidance notes, published by the European Commission, London Stock Exchange, the FCA and ESMA);
<b>“MDR 2002”</b>	2002 Medical Regulations;
<b>“MHRA”</b>	Medicines and Healthcare products Regulatory Agency;
<b>“Nominated Adviser Agreement”</b>	the agreement between the Company and Cairn dated 19 August 2025, pursuant to which the Company has appointed Cairn to act as nominated adviser to the Company for the purposes of the AIM Rules for Companies and for the purpose of making the application for Admission as summarised in paragraph 12.8 of Part VI;
<b>“Non-executive Directors”</b>	Karl Karlsson and Kevin O’Neill;
<b>“Official List”</b>	the Official List of the FCA;
<b>“Options”</b>	the options to subscribe for Ordinary Shares, details of which are set out in paragraph 18 of Part I;
<b>“Orana”</b>	Orana Corporate LLP;
<b>“Orana Introduction Warrants”</b>	the warrants issued by the Company to Orana pursuant to the Orana Introduction Warrant Instrument;
<b>“Orana Introduction Warrant Instrument”</b>	the warrant instrument, in the agreed form, pursuant to which the Company shall grant to the Orana Introduction Warrants to Orana in respect of the introduction of the Epassi Agreement;
<b>“Orana Warrants”</b>	the warrants issued by the Company to Orana pursuant to the Orana Warrant Instrument;
<b>“Orana Warrant Instrument”</b>	the warrant instrument, in the agreed form, pursuant to which the Company shall grant warrants to Orana;
<b>“Ordinary Shares”</b>	ordinary shares of £0.0002 each in the capital of the Company;
<b>“Panel”</b>	the Panel on Takeovers and Mergers;
<b>“Placing”</b>	the conditional placing of 40,985,000 Placing Shares by Clear Capital at the Placing Price pursuant to the Placing Agreement;
<b>“Placing Agreement”</b>	the conditional agreement dated 19 August 2025 between (i) the Directors, (ii) the Company, (iii) Cairn; and (iv) Clear Capital, relating to the Placing;
<b>“Placees”</b>	investors to whom the Placing Shares are issued pursuant to the Placing;
<b>“Placing Price”</b>	4 pence per new Ordinary Share to be issued pursuant to the Fundraise;
<b>“Placing Shares”</b>	the 40,985,000 new Ordinary Shares to be issued by the Company and subscribed for pursuant to the Placing;
<b>“Proposed Directors”</b>	the proposed directors of the Company, whose names are set out on page 15;

<b>"Prospectus Regulation"</b>	the EU Prospectus Regulation (Regulation (EU) No. 2017/1129), as amended;
<b>"Prospectus Regulation Rules"</b>	the prospectus regulation rules made by the FCA pursuant to Part VI of FSMA (as set out in the FCA Handbook), as amended;
<b>"Registrar"</b>	Neville Registrars Limited, the Company's registrar;
<b>"Regulations 2014"</b>	The Health and Social Care Act 2008 (Regulated Activities) Regulations 2014;
<b>"Regulation S"</b>	Regulation S as promulgated under the Securities Act;
<b>"Regulatory Information Service"</b>	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements;
<b>"Relationship Agreement"</b>	the conditional agreement entered into on 19 August 2025 between (i) Jason Drummond and Justin Drummond and Marie Juste; (ii) the Company; and (iii) Cairn containing undertakings from the Significant Shareholders regarding their conduct as the largest shareholders in the Company on Admission details of which are set out in paragraph 16 of Part I;
<b>"Retail Offer"</b>	the offer of up to 9,015,000 Retail Offer Shares at the Placing Price through Intermediaries, for onward distribution to retail investors in the United Kingdom, made using the WRAP;
<b>"Retail Investors"</b>	investors to whom the Retail Offer Shares are issued pursuant to the Retail Offer;
<b>"Retail Offer Shares"</b>	9,015,000 new Ordinary Shares to be issued pursuant to the Retail Offer;
<b>"Remuneration Committee"</b>	the remuneration committee of the Board as described in Part III;
<b>"RPG"</b>	RPG Crouch Chapman LLP;
<b>"Short Lock-in Agreements"</b>	the lock-in agreements entered into by certain of the Locked-in Shareholders who are not subject to Rule 7 of the AIM Rules, pursuant to which such shareholders are restricted from disposing of their interests in Ordinary Shares for a period of 6 months from the date of Admission and who are also subject to orderly market provisions for a further 6 month period, further details of which are set out in paragraph 12.18 of Part VI;
<b>"Significant Shareholders"</b>	Jason Drummond, Justin Drummond and Marie Juste, as set out in the Relationship Agreement;
<b>"QCA"</b>	the Quoted Companies Alliance;
<b>"QCA Code"</b>	the corporate governance code for small and mid-size quoted companies published by the QCA in 2023;
<b>"SaaS"</b>	software as a service;
<b>"Securities Act"</b>	the United States Securities Act of 1933, as amended;
<b>"Shareholder Group"</b>	Jason Drummond, Justin Drummond, Marie Juste and their Associates;
<b>"Shareholders"</b>	the holders of Ordinary Shares from time to time;
<b>"subsidiary" or "subsidiary undertaking"</b>	have the meanings given to them in the Act;
<b>"Takeover Code"</b>	the City Code on Takeovers and Mergers issued by the Panel;



<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland, its territories and dependencies;
<b>“UK Prospectus Regulation”</b>	Regulation (EU) no. 2017/1129 as it forms part of retained direct EU legislation as defined in the European Union (Withdrawal) Act 2018, as amended;
<b>“uncertificated” or “in uncertificated form”</b>	recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
<b>“US” or “United States”</b>	the United States of America, its territories and possessions, any state of the United States of America and the district of Columbia and all other areas subject to its jurisdiction;
<b>“US Persons”</b>	bears the meaning ascribed to such term by Regulation S promulgated under the Securities Act;
<b>“Warrants”</b>	the Orana Warrants, the Orana Introduction Warrants, the Cairn Warrants, the Clear Capital Warrants and the Dalheim Warrants;
<b>“Winterflood Securities” or “Winterflood”</b>	Winterflood Securities Limited (registered address at Riverbank House, 2 Swan Lane, London EC4R 3GA; FRN 141455);
<b>“WRAP”</b>	Winterflood Retail Access Platform; a proprietary technology platform owned and operated by Winterflood Securities; and
<b>“WRAP Offerees”</b>	the Intermediaries’ clients, from whom the Intermediaries may determine to accept applications in the Retail Offer, in each case resident in the United Kingdom.

## DIRECTORS, SECRETARY AND ADVISERS

**Directors and Proposed Directors:**

Stig Karl-Magnus Carlsson (Karlsson) – *Proposed Non-executive Chairman*  
Jason Kingsley Drummond – *Chief Executive Officer*  
Justin Piers Drummond – *Executive Director*  
Adam Monaco – *Proposed Finance Director*  
Kevin Sean O'Neill – *Proposed Non-executive Director*

all of whose business address is at the Company's registered office

**Company Secretary:**

Orana Corporate LLP

**Registered office:**

Hill Dickinson  
The Broadgate Tower  
20 Primrose Street  
London EC2A 2EW

**Company's website:**

<https://medpalplc.com>

**Telephone number:**

+44 (0)7400 800 500

**Nominated Adviser:**

**Cairn Financial Advisers LLP**

9<sup>th</sup> Floor 107 Cheapside  
London EC2V 6DN

**Brokers:**

**Clear Capital Markets Limited**

6<sup>th</sup> Floor, Wilson's Corner  
23-25 Wilson Street  
London EC2M 2DD

**Solicitors to the Company:**

**Hill Dickinson LLP**

The Broadgate Tower  
20 Primrose Street  
London EC2A 2EW

**Solicitors to the Nominated Adviser and Broker:**

**Wedlake Bell LLP**

71 Queen Victoria Street  
London EC4V 4AY

**Auditors and Reporting Accountants to the Company:**

**RPG Crouch Chapman LLP**

40 Gracechurch Street  
London EC4A 3BF

**Registrar:**

**Neville Registrars Limited**

Neville House  
Steelpark Road  
Halesowen  
West Midlands B62 8HD

## **PART I**

### **INFORMATION ON THE COMPANY**

#### **1. Introduction**

MedPal is a UK-based digital health and AI company focused on wellness management. MedPal was incorporated in England and Wales on 23 August 2021.

The Company's core product is a non-clinical digital health app that aggregates and monitors users' health metrics and provides wellness guidance. MedPal does not provide medical advice but signposts users to appropriate care when needed.

MedPal's app is capable of aggregating data from over 100 wearable fitness trackers or health apps, such as Apple Health, Google Fit, Whoop, Fitbit, Garmin etc. into a unified health profile, enabling personalised lifestyle recommendations through its AI wellness coach. This high-level structure positions MedPal as a technology company delivering health and wellness support.

To date, the Company has raised approximately £1 million in seed funding and pre-IPO funding rounds, most recently at a price of 3p per Ordinary Share. The Company has conditionally raised £2,000,000 before expenses through the issue of 40,985,000 Placing Shares and 9,015,000 Retail Offer Shares and is seeking Admission of its Enlarged Share Capital to trading on AIM. The proceeds of the Fundraise will be used to finance further development and sales of the MedPal app. Further details of the Fundraise and the Company's intended use of proceeds are set out in paragraphs 9 of this Part I and paragraph 20 of Part VI, respectively.

#### **2. Business Overview**

The MedPal app is able to connect to over 100 fitness apps and wearables on Apple iOS and Google Android operating systems, aggregating an individual's health data into one unified profile. MedPal uses AI to provide wellbeing monitoring, lifestyle advice, and bio-hacks based on real-time data. MedPal's goal is to use conversational AI (currently in development) to take wellness assistance to the next level. MedPal aims to be one of the first voice health agents to interact with users in conversational AI, aiming to achieve human-like levels of interaction and translating raw data into meaningful insights, fitness and wellbeing alerts. MedPal also aims to be able to notify users to check on their wellbeing, recommend bio-hacks, and detect risks in real-time.

MedPal has recently entered into the Epassi Agreement. Epassi facilitates the provision of employee benefits to over 11 million people through companies such as Siemens, Volvo, Bosch and RSK Group. These benefits focus on wellbeing via personal fitness (gym membership), physical health (private healthcare) and active lifestyle (discounts on digital fitness, travel, leisure and health food brands). Under the agreement, Medpal has granted Epassi the exclusive right, from the date following completion of a successful trial of Medpal's app, to be agreed between Medpal and Epassi ("Activation Date"), until and including the first anniversary of the Activation Date ("Exclusivity Period"), to offer the app on a zero-cost basis to Epassi's clients and merchant customers ("Epassi's Clients"). Medpal has agreed to not offer, licence, distribute, or otherwise make the app available to any of Epassi's Clients or to any other business in the United Kingdom that competes with Epassi in relation to the supply of employee benefits products and services without the prior written consent of Epassi during the Exclusivity Period. During the Exclusivity Period, Epassi's Clients will be able to access the basic version of the App for free and have the option to upgrade to premium offering at any time. Epassi shall be entitled to receive 25 per cent. commission on monthly app fee income and 25 per cent. commission on all subscription fee upgrades.

#### **3. Market Opportunity**

##### ***Surging Digital Health adoption***

The addressable market for MedPal's services is vast and growing. Over 1.3 billion people globally are expected in 2025 to use digital health tools, encompassing wearables or health apps, and online health services.\* Over half of U.S adults (approximately 130 million adults) own a wearable health device such as a smartwatch, fitness tracker, or smart ring\*\*. This proliferation of personal health devices reflects a broader

\* Source: <https://www.statista.com/forecasts/1498259/digital-health-users-worldwide>

\*\* Circana – How U.S. Connected Consumers Take Charge of Personal Wellness(1006019367.1).docx

emphasis on wellbeing monitoring and self-tracking. It also leads to a large amount of health data being generated outside clinics, creating demand for wellness platforms such as MedPal that can support the user's overall wellbeing and signpost them to appropriate care when needed. MedPal does not replace professional medical advice, diagnosis or treatment.

### **Wellness AI Growth and Spending**

The intersection of wellness and AI represents a significant commercial opportunity. The global AI related fitness and wellness market is projected to grow to \$46.1 billion by 2034, up from just \$9.8 billion in 2024<sup>1</sup>. This rapid expansion is fuelled by significant investment in AI technologies. Globally, AI investment is anticipated to approach \$200 billion by 2025<sup>2</sup>. At the same time, overall healthcare expenditures remain enormous, underscoring the space for efficiency improvements. For example, U.S. healthcare spending reached \$4.9 trillion in 2023<sup>3</sup> (about 17.6 per cent. of U.S. GDP), indicating a market so significant that even marginal improvements in prevention and early intervention can translate to significant cost savings. Governments and health insurers are increasingly prioritising preventive care and AI-driven solutions to curb long-term costs and improve population health outcomes. These trends highlight a strong market tailwind for MedPal's approach to offering AI-driven health and wellness insights.

## **4. Strategy**

MedPal's commercial strategy leverages multiple channels to drive user growth and revenue, while maintaining its role as a non-clinical wellness facilitator. Key elements of the strategy include:

- **Direct-to-Consumer (D2C):** A 'freemium' model is used to onboard consumers. The basic app is free, offering health tracking and AI-driven insights. MedPal aims to convert a portion of users to a premium subscription (to be released) that provides enhanced personalised coaching and guidance. This D2C approach is intended to build brand presence and a recurring revenue base from subscriptions.
- **Partnership with Epassi:** MedPal has a strategic framework distribution and marketing partnership with Epassi, a large corporate health and fitness network. Epassi works with more than 2,000 companies and over 11 million employees on corporate wellness programmes. Through this partnership, there is potential large-scale distribution, as MedPal will be offered to multiple employers as part of employee benefit schemes, with employees who are already engaged in health and fitness programmes. This gives MedPal potential large-scale distribution in the corporate wellness market, leveraging Epassi's network of over 5,000 gyms. By integrating with employer-sponsored benefits, MedPal positions itself as a wellness tool that companies can promote for improving the wellbeing of their workforces.
- **B2B Licensing and Enterprise Solutions:** MedPal intends to pursue business-to-business opportunities by licensing its platform, which uses AI, to healthcare providers, businesses, and insurance firms. MedPal is focused on fitness type monitoring using AI and can be bundled with private health insurance plans to reduce premiums. Insurers may be incentivised to subsidise MedPal subscriptions to encourage risk reduction and lifestyle improvements. Such enterprise partnerships will potentially allow MedPal to scale via institutional channels and tap into additional revenue streams, such as licence fees, beyond the consumer app.
- **Insurance Channel Bundling:** The Company is also exploring partnerships with private health insurance providers to bundle MedPal as part of insurance wellness programs. Insurers could offer MedPal's app to their members as a value-added service for fitness and wellness monitoring. This encourages healthier habits, leading to risk reduction in the insured population. In turn, insurers may be incentivised to subsidise MedPal subscriptions to encourage risk reduction and lifestyle improvements. MedPal's aim is to be embedded into insurance plans and position the platform as an integral tool for wellness management.
- **Potential Acquisitions:** The Company operates in a highly fragmented market and the Directors believe that this means that there will be opportunities to acquire complementary businesses in the healthcare sphere. Such businesses would operate alongside, and interact with, the MedPal app, to provide users with extended functionality and a seamless service. To date, no agreements have been

<sup>1</sup> Insight Ace Analytic AI in Fitness and Wellness Market Size, Share & Trends Analysis Report

<sup>2</sup> AI investment could reach up to \$200 billion by 2025 | Merca2.0

<sup>3</sup> Healthsystemsfacts.org – US Healthcare Spending Hits \$4.9 Trillion

entered into in this respect, but acquisitions that would be considered may include online pharmacies or telehealth. Such transactions are likely to require further equity fundraises or may be undertaken through the issue of shares as consideration.

Across all channels, MedPal will adhere to its non-clinical positioning, functioning as a digital health companion that monitors fitness and wellbeing, but signposts users to specialist care when appropriate rather than diagnosing or treating directly. MedPal provides general advice based on the user's wellness data which does not replace professional medical advice, diagnosis or treatment. This strategy ensures clarity of MedPal's role. By combining direct consumer uptake with B2B and insurer partnerships, MedPal aims to accelerate its user growth and revenue while maintaining a scalable, asset-light model.

## 5. Products and Services

MedPal uses AI to provide a digital health companion:

- **Conversational AI & Voice Monitoring:** MedPal's goal is to use an AI conversational agent capable of engaging users via text or voice (currently in development). MedPal aims to develop a platform that will have the capability to make outbound voice calls to users to "check in" on their well-being. If, for example, certain health metrics trend negatively (e.g. stress levels or sleep quality), MedPal's aim is to develop a feature that can call the user to offer real-time wellness guidance or stress-reduction tips. Through these conversational interfaces, MedPal will aim to provide a human-like, always-available health assistant that keeps users engaged and supported outside of clinical settings.
- **Collating Fragmented Data:** MedPal serves as a unified health data aggregation platform that bridges the inherent fragmentation between Apple iOS and Google Android ecosystems and can connect to over 100 consumer health and wellness applications across both platforms. The platform addresses a challenge in digital health: health data remains scattered across multiple platforms and apps. For instance, Apple Watch syncs exclusively with Apple Health on iOS and cannot be used with Android devices, while Fitbit devices work across both Android and iOS, requiring third-party workarounds for Apple Watch users. MedPal overcomes these limitations by connecting to Apple Health (HealthKit) on iOS and Google Fit/Health Connect on Android, enabling data synchronisation from platform-specific devices like Apple Watch and Samsung Galaxy Watch, as well as cross-platform compatible devices from Garmin, Withings, and Xiaomi. Beyond wearables, MedPal integrates with specialised health monitoring devices including Omron blood pressure monitors, smart scales and Dexcom continuous glucose monitors, alongside popular fitness and wellness apps such as Strava, MyFitnessPal, Headspace, and Cronometer. By creating this integration layer across both major mobile operating systems, MedPal can aggregate data to provide an overview of personal health metrics. The user is presented with a unified dashboard of their key health indicators and this consolidated data feed allows MedPal to provide general wellness suggestions using AI.
- **AI Analytics and Personalised Insights:** MedPal's platform uses AI to turn raw data into wellness insights. Whereas some fitness apps only display data, MedPal uses AI to interpret it: for example, recognising that a combination of poor sleep, elevated resting heart rate, and reduced activity signal rising stress levels. The system delivers personalised wellness recommendations or "bio-hacks" – such as suggesting a breathing exercise or an earlier bedtime, tailored to the individual's data. All user questions to the chatbot are answered with context from their personal health data, making the advice individualised. In essence, MedPal acts as an AI wellness coach, continuously learning from the user's data to provide guidance.

### **Service Tiers and Pricing:**

MedPal's service is offered on a one week free introductory basis, following which users are charged £5, \$5 or €5 which provides standard health tracking, data aggregation, and baseline AI insights – enough for users to derive value and build trust in the app. In time MedPal will offer enhanced services and more in-depth analytics and coaching, for which higher fees will be charged.

All pricing is designed to be accessible, positioning MedPal as an affordable wellness tool. Importantly, the platform's non-clinical nature means users do not receive medical diagnoses from the app; instead, if a wellness concern is identified using AI, MedPal will signpost the user to appropriate care when needed.

## 6. Investment Highlights

MedPal's investment case is underpinned by a convergence of market opportunity, strategic positioning, and experienced leadership:

**Large Addressable Market:** MedPal is targeting an established and growing global market riding two powerful trends – the boom in digital health adoption and the rise of AI in healthcare and wellness. There is a large and increasing user base for wellness technology (1.3+ billion digital health users in 2025), and healthcare stakeholders are investing heavily in AI solutions; the global AI in health market is projected to be worth \$187 billion by 2030<sup>1</sup> and the global AI related fitness and wellness market is projected to grow to \$46.1 billion by 2034. This broad total addressable market provides potentially significant scope for user acquisition and revenue growth.

**Multi-Channel Growth Strategy:** The Company's diversified go-to-market approach (D2C freemium app, B2B licensing, and insurer/corporate partnerships) creates multiple potential avenues for scaling. MedPal is targeting revenue generation from consumer subscriptions as well as from enterprise clients, reducing dependence on any single channel. For instance, the Epassi partnership gives access to millions of potential users via employers, while insurance bundles could drive adoption in the private wellness segment. The Directors believe that its multi-pronged strategy will accelerate MedPal's market penetration and build a defensible position across the wellness ecosystem.

**Regulatory and Operational Positioning:** By operating as a non-clinical wellness service, MedPal avoids the high regulatory barriers and liabilities associated with practising medicine. The platform does not diagnose or treat conditions but is designed to assist users with their fitness and wellbeing. It does so by conducting a review of a customer's wellness data and then, following any such review, provides commentary and suggestions intended to improve a customer's fitness and wellbeing. It is not intended to act as a medical device and should not be treated as one. This positioning means faster time-to-market and scalability, since no clinical trial approval is required for core features. It minimises risk due to signposting users rather than making decisions. The Company's regulatory strategy thus allows it to expand rapidly in multiple regions while maintaining user safety through proper escalation protocols. If in the future MedPal introduces new medical-focussed features, the risk will be mitigated by securing relevant MHRA registration and/or by engaging healthcare professionals who will hold the relevant regulatory licences and consents.

**Strategic Partnerships and Alliances:** MedPal has secured a partnership that supports its model and provides growth leverage. The Epassi Agreement will allow MedPal to embed into established employee benefit networks and provide potential large-scale distribution as the Company will have the opportunity to offer its app to multiple employers with millions of UK employees who are already engaged in health and fitness programmes. The Company also intends to hold discussions with telehealth companies and insurers and the Directors believe that there is a strong appetite for MedPal in B2B contexts. These partnerships could not only drive user adoption but also form the basis of future enterprise contracts or bundled offerings, accelerating monetisation. MedPal's ability to integrate its app with other platforms (via APIs for data sharing, etc.) makes it a flexible partner in the digital health value chain.

**Experienced Leadership and Governance:** The Company is led by a proven team with extensive experience in scaling startups, public listings, corporate governance and medical innovation. The Directors have, collectively, launched dozens of companies (with multiple successful exits and IPOs) and have domain expertise in healthcare and AI. In addition, MedPal has engaged reputable advisers for the AIM admission to ensure the Company adheres to the market's regulatory standards. The strong leadership and advisory support position MedPal to deliver on its business plan and governance obligations as a public company.

Each of these factors contributes to MedPal's overall value proposition as an investment. The combination of a large market, a scalable tech-driven product, de-risked regulatory model, and seasoned leadership creates a solid foundation for growth on the AIM market. Investors are offered exposure to the fast-growing digital health and AI sector through a company designed to capitalise on wellness trends while maintaining prudent operational oversight. The Directors believe that the Company is well-positioned to execute its strategy and deliver long-term shareholder value in this dynamic market environment.

### ***Pre-IPO Financing***

The Company has undergone several funding rounds, raising a total of approximately £1 million to date, including the most recent pre-IPO funding round, which was undertaken at 3p per Ordinary Share, raising

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<sup>1</sup> [www.fortunebusinessinsights.com](http://www.fortunebusinessinsights.com) AI In Healthcare Market Size, Share | Industry Report, 2030



approximately £500,000. Funds have been used for the general running of the Company and for fees payable in connection with Admission.

**7. Assets of the Company**

The Company has no material operating history and has acquired the business and IP relating to the MedPal app under the Asset Purchase Agreement detailed in 12.4 of Part VI.

**8. The Market**

The market opportunity for MedPal is significant, driven by the rapid growth of the global health and wellness industry and increasing consumer demand for personalised health solutions. The connected health market is expanding with the global wearables market reaching approximately 530 million units in 2024<sup>1</sup>. The global wearable technology market size was estimated at USD 84.2 billion in 2024 and is projected to reach USD 186.14 billion by 2030<sup>2</sup>. The Directors believe that MedPal is well positioned to capitalise on this trend by offering AI-powered analytics that transform raw health data into wellness insights. Additionally, the increased focus by governments and healthcare providers on preventive healthcare, including recent initiatives like the NHS program to distribute connected health wearables, further supports MedPal's growth potential in the wellness segment. The Company's integration capabilities provide a competitive advantage in addressing the need for wellness data-driven solutions. With the potential for partnerships targeting insurance companies, corporate wellness programs, and direct-to-consumer offerings, MedPal is well-positioned to capture a share of this evolving market.

MedPal offers a solution that unifies fragmented health data to provide real-time AI-powered insights and lifestyle recommendations. While competitors, such as the Peloton app, offer isolated capabilities like fitness tracking, MedPal aims to deliver a holistic wellness experience.

**9. Reasons for Admission and Use of Proceeds**

The Company is seeking the Admission of its Ordinary Shares to trading on AIM in order to take advantage of AIM's profile, broad investor base, liquidity and access to institutional and other investors and to further support the achievement of its strategic objectives.

The Company has raised gross proceeds of £2,000,000 through the Fundraise, comprising £1,639,400 through the Placing and £360,600 through the Retail Offer. Aggregate expenses in connection with the Placing, Retail Offer and Admission are approximately £850,000 (exclusive of VAT). From the proceeds of the Company's pre-IPO fundraising rounds, the Company has settled Admission costs of approximately £225,000 and, as at 22 August 2025, held cash of approximately £275,000 which will also be applied against expenses, leaving a balance of approximately £350,000 to be settled from the gross proceeds of the Fundraise. The net proceeds of Fundraise are, therefore, approximately £1,650,000 which are intended to be used by the Company to develop the technology supporting the MedPal app, undertake marketing and partnership development and for general working capital as follows:

	£
Tech development	650,000
Marketing	575,000
Working Capital	425,000
<b>Total</b>	<u><u>1,650,000</u></u>

**10. Board, senior management and employees**

MedPal is led by an experienced management and advisory team with deep expertise in technology, healthcare, and finance.

On Admission the Board will comprise three Executive Directors, the Non-executive Chairman and one Non-executive Director. Karl Karlsson and Kevin O'Neill are considered to be independent, notwithstanding the

<sup>1</sup> Wearable Technology Market to Hit New High of US\$ 885.65 Billion By 2033 | Over 180 million Smart Watches Were Shipped in 2024 Says Astute Analytica

<sup>2</sup> Wearable Technology Market Size | Industry Report, 2030

Ordinary Shares and Options that they hold, and Karl Karlsson's connection with Dalheim. The Directors are ultimately responsible for managing the Company's business in accordance with its Articles and assessing the appropriateness of its business strategy. The Directors also have overall responsibility for the Company's activities.

The composition of the Board will be regularly reviewed to ensure it remains appropriate for the Company, such that the constitution of the Board will reflect the profile of the Company and prevailing corporate governance standards and, in particular, will retain at least one independent director at all times (using the definition set out in the QCA Code). The Directors believe the Board is comprised of a knowledgeable and experienced group of professionals with the capability and relevant experience to successfully execute the Company's strategy. The Directors are as follows:

***Stig Magnus-Karl (Karl) Karlsson, Proposed Non-executive Chairman (aged 61)***

A seasoned technology entrepreneur and venture capitalist, Mr. Karlsson serves as a General Partner at Sway Ventures, a U.S.-based venture capital firm investing in early to mid-stage technology companies. He also holds board positions at Model Medicines and AppliedVR, a company pioneering immersive therapeutics for pain management. Over a 30-year career, he has founded or co-founded eight companies, oversaw the IPO of his first tech startup, and has been instrumental in creating thousands of jobs. Karl brings strategic guidance from his extensive experience of scaling companies and a network of contacts in the healthcare innovation space.

***Jason Kingsley Drummond, Chief Executive Officer (aged 56)***

A serial tech entrepreneur with a strong track record in founding and taking companies public, Jason co-founded the fintech firm FairFX Group PLC (now Equals Group Limited), which grew into a leading online payments platform and recently achieved a £283 million acquisition exit. He also founded early internet companies such as Virtual Internet plc (sold to Web.com) and has launched multiple ventures (e.g. Betex) across fintech and online services. Notably, Jason has led 11 companies through IPOs on global stock exchanges over more than 20 years, reflecting his experience in driving growth companies to the public markets. As a co-founder and CEO at MedPal, he oversees corporate strategy and scaling operations. Jason Drummond is Justin Drummond's brother.

***Justin Piers Drummond – Executive Director (aged 52)***

Mr Drummond has had 24 years' experience with publicly listed companies, having been an investor or co-founder of a number of successful technology, telecoms and investment companies. In addition, Justin co-founded Gaming Corporation Plc in February 2000, six years after his first marketing business was established. Justin saw the company admitted to trading on AIM just a year after its formation via the reverse takeover of Chrome Technology plc in May 2001. Having started with an initial £500,000 investment, Gaming Corporation rapidly grew to a £50 million market capitalisation in just four years. In 2012, Justin stepped down from his role as chairman of two AIM quoted companies, Media Corporation plc and Clear Leisure plc, to focus on corporate finance. Justin Drummond is Jason Drummond's brother.

***Adam Monaco, Proposed Executive Finance Director (aged 33)***

Mr Monaco is a member of the Chartered Accountants of Australia & New Zealand and has over 8 years' experience. Adam began his career in audit and assurance with RSM Australia where he specialised in working with SMEs. Whilst working as an external auditor he worked in a variety of industries including mining, manufacturing and biotech.

Since moving to the UK, Adam has primarily worked with high growth VC backed tech start-ups. During this time, he used his previous experience to develop comprehensive solutions for complex financial and operational issues. Adam graduated from the University of Western Australia with a double degree in Pharmacology and Accounting/Finance.

***Kevin Sean O'Neill, FRCS. Proposed Non-executive Director (aged 62)***

Mr Kevin O'Neill, FRCS, is a Senior Consultant Neurosurgeon at Imperial College Healthcare NHS Trust, where he has over three decades of experience in neurosurgery, specialising in brain tumours, neurovascular disease, spine and peripheral nerve surgery. He has played a leading role in the development of the Brain and Central Nervous System (CNS) cancer pathway across North West Thames and has been closely

involved in national and international research programmes in neuro-oncology. As a surgeon who pursues excellence in outcomes and professionalism, he won the Top Doctor Award for Neurosurgery in 2017 and 2022 voted for by his peers.

Kevin has established and led translational research initiatives, including the Brain Tumour Research Campaign at Imperial College, and has contributed to improving surgical outcomes for brain cancer patients in the UK. He is recognised for his knowledge in advanced technologies such as digital health, artificial intelligence applications, and intraoperative imaging in neurosurgical practice.

At MedPal, Kevin provides independent oversight as a Non-executive Director, bringing his clinical expertise and perspective to the board in support of the company's mission to advance AI-driven wellness and digital health innovation.

## **11. Financial Information**

The accountant's report and audited historical financial information for the Company for the financial periods ending 31 August 2022, 2023 and 2024 and unaudited interim financial information for the six months ended 28 February 2025 are set out in Section B and Section C of Part III.

The unaudited proforma consolidated net asset statement for the Company is set out in Section B of Part IV.

## **12. Current trading and future prospects**

The Company is pre-revenue and since the end of the financial period reviewed in section C of Part III, has been focused on developing the MedPal platform and preparing for Admission.

In terms of any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year, investors should refer to Part II (in respect of risk factors).

## **13. Regulatory Environment**

### ***Registration with the Care Quality Commission ("CQC")***

CQC registration can be required under the Health and Social Care Act 2008 ('**HSCA 2008**') if it is considered that individuals or an organisation intend to provide activities that are deemed to be within the scope of the "regulated activities" that the CQC regulates. Regulated activities are defined in Schedule 1 of The Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 (the '**Regulations 2014**').

The activity that is most likely to be applicable to a healthcare application is 'treatment of disease, disorder or injury'. The Regulations 2014 state that this activity is to be provided by or under the supervision of '(a) a health care professional, or a team which includes a health care professional, or (b) a social worker, or a team which includes a social worker, where the treatment is for a mental disorder' and is 'for a disease, disorder or injury'. 'Health care professional' is defined at Regulation 4(4) of Schedule 1 to the Regulations 2014 and includes job roles which are professionally regulated. There are exclusions listed to this activity and there are professionals who are not included within the scope of the activity (e.g. pharmacists, occupational therapists etc.).

The Company has taken legal advice on the matter and does not believe that CQC registration is required to be obtained for its app as it is not engaging in any regulated activities provided by any such health care professionals as part of its app.

### ***Software as a medical device***

Software can be deemed to be a "medical device" requiring registration if it is considered that its intended use and purpose meets the relevant criteria set by the Medicines and Healthcare products Regulatory Agency (the '**MHRA**').

The MHRA is the UK regulator with responsibility for regulating medicines and medical devices. The applicable legislation for devices in Great Britain is the 2002 Medical Regulations ('**MDR 2002**').

Medical devices are defined in the MDR 2002 as follows:

“...any instrument, apparatus, appliance, software, material or other article, whether used alone or in combination, together with any accessories, including the software intended by its manufacturer to be used specifically for diagnosis or therapeutic purposes or both and necessary for its proper application, which –

- (a) is intended by the manufacturer to be used for human beings for the purpose of—
  - (i) diagnosis, prevention, monitoring, treatment or alleviation of disease,
  - (ii) diagnosis, monitoring, treatment, alleviation of or compensation for an injury or handicap,
  - (iii) investigation, replacement or modification of the anatomy or of a physiological process, or
  - (iv) control of conception; and
- (b) does not achieve its principal intended action in or on the human body by pharmacological, immunological or metabolic means, even if it is assisted in its function by such means.”

It follows from this definition that, while the MDR 2002 specifically includes software within its scope, it is also necessary to consider the intended use and purpose of the software to determine whether or not it constitutes a medical device. The MHRA has published the following guidance on decision support software:

“Decision support software is usually considered a medical device when it applies automated reasoning such as a simple calculation, an algorithm or a more complex series of calculations. For example, dose calculations, symptom tracking, clinicians guides to help when making decisions in healthcare. This is likely to fall within the scope of the UK MDR 2002. Some decision support software may not be considered to be a medical device if it exists only to provide reference information to enable a healthcare professional to make a clinical decision, as they ultimately rely on their own knowledge. However, if the software/ app performs a calculation or interprets or interpolates data and the healthcare professional does not review the raw data, then this software may be considered a medical device. Apps are increasingly being used by clinicians who will rely on the outputs from this software and may not review the source/raw data.”

There are also elements of ‘monitoring’ that also may be relevant to the app, particularly the MHRA states in its guidance that:

“Apps and software that monitor a patient and collects information entered by the user, measured automatically by the app or collected by a point of care device may qualify as a medical device if the output is intended to affect the treatment of an individual”.

The Company does not believe that the MedPal app falls into the MHRA's definition of a medical device.

#### **14. Details of the Fundraise**

Clear Capital has conditionally agreed, pursuant to the Placing Agreement and as agent for the Company, to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price. The Placing will raise, in aggregate, approximately £1.64 million (before expenses) for the Company. The Placing is not underwritten, and is conditional upon, *inter alia*, Admission becoming effective by not later than 8.00 a.m. on 26 August 2025 (or such date as the Company, Cairn and Clear Capital may agree, being not later than 5.00 p.m. on 9 September 2025) and on the Placing Agreement not being terminated.

The Company has also conditionally raised approximately £360,000 (before expenses) through the Retail Offer at the Placing Price, via the WRAP. The Company launched the Retail Offer on 20 August 2025 through WRAP and closed the Retail Offer on 21 August 2025. The issue of the Retail Offer Shares is conditional on the Placing and Admission but the Placing is not conditional on the Retail Offer.

Following Admission, the Placing Shares will represent in aggregate, approximately 9.92 per cent. of the Enlarged Share Capital and the Retail Offer Shares will represent in aggregate, approximately 2.18 per cent. of the Enlarged Share Capital. The Placing Shares and the Retail Offer Shares will be issued as fully paid and will, upon issue, rank *pari passu* with the Existing Ordinary Shares including the right to receive all dividends and other distributions declared, made or paid on or in respect of such shares after their date of issue, being the date of Admission.

Further details of the Placing Agreement and the Retail Offer are set out in paragraph 12.5 and 12.6 respectively of Part VI.

## **15. Lock-ins and orderly market arrangements**

The Directors, who, at Admission will hold in aggregate 217,500,000 Ordinary Shares (representing approximately 52.65 per cent. of the Enlarged Share Capital) have, in accordance with Rule 7 of the AIM Rules for Companies, undertaken not to (and to use their best endeavours to procure that their connected persons shall not), save in limited circumstances permitted by the AIM Rules for Companies, dispose of any of their interests in Ordinary Shares (including any Ordinary Shares that they may acquire through the exercise of Options) at any time prior to the first anniversary of Admission.

Oscar Drummond, Phoebe Drummond, Matthew Drummond, Dalheim and Marie Juste, who at Admission will hold in aggregate 20,500,000 Ordinary Shares (representing approximately 4.96 per cent. of the Enlarged Share Capital) have undertaken pursuant to the Additional Lock-In Agreements not to (and to use their best endeavours to procure that their connected persons shall not), save in limited circumstances, dispose of any of their interests in Ordinary Shares (including any Ordinary Shares that they may acquire through the exercise of Options) at any time prior to the first anniversary of Admission.

In addition, in order to ensure an orderly market in the Ordinary Shares, the Directors, Oscar Drummond, Phoebe Drummond, Matthew Drummond and Marie Juste have further undertaken, that they shall not (and that they will use their best endeavours to procure that their connected persons shall not) for a further period of 12 months (subject to certain limited exceptions) deal or otherwise dispose of any such interests (a) without the prior written consent of Cairn and Clear Capital and (b) only through Clear Capital or such other reputable broking service as the Locked-In Shareholders shall, from time to time, determine (provided that, in all cases, any such broker consults Clear Capital in order to maintain an orderly market in the Ordinary Shares).

Certain other Locked-In Shareholders, who at Admission will hold in aggregate 105,083,335 Ordinary Shares (representing approximately 25.44 per cent. of the Enlarged Issued Share Capital), have undertaken pursuant to the Short Lock-In Agreements not to, save in limited circumstances, dispose of any of their interests in Ordinary Shares at any time during the first six months following Admission. In addition, these Locked-in Shareholders have further undertaken, that they shall not for a further period of six months (subject to certain limited exceptions) deal or otherwise dispose of any such interests (a) without the prior written consent of Cairn and Clear Capital and (b) only through Clear Capital or such other reputable broking service as the Locked-In Shareholders shall, from time to time, determine (provided that, in all cases, any such broker consults Clear Capital in order to maintain an orderly market in the Ordinary Shares). Further details of the lock-in and orderly-market arrangements are set out in paragraph 12.18 of Part VI (Additional Information).

## **16 Relationship Agreement**

Jason Drummond and Justin Drummond and Marie Juste will together hold 220,000,000 Ordinary Shares on Admission, representing approximately 53.26 per cent. of the Enlarged Share Capital. Each of Jason Drummond and Justin Drummond and Marie Juste (together, the "Significant Shareholders") have agreed to enter into a relationship agreement on or around Admission, pursuant to which they undertake to the Company, Cairn and the Broker that, for so long as they, together with their related parties (and any of their respective related parties) are interested in Ordinary Shares representing 20 per cent. or more of the Company's issued share capital, will not act to unduly influence the Company or its Board and will ensure that transactions entered into by the Significant Shareholders with the Company are on an arms' length basis and independently considered by the Board.

The Relationship Agreement provides that for so long as Jason Drummond and Justin Drummond and Marie Juste are interested in Ordinary Shares representing more than 20 per cent. of the Company's issued share capital, then as a group they shall be entitled to appoint one director to the Board subject to the obligation to consult with and obtain the prior written approval of Cairn or the Company's nominated adviser at the time. In the event that either Jason Drummond or Justin Drummond cease to hold office as a Director, whichever of Jason Drummond or Justin Drummond does not cease to hold office as a Director and remains on the Board shall be the Nominated Director for the purpose of the Relationship Agreement.

Details of the Relationship Agreement are set out in paragraph 12.19 of Part VI.

## 17. Corporate Governance

The Directors recognise the importance of sound corporate governance commensurate with the size and nature of the Company and the interests of its Shareholders. The Directors have decided that the Company will, from Admission, adopt the QCA Code. Details of the Company's corporate governance arrangements and how it addresses the ten principles of the QCA Code are set out in Part V.

## 18. Share Options/Incentives

The Board has adopted the Long Term Incentive Plan for the purpose of encouraging the retention and performance of the Directors and future employees. 40,308,331 Options over Ordinary Shares have been granted to the Directors and are exercisable subject to performance conditions for the Executive Directors and in the case of the Non-executive Directors, to time served on the Board.

Details of the Long Term Incentive Plan and the attached conditions are set out in paragraph 10 of Part VI.

## 19. Warrants

As at the date of this document, the Company has agreed to grant the following Warrants, such grants being made subject to and conditional on Admission:

<i>Warrant type</i>	<i>Number</i>	<i>Exercise Price per share</i>	<i>Exercise Period</i>
Orana Warrants	4,130,833	4p	5 years from Admission
Orana Introduction Warrants	75,000,000	1p per share	5 years from 26 August 2025 (subject to vesting criteria being satisfied)
Cairn Warrants	4,130,833	4p	7 years from 26 August 2025
Dalheim Warrants	11,500,001	3p per share	5 years from 28 February 2026
Clear Capital Warrants	40,985,000	4p	5 years from 26 August 2025
<b>Total</b>	<u>135,746,667</u>		

## 20. Dividend Policy

The Company has not yet realised any revenue from its platform. Accordingly, the Directors do not intend to pay a dividend for the foreseeable future. Even once the Company has achieved sufficient profitability and requirements for working capital are such that it is prudent to do so, the Directors may not determine to pay any dividend or make any other form of distribution.

## 21. Taxation

### ***Enterprise Investment Scheme (EIS)***

The Company has applied for advance assurance for EIS eligibility but to date this has not been received from HMRC.

If advance assurance is given by HMRC then there continues to be a risk that the legislation may change before any Ordinary Shares are issued. In such a case, HMRC's advance assurance may no longer apply. HMRC also cannot guarantee that any particular subscriber for Ordinary Shares will get tax relief under the EIS. Any person who is in doubt as to their tax position should consult their professional tax adviser so that they may fully understand how the rules apply in their particular circumstances.

Information regarding taxation is set out in paragraph 18 of Part VI. These details are intended as a general guide only to the position under current UK taxation law as at the date of this document.

Information regarding certain taxation considerations for corporate, individual and trustee Shareholders in the United Kingdom with regard to Admission is set out in paragraph 18 of Part VI.



## 22. Applicability of the Takeover Code

The Takeover Code (the “**Code**”) applies to MedPal AI plc. Under Rule 9 of the Code, any person who acquires an interest in shares which, taken together with shares in which that person or any person acting in concert with that person is interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Code, is normally required to make an offer to all the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with that person, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of the voting rights of the company, an offer will normally be required if such person or any person acting in concert with that person acquires a further interest in shares which increases the percentage of shares carrying voting rights in which that person is interested.

An offer under Rule 9 must be made in cash at the highest price paid by the person required to make the offer, or any person acting in concert with such person, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

The Company has agreed with the Panel that the following persons are acting in concert in relation to the Company: CEO Jason Drummond and his three adult children Phoebe Drummond, Matthew Drummond and Oscar Drummond, Executive Director Justin Drummond and his co-habiting partner Marie Juste.

Immediately following Admission, the members of the Concert Party will be interested in 223,000,000 Ordinary Shares, representing approximately 53.9 per cent. of the voting rights of the Company. In addition, Jason Drummond and Justin Drummond hold 26,246,665 Options over shares in the Company. Assuming exercise in full of the Options held by Jason and Justin Drummond (and assuming no other changes to the Company's issued share capital), the members of the Concert Party would be interested in 249,246,665 Ordinary Shares representing approximately 56.7 per cent. of the Company's so enlarged share capital. A table showing the respective individual interests in Ordinary Shares of the members of the Concert Party on Admission is set out in paragraph 15.5 of Part VI.

Following Admission, the members of the Concert Party will hold shares carrying more than 50 per cent. of the voting rights of the Company and (for so long as they continue to be acting in concert) may accordingly increase their aggregate interests in shares without incurring any obligation under Rule 9 to make a general offer under Rule 9, although individual members of the Concert Party will not be able to increase their percentage shareholding through or between a Rule 9 threshold, without Panel consent (other than in connection with the exercise of the Options that they already hold).

Further information on the provisions of the Takeover Code and the holdings of the Concert Party is set out in paragraph 15 of Part VI.

## 23. Admission, Settlement and Dealings

Application has been made to the London Stock Exchange for the Enlarged Share Capital to be admitted to trading on AIM. It is expected that Admission will become effective and dealings will commence in the Enlarged Share Capital at 8.00 a.m. on 26 August 2025. No application has or will be made for the Ordinary Shares to be admitted to trading or to be listed on any other stock exchange.

No temporary documents of title will be issued. All documents sent by or to a Placee or Retail Investor will be sent through the post at the Placee's or the Retail Investor's own risk. Pending the dispatch of definitive share certificates, instruments of transfer will be certified against the register of members of the Company.

The above-mentioned dates and times may be changed without further notice.

The Ordinary Shares will be in registered form and will be capable of being held in either certificated or uncertificated form (i.e. in CREST).

Cairn has been appointed as the Company's nominated adviser in relation to Admission, Clear Capital has been appointed as the Company's Brokers in relation to the Placing and Winterflood Securities has been appointed in relation to the Retail Offer.

## **24. CREST**

CREST is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument in accordance with the CREST Regulations.

The Ordinary Shares will be eligible for CREST settlement. Accordingly, following Admission settlement of transactions in the Ordinary Shares may take place within the CREST system if a Shareholder so wishes. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates are able to do so.

For more information concerning CREST, Shareholders should contact their stockbroker or Euroclear UK & International Limited at 33 Cannon Street, London EC4M 5SB or by telephone on +44 (0) 20 7849 0000.

## **25. Risk Factors and Additional Information**

Your attention is drawn to the additional information set out in Parts II to VI (inclusive). You are recommended to read all the information contained in this document and not just rely on the key or summarised information. In particular, prospective investors should read in full the Risk Factors set out in Part II.

## **PART II**

### **RISK FACTORS**

**An investment in the Ordinary Shares may not be suitable for all prospective investors and is subject to a number of risks. Before making an investment decision, prospective investors are advised to consider carefully the risks and uncertainties associated with an investment in the Ordinary Shares, the Company's business and the industry in which it operates and to consult a professional adviser authorised under FSMA who specialises in advising on investments of the kind described in this document. Prospective investors should consider carefully whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them.**

**In addition to the other relevant information set out in this document, the Directors consider that the following risk factors, which are not set out in any particular order of priority, magnitude or probability, are of particular relevance to the Company's activities and to any investment in the Company. It should be noted that additional risks and uncertainties not presently known to the Directors or which they currently believe to be immaterial may individually or cumulatively also have a material adverse effect on the Company's operating results, financial condition and prospects. Any one or more of these risk factors could have a materially adverse impact on the value of the Ordinary Shares and/or the Company's business, financial condition, results of operations or prospects and should be taken into consideration when assessing the Company.**

**There can be no certainty that the Company will be able to implement successfully the strategy set out in this document. No representation is or can be made as to the future performance of the Company and there can be no assurance that the Company will achieve its objectives.**

**It should be noted that the factors listed below are not intended to be exhaustive and do not necessarily comprise all of the risks to which the Company is or may be exposed or all those associated with an investment in the Company. In particular, the Company's performance is likely to be affected by changes in market and/or economic conditions, political, judicial and administrative factors and in legal, accounting, regulatory and tax requirements in the areas in which it operates. There may be additional risks and uncertainties that the Directors do not currently consider to be material or of which they are currently unaware which may also have an adverse effect upon the Company.**

**If any of the risks referred to in this Part II occur, the Company's business, financial condition, results or future operations could be materially adversely affected. In such case, the price of the Ordinary Shares could decline and investors may lose all or part of their investment.**

#### **Investment in Early-Stage Companies**

An investment in the Company, a startup-stage business, carries significant risk and is only suitable for investors who can evaluate and bear the risks of an early-stage enterprise. The Company has a limited operating history and no track record of revenue generation, making it difficult to assess its commercial viability. The Company has not yet generated revenues and expects to continue incurring losses as it invests in developing its platform. Even if profitability is achieved, there is no assurance it can be sustained and prior and expected future losses may adversely affect the Company's financial position and its ability to raise additional capital. Investors should note that past performance (or lack thereof) is not indicative of future results, and they may lose all or part of their investment.

#### **Substantial Funding Requirements**

The Company will require substantial operating capital to execute its business plan. As a pre-revenue company, the Company is dependent on external financing to meet its working capital needs and growth objectives. It may need to raise additional equity or debt in the medium term to fund ongoing operations and expansion. There can be no guarantee such funding will be available when needed, or on acceptable terms. Any new equity financing could dilute existing shareholders' interests, and debt financing may impose restrictive covenants or require assets as security. If the Company cannot obtain sufficient funding on timely

terms, it may have to curtail or delay its business development, which would have a material adverse effect on its financial condition and prospects.

## **AI Technology and Regulatory Risks**

### ***Potential Need for Regulatory Approvals***

Although the Company's mobile platform is positioned as a non-clinical wellness service, there is a risk that regulators may reclassify or require approval of its software as a medical device or health product in the future.

Software can be deemed to be a "medical device" requiring registration if it is considered that its intended use and purpose meets the relevant criteria set by the Medicines and Healthcare products Regulatory Agency (the 'MHRA'). Based on the legal advice obtained, the Company does not believe that the app falls into the MHRA's definition of a medical device as at the date of Admission but this needs to be regularly reviewed and monitored by the Company if any new features are introduced. If in the future, the Company wishes or needs to obtain the regulatory approval for the app being a "medical device", for example due to new features being introduced, it cannot be guaranteed that the Company would obtain such approval.

Registration with the Care Quality Commission ('CQC') may be required under the Health and Social Care Act 2008 ('HSCA 2008') if it is considered that an organisation intends to provide activities that are deemed to be within the scope of the "regulated activities" that the CQC regulates. The Company does not believe that the CQC registration is required to be obtained for its app as at the date of Admission as it does not believe it is engaging in any regulated activities provided by any such health care professionals as part of its app.

The Company has put in place a compliance policy to ensure that the app is in compliance with the applicable medical and data protection regulations. In accordance with the policy, if the Company proposes to implement any changes to the app that could result in the changes to the processing of personal data and special category of data of its users, the app may be deemed to be a medical device requiring a registration with the MHRA or the provision of activities could fall within the scope of the regulated activities regulated by the CQC, the Company shall promptly refer the proposed changes to the Company's solicitors for review.

In addition, regulatory regimes differ by country, and an approval in one jurisdiction does not guarantee approval elsewhere. Therefore, if the Company wished for its app to be available to users located outside of the UK, the Company would need to ensure it does not breach any local regulatory laws and regulations.

Navigating these approval processes can be time-consuming and costly; any delay or failure in obtaining necessary certifications would prevent the Company from offering the app in the market and could materially harm its growth prospects. Moreover, even after initial approval, the Company must comply with ongoing regulatory obligations. If the Company fails to comply with medical device laws or other health and wellness related regulations, or if authorities raise safety or efficacy concerns, the Company could be subject to enforcement actions, product modifications/withdrawals, or liability claims that adversely impact its business and reputation.

### ***Regulatory Uncertainty in Digital Health***

The use of AI in healthcare and wellness is an evolving area subject to increasing regulation. Regulatory authorities in various jurisdictions are still developing appropriate frameworks for digital health services, which often do not fit neatly into existing categories. Consequently, the regulatory treatment of the Company's AI-driven platform is uncertain and may change. Changes in laws, regulations or guidance (for example, around data protection, health software, or AI-specific rules) could impose additional compliance obligations or restrictions on the Company's operations. The Company could incur significant costs to comply with new requirements or need to alter its services, and any inability to meet regulatory standards might adversely affect its business. In some jurisdictions, regulators may in the future view certain features of the platform as regulated medical services, which would subject the Company to further oversight or certification requirements. Failure to adhere to evolving regulatory requirements could result in penalties or limitations on the Company's activities.

### ***Algorithm Limitations and Liability***

The Company's services rely on artificial intelligence algorithms to generate wellness insights. AI technologies have inherent limitations, and there is no guarantee that the platform's recommendations or analyses will always be accurate, unbiased, or suitable for every user. The data used by the algorithms may be incomplete or introduce bias, and the AI's predictive models may produce errors or unanticipated outcomes. Any erroneous or misleading health, wellness or fitness suggestions provided to users could result in inappropriate health, wellness or fitness decisions or a false sense of security. In a worst-case scenario, users might suffer harm by relying on the platform's guidance, which could expose the Company to product liability claims or other legal disputes. The Company may face lawsuits or regulatory scrutiny if its AI outputs are alleged to have caused injury or failed to detect a health risk, even if the app is not intended to provide medical advice. Such claims, even if not successful, could damage the Company's reputation, require significant management attention, and incur substantial defence costs. Furthermore, the Company's insurance may not cover all potential liability (for example, novel claims related to AI outcomes or data usage might fall outside policy coverage), leaving the Company financially responsible for any settlements or judgements. Ensuring the safety, accuracy and ethical use of AI is an ongoing challenge, and any perceived lapse could diminish user and investor confidence in the platform.

### ***The Company is Reliant on Third Party AI***

The Company does not have proprietary AI and it relies on third-party AI to operate some elements of its app. The Company has not worked with the AI provider to develop any specific learning algorithm. The Company will not be able to work with the provider to make improvements to the AI platform or the results generated. There is no guarantee the AI that the Company uses will be able to generate appropriate results (as set out in the risk factor above "*Algorithm Limitations and Liability*") and the Company may at some point in the future explore other AI providers. In addition, the Company cannot negotiate the cost of the subscription for the AI platform. Whilst it is anticipated that as the AI is developed, the cost of AI subscriptions will be reduced, there is no guarantee that the cost of AI subscription will not be prohibitive to the Company or significantly impact on its profits.

### ***Data Privacy and Cybersecurity Risks***

#### ***Data Protection and Privacy Compliance***

The Company handles sensitive personal data (including health-related information) as part of its wellness monitoring service. It is therefore subject to stringent data protection and privacy laws, regulations and industry standards. Compliance with data protection laws is complex and costly, and these laws are rigorously enforced. The Company must ensure that personal data is dealt with lawfully and with a high standard of security. There is a risk that personal data could be wrongfully accessed, lost, or disclosed through human error, system failure, or malicious activity. Any breach of data security or privacy lapse – for example, a leak of users' health information or other confidential data – could have severe consequences. The Company could face regulatory investigations and substantial fines for non-compliance with data protection laws. It may also incur liability to customers or partners under data protection agreements and suffer loss of goodwill and user trust. Any widely publicised data breach would likely damage the Company's reputation and make individuals or businesses less inclined to use its platform. Maintaining robust data protection controls and keeping pace with evolving privacy regulations (including forthcoming AI oversight rules that may govern use of personal data) is critical; failure to do so could materially affect the Company's operations and legal standing.

#### ***Cybersecurity Threats and IT Systems***

The Company's platform and operations rely on complex information technology systems, cloud infrastructure, and the internet. This exposes the Company to cybersecurity threats such as hacking, malware, ransomware, or unauthorised access by insiders. Cyber-attacks could be perpetrated by external actors (ranging from individual hackers to organised criminal groups or state-sponsored agencies) or could result from insider misconduct. The risk of cyber intrusion is heightened for companies handling personal health data, as this data is highly valuable and sensitive. If the Company's systems are compromised, attackers might steal or corrupt critical data, including proprietary algorithms or user information, or even disrupt the availability of the service. Despite the Company's implementation of security measures, no system is completely secure and the Directors cannot guarantee that all cyber-attacks will be prevented or detected. In the event of a successful attack, the Company could incur immediate financial costs to investigate and remediate the breach, including repairing systems and notifying affected individuals. The Company may

also face legal liabilities (for example, claims for misuse of personal data or contractual breaches) and regulatory penalties. A serious cybersecurity incident could force suspension of the platform's operations, causing loss of revenue and customer confidence. Additionally, any extended downtime or data loss could harm the Company's relationships with users and commercial partners. Beyond direct costs, the reputational damage resulting from a publicised cyber incident could have long-term effects, deterring potential users and investors. Ensuring ongoing resilience of IT defences and quickly responding to any security incidents will be essential to the Company's business continuity.

## **Operational and Management Risks**

### ***There is No Guarantee that Users Will Be Downloading the Premium Version of the App***

The MedPal app operates the 'freemium' model to onboard customers, meaning that the basic app is free, offering health tracking and AI-driven insights. MedPal aims to convert a proportion of its users to a premium subscription that provides enhanced features. Part of MedPal's revenue is intended to be generated from the premium subscriptions. Low levels of the subscription to the premium service could have a negative impact on the Company's commercial prospects and financial results and restrict and delay its ability to generate significant revenues.

### ***The Company Does Not Currently Have Many Collaborations in Place***

MedPal intends to pursue business-to-business opportunities by licensing its AI platform to healthcare providers, businesses, and insurance firms. In addition, the Company aims to partner with private health insurance providers to bundle MedPal as part of insurance wellness programs. Save for the partnership with Epassi, the Company does not have any collaborations in place as at the date of this document. The Company has identified certain providers that it could collaborate with, but has not entered into binding agreements. There is no guarantee that the Company will be able to secure such partnerships and generate additional revenue streams. Furthermore, while the partnership with Epassi presents an opportunity to access multiple employers with millions of UK employees who are already engaged in health and fitness programmes, there can be no guarantee as to the volume or number of customers that will be acquired through this arrangement.

### ***Challenges in Scaling and Growth Management***

Although this is not guaranteed, the Company anticipates rapid growth in its user base, product scope, and team size as it moves from startup phase toward commercialisation. Managing this growth effectively presents a significant operational challenge. Rapid scaling may place heavy strain on the Company's management and resources. The Company will need to recruit and train new employees, including technical, customer support, and administrative staff, and possibly establish overseas operations as it expands geographically. Such expansion requires robust management processes and infrastructure. As a young organisation, some of the Company's systems and internal controls are still maturing; there is a risk that the existing management team and structures may become overstretched. Difficulties in scaling could manifest as declining service quality, slow customer support response, product development delays, or financial control weaknesses. If the Company fails to manage its growth effectively, this could disrupt operations and undermine performance, adversely affecting its business results. For example, insufficient personnel or expertise might lead to project delays, or inadequate operational oversight could result in errors or inefficiencies. The Directors recognise that future success depends on strengthening operational capacity in line with growth. Any significant failure in this regard could negatively impact the Company's ability to execute its strategy and could damage its reputation with customers and investors.

### ***Dependence on Key Personnel and Talent Retention***

The Company's success is highly dependent on a small number of key directors and managers, including its founders. These individuals possess unique knowledge, skills, or business relationships that are crucial to developing and commercialising the Company's platform. The loss of any key personnel, whether through departure to a competitor or other reasons, could have an immediate and detrimental effect on the Company's progress. Replacing specialised talent in the fields of artificial intelligence and digital health can be difficult, as such skills are in high demand across the tech industry. Larger technology and healthcare companies with greater financial resources may prove more attractive to the same pool of talent and may actively recruit the Company's employees. The Company will implement incentives such as a share option scheme and non-compete agreements to encourage retention of key staff. However, these measures may not be sufficient to prevent turnover – for instance, a decline in the Company's share price could reduce the



perceived value of equity incentives. If the Company is unable to attract, hire, and retain talented personnel at all levels, this would likely delay or undermine the implementation of its growth plans and technological development. In particular, any inability to hire adequate numbers of AI specialists, software developers, or experienced commercial leaders as the business grows could constrain the Company's capacity to improve the product and expand its market presence. A failure to retain key team members or to recruit suitable replacements in a timely manner could therefore have a material adverse effect on the Company's business, financial condition, and results of operations.

### ***Dependence on external experts***

MedPal does not employ its own technical experts (such as AI engineers and data scientists) but engages a service provider, Newsoft LLC ('Newsoft') under a master service agreement, to develop the app. There is no guarantee that Newsoft will continue to perform the services to the high standard or that they will be able to develop all of the features that the Company may wish to introduce in the future (for example, the outbound voice calls that the Company intends to develop). There is no guarantee that Newsoft will be able to provide the services within the agreed cost or timeline. Termination of the agreement, by either party, could lead to delays in any further developments of the app and therefore have a material adverse effect on the Company's business and results of operations.

### ***Internal Controls and Governance***

As an early-stage company, the Company's internal controls, compliance procedures, and corporate governance frameworks are still being fully developed and formalised. The relatively small size of the Company and limited segregation of duties can increase operational risks. Establishing robust internal controls is important to prevent errors or fraud, but the Company may not yet have a comprehensive infrastructure equivalent to that of a larger, more mature organisation. This creates a risk of control failures or oversight lapses. The Company is also subject to AIM regulations and other legal requirements (such as the UK Bribery Act) which require effective governance and compliance systems. Any weakness in financial reporting controls or regulatory compliance could lead to misstatements, regulatory breaches, or other adverse consequences. The Company has policies in place to comply with anti-fraud and anti-corruption laws, but it is not possible to guarantee that these will be effective in all circumstances. The Company may expand into new markets with different business practices, potentially increasing exposure to fraud or bribery risks despite training and oversight. If any instance of fraud, bribery, or other misconduct by an employee, contractor, or business partner were to occur, the Company could face serious repercussions. These include potential civil or criminal penalties, regulatory sanctions, and significant reputational damage. Public allegations of misconduct could undermine stakeholder trust in the Company's management. Moreover, investigations or litigation related to internal control failures or compliance issues would be costly and divert management attention. Ensuring strong governance is also essential for an AIM-quoted company to meet ongoing listing obligations; any failure in this regard could compromise the Company's admission to trading on AIM or result in censure. Overall, deficiencies in the Company's internal controls or governance practices could impair its operational integrity and investor confidence in the Company.

### ***The Company does not have any registered trademarks***

The Company has applied for the word "MedPal AI" to be registered as a trademark with the UK Intellectual Property Office. This proposed word mark is pending approval. There is no guarantee that the application will be accepted and that the word "MedPal AI" will be trademarked. The Company also intends to apply for its logo to be registered as a trademark with the UK Intellectual Property Office. However, there is no guarantee that the application will be accepted and that the Company's logo will be trademarked.

In addition, there are existing trademarks registered outside of the UK (in particular in New York) with a similar word mark. The Company has not received any objection to its proposed registration in the UK. The Company will also need to be vigilant of the other similar trademarks being registered in the US and other jurisdictions so that it does not breach the other trademarks when operating in the US and other jurisdictions. There can be no assurance that the Company's proposed word mark or logo will not be challenged by third parties. The Company does not have the resources to defend such potential claims from time to time.

## Market and Competitive Risks

### ***Intense Competition and Market Dynamics***

The market for digital health and wellness platforms is highly competitive and fast-moving. The Company faces competition from a range of players, including well-funded global technology companies, healthcare software firms, and other start-ups, many of whom are also leveraging AI for health monitoring. Some of these competitors (for example, large tech companies expanding into health tracking, or established telehealth providers) have substantially greater financial, technical, and marketing resources than the Company. They may also have existing customer bases and partnerships (e.g. with healthcare providers, insurers, or employers) that give them an advantage in market penetration. Competitors with deeper resources can invest more in product development and user acquisition, potentially offering more advanced features or aggressive pricing that the Company may struggle to match. Additionally, new entrants can rapidly emerge in this sector – the barriers to creating basic wellness apps are relatively low, and the growing market opportunity is attracting continuous innovation. It is possible that new or improved products from competitors could come to market that diminish the appeal of the Company's offering. For instance, a competitor might offer a similar AI-driven wellness app for free (subsidised by other business lines) or integrate wellness monitoring into popular existing platforms or devices, thereby limiting demand for the Company's standalone service. If a competitor's product is perceived as more effective, easier to use, or more secure with respect to data privacy, customers may prefer it over the Company's platform. Furthermore, large enterprises in adjacent industries (such as wearable device manufacturers or electronic health record providers) might decide to enter the non-clinical wellness AI space, leveraging their brand and distribution channels. An increase in competitive pressure could manifest in higher costs for user acquisition (as rivals bid up marketing channels), the need for greater R&D expenditure to keep up with technology advances, or downward pressure on any future prices the Company can charge. Such competition could delay the Company in reaching break-even or profitability, as well as reduce its potential market share. There is no guarantee that the Company will be able to compete successfully against current or future competitors, and failure to do so would have a material adverse effect on its business and financial results.

### **Unproven Business Model and Execution Risks**

The Company's business model is unproven at commercial scale. As at Admission, the Company is pre-revenue and intends to monetise its AI wellness platform through future subscriptions, partnerships, or other revenue streams that have yet to be tested in the market. There is a risk that the Company's strategy for generating income (for example, premium subscription services, data insights sales, or employer licensing deals) will not achieve broad market acceptance or financial success. The rate of user adoption and engagement on the platform will be a critical determinant of success. If the Company fails to attract a sufficiently large and active user base, it may not be able to generate meaningful revenue or achieve the network effects needed to enhance the service's value. User growth and engagement could be negatively impacted by numerous factors, including:

- **Value Proposition and Trust:** If target users (individual consumers or corporate clients) do not perceive the platform's health insights to be useful, reliable and trustworthy, they may not use the service regularly or at all. Any concerns about the accuracy of the AI recommendations or the scientific validity of the wellness data provided could limit user retention and referrals. Building credibility in health-related AI is challenging, and users may be sceptical of non-clinical advice without validation by medical professionals.
- **Data Privacy and User Concern:** Privacy is a key consideration for any health-related application. If users are uncomfortable with how their personal data is handled – for instance, if they fear it could be shared inappropriately or misused – they may hesitate to use or continue using the platform. Negative perceptions about data sharing policies or any past incident of data misuse (by the Company or even by industry peers) could strongly deter new sign-ups and prompt existing users to leave.
- **User Experience and Technical Issues:** The success of the mobile platform depends on delivering a positive user experience. Technical problems such as app crashes, slow performance, poor integration with users' smartphones or wearable devices, or incompatibility with popular mobile operating systems could frustrate users. If the Company's app is not continually refined to meet user expectations for convenience and functionality, people may abandon it for alternatives. Moreover, introducing new features that are not favourably received or failing to promptly fix bugs can erode the user base.

- **Competition and Alternatives:** As noted above, users have many choices for health and wellness tracking. If a substantial number of users engage with competing products – for example, free fitness apps or built-in smartphone health tools – the Company could see lower growth. The presence of a major competitor’s ecosystem (such as a device-maker linking hardware to exclusive health software) might limit the Company’s ability to acquire users in that segment.
- **Negative Publicity:** The Company is exposed to the risk of negative media coverage or word-of-mouth, which can spread quickly online. This could arise from a variety of events: a security breach, a widely publicised user complaint, regulatory criticism of the app, or even broader scepticism about AI in healthcare. Any adverse media reports or social media trend casting the platform in a negative light could rapidly undermine public trust and interest. In the early stages of building a brand, reputation is particularly fragile; bad press could dramatically slow user acquisition and make partners hesitant to collaborate.

If the market does not develop as the Company anticipates, or if the Company fails to execute its business model effectively for any of the reasons above, the Company may never achieve a scalable commercial operation. In such case, its revenues and results would be well below expectations, and the business may need to be fundamentally reevaluated. The inability to monetise the platform despite user growth (or the failure to grow users sufficiently) would cast significant doubt on the Company’s viability as a going concern. Ultimately, if the Company cannot achieve meaningful market traction and revenue generation, it may not become profitable at all, and its financial condition would suffer accordingly. Each of the factors outlined above, individually or in combination, could materially and adversely affect the Company’s business, prospects, results of operations and financial condition.

### **Competitive Advantage and Technological Change**

The field of AI-driven health analytics is characterised by rapid innovation. Even if the Company is successful in launching its product, maintaining a competitive advantage will require continuous improvement and adaptation. Technologies and consumer preferences in digital health can change quickly. There is a risk that the Company’s current technology could become obsolete or less effective if a new technological standard or approach emerges. For example, advances in AI, changes in smartphone capabilities, or new wearables could shift how users monitor wellness, potentially reducing the need for the Company’s solution. The Company’s ability to keep its platform up to date with the latest technological developments is crucial. Failure to do so may result in the Company’s offerings being perceived as inferior or outdated. Additionally, if wellness or public health trends change (for instance, new recommendations on what health metrics to track or not track), the Company may need to pivot its approach. Competitors might introduce new features leveraging emerging tech (such as more sophisticated sensors, personalised genomics, or integration with telemedicine) that the Company has not yet developed. Adapting to these shifts often requires significant R&D investment, and there is no guarantee the Company’s innovation pipeline will produce winning features or products. Moreover, the patents or proprietary algorithms the Company develops could be circumvented or surpassed by competitors’ inventions, eroding any technical edge. If the Company fails to anticipate and respond to industry innovation or evolving user needs, its growth prospects will diminish. In summary, the dynamic nature of technology and user expectations in the health-tech sector poses a continual risk; the Company must innovate effectively merely to maintain its market position, let alone improve it. Any inability to do so would likely result in loss of market share and revenue in favour of more technologically adept competitors.

## **GENERAL RISKS RELATING TO THE ORDINARY SHARES**

### **Suitability**

Investment in the Ordinary Shares may not be suitable for all readers of this document. Readers are accordingly advised to consult a person authorised under FSMA who specialises in investments of this nature before making any investment decisions.

### **Investment in shares of companies traded on AIM**

Investment in the shares of companies traded on AIM involves a higher degree of risk than investments in the shares of companies with a listing on the Official List, and such shareholdings may be illiquid. The AIM Rules are different and may be less demanding than those rules that govern companies with a listing on the

Official List. It is emphasised that no application is being made for the admission of the Company's securities to the Official List. An investment in the Ordinary Shares may be difficult to realise. Prospective investors should be aware that the value of an investment in the Company may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company. Investors may therefore realise less than, or lose all of, their investment.

### **Share price volatility and liquidity**

The share price of AIM-traded companies can be highly volatile and shareholdings can be illiquid. There can be no assurance that an active or liquid trading market for the Ordinary Shares will develop or, if developed, that it will be maintained. The Placing Price may not be indicative of prices that will prevail in the trading market, and investors may not be able to resell the Ordinary Shares at or above the price they paid for them. The price of the Ordinary Shares may fall in response to market appraisal of the Company's business, financial condition, operating results and prospects, or in response to regulatory changes affecting its operations. The price at which the Ordinary Shares are quoted and the price which investors may realise for their Ordinary Shares will be influenced by a large number of factors, some specific to the Company and its operations and others which may affect quoted companies generally. These factors could include the performance of the Company, large purchases or sales of the Ordinary Shares, currency fluctuations, legislative changes and general economic, political, regulatory or social conditions. Shareholders should therefore be aware that the value of the Ordinary Shares can go down as well as up. The market value of the Ordinary Shares can fluctuate and may not always reflect the underlying net asset value or the prospects of the Company.

### **The market price of the Ordinary Shares could be negatively affected by sales of substantial amounts of such shares in the public markets, including following the expiry of the lock-in period in respect of the Locked-in Shareholders, or the perception that these sales could occur**

Following Admission, the Locked-in Shareholders will own, in aggregate, approximately 83 per cent. of the Enlarged Share Capital. The Locked-in Shareholders are subject to restrictions on the sale and transfer of their respective holdings in the Company's issued share capital as described in paragraph 15 of Part I. The sale of a substantial number of Ordinary Shares by the Locked-in Shareholders in the public market after the lock-in restrictions expire (or are waived), or the perception that these sales may occur, may depress the market price of the Ordinary Shares and could impair the Company's ability to raise capital through the sale of additional equity securities.

### **Dilution**

The Company will need to raise further capital in the future to be able to achieve its stated goals which could potentially be through public or private equity financings or by raising debt securities convertible into Ordinary Shares, or rights to acquire these securities. Any such issues may exclude pre-emption rights pertaining to the then outstanding shares. If the Company raises significant amounts of capital by these or other means, it will be likely to cause dilution for the Company's existing Shareholders. Moreover, the further issue of Ordinary Shares could have a negative impact on the trading price and increase the volatility of the market price of the Ordinary Shares. The Company may also issue further Ordinary Shares, or issue Options under the Company's LTIP (as further set out in paragraph 10 of Part VI) or any other scheme put in place by the Company, as part of its employee remuneration policy, or issue further Ordinary Shares or warrants over Ordinary Shares to third parties in respect of services provided to the Company, which could in aggregate create a substantial dilution in the value of the Ordinary Shares and the proportion of the Company's share capital in which investors are interested.

### **Enterprise Investment Scheme (EIS)**

The Company has applied for advance assurance for EIS eligibility but to date this has not been received from HMRC. There is no guarantee that such advanced assurance will be received to enable qualifying investors to apply for EIS Relief in respect of their subscription for Ordinary Shares.

If advance assurance is given by HMRC then there continues to be a risk that the legislation may change or the Company's position may change, before any Ordinary Shares are issued. In such a case, HMRC's advance assurance may no longer apply. HMRC also cannot guarantee that any particular subscriber for

Ordinary Shares will get tax relief under the EIS. as the advance assurance, if receive, will relate to the Company only and not an individual investor. The Company is unable to guarantee that investors will be able to obtain EIS Relief in respect of any subscription for Ordinary Shares at any time. Any person who is in doubt as to their tax position should consult their professional tax adviser so that they may fully understand how the rules apply in their particular circumstances.

## **Dividends**

There can be no assurance as to the level of future dividends, if any. In the near to medium term, the Directors do not intend to pay dividends as the focus will be on investing in the development of its assets. Subject to compliance with the Companies Act and the Articles, the declaration, payment and amount of any future dividends are subject to the discretion of the Directors, and will depend on, *inter alia*, the Company's earnings, financial position, cash requirements, availability of profits and the Company's ability to access, and repatriate within the Company, cash flow and profits generated outside the UK. A dividend may never be paid and, at present, there is no intention to pay a dividend in the short to medium term. In forming their dividend policy, the Directors have taken into account, *inter alia*, the trading outlook for the foreseeable future, recent operating results, budgets for the following financial year and current capital requirements of the Company. Any material change or combination of changes to these factors may require a revision of this policy.

## **Shareholders outside the United Kingdom may not be able to participate in future equity offerings**

The Companies Act provides for pre-emptive rights to be granted to Shareholders unless such rights are disapplied by a special resolution in accordance with the Articles. However, securities laws of certain jurisdictions may restrict the Company's ability to allow the participation of Shareholders in future offerings. In particular, Shareholders in the United States may not be entitled to exercise these rights unless either the rights and Ordinary Shares are registered under the Securities Act or the rights and Ordinary Shares are offered pursuant to an exemption from, or in transactions not subject to, the registration requirements of the Securities Act. Any Shareholder who is unable to participate in future equity offerings may suffer dilution.

## **Overseas Shareholders may be subject to exchange rate risks**

The Ordinary Shares are, and any dividends to be paid on them will be, denominated in pounds sterling. An investment in Ordinary Shares by an investor whose principal currency is not pounds sterling exposes the investor to foreign currency exchange rate risk. Any depreciation in the value of pounds sterling in relation to such foreign currency will reduce the value of the investment in the Ordinary Shares or any dividends in relation to such foreign currency.

## PART III

### SECTION A:

#### ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF THE COMPANY



*The Directors*

**MedPal AI plc**

Hill Dickinson LLP

8th Floor, The Broadgate Tower

20 Primrose Street

London

W1J 8AJ

And

*The Partners*

**Cairn Financial Advisers LLP**

9th Floor, 107 Cheapside

London

EC2V 6DN

**RPG Crouch Chapman LLP**

*Chartered Accountants*

40 Gracechurch Street

London

EC3V 0BT

25 August 2025

Dear Sirs,

#### Introduction

We report on the historical financial information of MedPal AI plc (the “Company”) for the period 23 August 2021 to 31 August 2022, and for the twelve months ended 31 August 2023, and 31 August 2024 (the Historical Financial Information”); set out in Section B of Part III of the Admission Document dated 25 August 2025 (the “Admission Document”) of MedPal AI plc (the “Company”). This Historical Financial Information has been prepared for inclusion in the Admission Document on the basis of the accounting policies set out in note 2 to the Historical Financial Information.

This report is required by Item 18.3.1 of Annex 1 of the Prospectus Regulation Rules as applied by part (a) of Schedule Two to the AIM Rules for Companies (the “AIM Rules”) and is given for the purposes of complying with the AIM Rules and for no other purpose.

#### Responsibilities

The directors of the Company (the “Directors”) are responsible for preparing the Historical Financial Information in accordance with UK-adopted International Financial Reporting Standards.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under Item 18.3.1 of Annex 1 of the Prospectus Regulation Rules as applied by paragraph (a) of Schedule Two of the AIM Rules for Companies to any person as and to the extent there provided, to the fullest extent permitted by the law we do not assume responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Item 18.3.1 of Annex 1 of the Prospectus Regulation Rules as applied by paragraph (a) of Schedule Two to the AIM Rules for Companies, or consenting to its inclusion in the Admission Document.



## **Basis of opinion**

We conducted our work in accordance with Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom ("the FRC"). Our work included an assessment of evidence relevant to the amounts and disclosures in the Historical Financial Information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We are independent of the Company in accordance with relevant ethical requirements, being the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Historical Financial Information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in any jurisdictions other than the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those other standards and practices.

## **Opinion**

In our opinion, the Historical Financial Information gives, for the purposes of the Admission Document, a true and fair view of the state of affairs of the Company as at 31 August 2022, 31 August 2023, and 31 August 2024, and of its results, cash flows, and changes in equity for each of the three years then ended (or period ended in the case of 31 August 2022) in accordance with UK-adopted International Financial Reporting Standards.

## **Jurisdictions outside of the UK**

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions outside the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

## **Conclusions relating to going concern**

We conclude that the Directors' use of the going concern basis of accounting in the preparation of the historical financial information of the Company is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the Admission date.

## **Declaration**

For the purposes of Paragraph (a) of Schedule Two of the AIM Rules for Companies we are responsible for this report as part of the Admission Document and declare, to the best of our knowledge, that the information contained in this report is in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Item 1.2 of Annex 1 and Item 1.2 of Annex 11 of the Prospectus Regulation Rules as applied by paragraph (a) of Schedule Two of the AIM Rules for Companies.

Yours faithfully,

**RPG Crouch Chapman LLP**  
*Chartered Accountants*

## SECTION B:

### HISTORICAL FINANCIAL INFORMATION OF THE COMPANY

#### STATEMENT OF COMPREHENSIVE LOSS

The audited Statements of Comprehensive Loss of the Company for the three years ended 31 August 2024 are set out below:

		<i>Period from 23 August 2021 to 31 August 2022</i>	<i>12 months ended 31 August 2023</i>	<i>12 months ended 31 August 2024</i>
	<i>Note</i>	<i>£</i>	<i>£</i>	<i>£</i>
Administrative expenses	3	(55,523)	(13,821)	(13,587)
<b>Operating loss</b>		(55,523)	(13,821)	(13,587)
<b>Loss before taxation</b>		(55,523)	(13,821)	(13,587)
Taxation on profit on ordinary activities	5	–	–	–
<b>Loss for the period</b>		(55,523)	(13,821)	(13,587)
Other comprehensive income		–	–	–
<b>Total comprehensive loss for the period attributable to shareholders of the Company</b>		<u>(55,523)</u>	<u>(13,821)</u>	<u>(13,587)</u>
Loss per share (basic and diluted) attributable to the equity holders (pence)	6	<u>(0.14)</u>	<u>(0.03)</u>	<u>(0.03)</u>

The notes form an integral part of the Historical Financial Information.

## STATEMENT OF FINANCIAL POSITION

The audited Consolidated Statement of Financial Position of the Company as at 31 August 2022, 2023 and 2024 is set out below:

		<i>As at</i> <i>31 August</i> <i>2022</i>	<i>As at</i> <i>31 August</i> <i>2023</i>	<i>As at</i> <i>31 August</i> <i>2024</i>
	<i>Note</i>	£	£	£
<b>CURRENT ASSETS</b>				
Other current assets	8	30,730	29,420	32,500
Cash and cash equivalents	7	77	81	253
<b>TOTAL CURRENT ASSETS</b>		<u>30,807</u>	<u>29,501</u>	<u>32,753</u>
<b>TOTAL ASSETS</b>		<u>30,807</u>	<u>29,501</u>	<u>32,753</u>
<b>EQUITY</b>				
Share capital	10	4,550	4,550	4,620
Share premium	10	59,400	59,400	66,330
Retained earnings		(55,523)	(69,344)	(82,931)
<b>TOTAL EQUITY</b>		<u>8,427</u>	<u>(5,394)</u>	<u>(11,981)</u>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	9	22,380	34,895	44,734
<b>TOTAL CURRENT LIABILITIES</b>		<u>22,380</u>	<u>34,895</u>	<u>44,734</u>
<b>TOTAL LIABILITIES</b>		<u>22,380</u>	<u>34,895</u>	<u>44,734</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>30,807</u>	<u>29,501</u>	<u>32,753</u>

The notes form an integral part of the Historical Financial Information.

## STATEMENT OF CHANGES IN EQUITY

The audited Statements of Changes in Equity of the Company for the years ended 31 August 2022, 2023 and 2024 are set out below:

	<i>Share capital £</i>	<i>Share premium £</i>	<i>Retained earnings £</i>	<i>Total equity £</i>
Loss for the period	–	–	(55,523)	(55,523)
<b>Total comprehensive income for the period</b>	–	–	(55,523)	(55,523)
Ordinary Shares issued in the period	4,550	59,400	–	63,950
Share issue costs	–	–	–	–
<b>Transactions with owners in own capacity</b>	4,550	59,400	–	63,950
<b>Balance at 31 August 2022</b>	4,550	59,400	(55,523)	8,427
Loss for the year	–	–	(13,821)	(13,821)
<b>Total comprehensive income for the year</b>	–	–	(13,821)	(13,821)
Ordinary Shares issued in the year	–	–	–	–
Share issue costs	–	–	–	–
<b>Transactions with owners in own capacity</b>	–	–	–	–
<b>Balance at 31 August 2023</b>	4,550	59,400	(69,344)	(5,394)
Loss for the year	–	–	(13,587)	(13,587)
<b>Total comprehensive income for the year</b>	–	–	(13,587)	(13,587)
<b>Transactions with owners in own capacity</b>				
Ordinary Shares issued in the year	70	6,930	–	7,000
Share issue costs	–	–	–	–
<b>Transactions with owners in own capacity</b>	70	6,930	–	7,000
<b>Balance at 31 August 2024</b>	4,620	66,330	(82,931)	(11,981)

The notes form an integral part of the Historical Financial Information

## STATEMENT OF CASHFLOWS

The audited Consolidated Statements of Cash Flows of the Company for the three years ended 31 August 2022, 2023 and 2024 are set out below:

	<i>Period ended 31 August 2022</i>	<i>Year ended 31 August 2023</i>	<i>Year ended 31 August 2024</i>
<i>Notes</i>	<i>£</i>	<i>£</i>	<i>£</i>
<b>Cash flow from Operating Activities</b>			
Loss for the period	(55,523)	(13,821)	(13,587)
<i>Adjustments for:</i>			
<i>Changes in working capital:</i>			
(Increase)/decrease in other receivables	(780)	780	–
Increase/(decrease) in trade and other payables	7,380	12,515	9,839
<b>Net cash used in operating activities</b>	<u>(48,923)</u>	<u>(526)</u>	<u>(3,748)</u>
<b>Cash flows from Financing Activities</b>			
Proceeds from issuance of ordinary shares	49,000	530	3,920
<b>Net cash generated from financing activities</b>	<u>49,000</u>	<u>530</u>	<u>3,920</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>	77	4	172
Cash and cash equivalents at beginning of period	–	77	81
<b>Cash and cash equivalents at the end of the period</b>	<u>77</u>	<u>81</u>	<u>253</u>

The notes form an integral part of the Historical Financial Information.

## **1. GENERAL INFORMATION**

The Company was incorporated on 23 August 2021 in England and Wales with Registered Number 13578804 under the Companies Act 2006. The principal activity of the Company is the development of artificial intelligence (AI) technologies within the healthcare sector.

The address of its registered office is Hill Dickinson LLP, 8th Floor The Broadgate Tower, 20 Primrose Street, London, United Kingdom, EC2A 2EW.

The Directors of the Company are responsible for the Historical Financial Information and contents of the AIM admission document in which it is included.

## **2 ACCOUNTING POLICIES**

IAS 8 requires that management shall use its judgement in developing and applying accounting policies that result in information which is relevant to the economic decision-making needs of users, that are reliable, free from bias, prudent, complete and represent faithfully the financial position, financial performance and cash flows of the entity.

### **2.1 Basis of Preparation**

The Historical Financial Information of MedPal AI plc for the year ended 31 August 2024 has been prepared in accordance with UK-adopted International Accounting Standards ('IFRS'). The Historical Financial Information presents the results for the Company for the year ended 31 August 2024 and comparative results for the year ended 31 August 2023 and the period 23 August 2021 to 31 August 2022. The Historical Financial Information has been prepared under the historical cost convention.

The Historical Financial Information has been prepared for the sole purpose of publication within the Admission Document. It has been prepared in accordance with the requirements of the AIM Rules for Companies and UK adopted International accounting standards. The Historical Financial Information has been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense.

The Historical Financial Information does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

The Historical Financial Information is presented in £ unless otherwise stated, which is the Company's functional and presentational currency.

### **2.2 New Standards and Interpretations Adopted**

New and revised accounting standards adopted for the year ended 31 August 2024 did not have any material impact on the Company accounting policies. There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2024:

- IFRS 16 Leases (Amendment – Liability in a Sale and Leaseback);
- IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-current) with Covenants; and
- Amendment to IAS 7 and IFRS 7 - Supplier finance;

The following amendments are effective for the period beginning 1 January 2025:

- Lack of Exchangeability (Amendments to IAS 21 The effects of changes in foreign exchange rates)

The Company is currently assessing the impact of these new accounting standards and amendments. The Company does not believe that the amendments to IAS 1 will have a significant impact on the classification of its liabilities. The Company does not expect any other standards issued by the IASB, but not yet effective, to have a material impact on the Company.



## 2.3 **Going Concern**

The Historical Financial Information has been prepared on a going concern basis, which assumes that the Company will have access to sufficient liquid resources to enable them to continue in operational existence for the foreseeable future and not less than twelve months from the date of signing this report. This assumption is based on the completion of its initial public offering ("IPO") and admission to AIM.

Taking these matters into consideration, the Directors consider that the continued adoption of the going concern basis is appropriate having reviewed the forecasts for the coming 18 months and the Historical Financial Information does not reflect any adjustments that would be required if they were to be prepared other than on a going concern basis.

## 2.4 **Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision makers, who are responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive Board of Directors.

All operations and information are reviewed together so that at present there is only one reportable operating segment.

## 2.5 **Foreign Currency Translation**

### ***Functional and presentation currency***

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the income statement within 'Other (losses)/gains – net'.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets measure at fair value, such as equities classified as available for sale, are included in other comprehensive income.

### ***Transactions and balances***

Transactions denominated in a foreign currency are translated into the presentational currency at the exchange rate at the date of the transaction. Assets and liabilities in foreign currencies are translated to the presentational currency at rates of exchange ruling at statement of financial position date. Gains or losses arising from settlement of transactions and from translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income for the period.

## 2.6 **Impairment of Non-Financial Assets**

Non-financial assets and intangible assets not subject to amortisation are tested annually for impairment at each reporting date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment review is based on discounted future cash flows. If the expected discounted future cash flow from the use of the assets and their eventual disposal is less than the carrying amount of the assets, an impairment loss is recognised in profit or loss and not subsequently reversed.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash flows (cash generating units or 'CGUs').

## **2.7 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and in hand, with banks and other financial institutions.

## **2.8 Trade and Other Receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 90 days. The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

## **2.9 Trade and Other Payables**

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accruals and accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method.

## **2.10 Financial Instruments**

IFRS 9 requires an entity to address the classification, measurement and recognition of financial assets and liabilities.

### **(a) Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

The Company classifies financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payment of principal and interest.

### **(b) Recognition**

Purchases and sales of financial assets are recognised on trade date (that is, the date on which the Company commits to purchase or sell the asset). Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

### **(c) Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

### **Debt instruments**

Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.

#### **(d) Impairment**

The Company assesses, on a forward looking basis, the expected credit losses associated with any debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### **2.11 EQUITY**

Share capital is determined using the nominal value of shares that have been issued.

The share premium account includes any premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from the share premium account, net of any related income tax benefits.

Retained losses includes all current and prior period results as disclosed in the income statement.

### **2.12 EARNINGS PER SHARE**

Basic earnings per share is calculated as profit or loss attributable to equity holders of the parent for the period, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

### **2.13 TAXATION**

The taxation expense for the year comprises current and deferred tax and is recognised in the statement of comprehensive income except to the extent that it relates to items recognised in other comprehensive income, or directly in equity, in which case the tax expense is also recognised in other comprehensive income or directly in equity.

Current tax is the amount of income tax payable in respect of the taxable profit for the current or past reporting periods. It is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax represents the future tax consequences of transactions and events recognised in the Historical Financial Information of current and previous periods, and arises from 'temporary differences'. Deferred tax is recognised in respect of all temporary differences, except that unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date that are expected to apply to the reversal of the temporary differences.

### **2.14 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the process of applying the entity's accounting policies, management makes estimates and assumptions that have an effect on the amounts recognised in the financial information. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. The following is the critical judgement the Directors have made in the process of applying the Company's accounting policies.

There are no critical accounting judgements or key sources of estimation uncertainty applicable to this Historical Financial Information.

### 3. EXPENSES BY NATURE

Operating loss from continued operations for the year ended 31 August 2024 can be broken down as follows:

	<i>Period ending 31 August 2022 £</i>	<i>Year ending 31 August 2023 £</i>	<i>Year ending 31 August 2024 £</i>
Accountancy fees	1,380	1,380	–
Audit fees	6,000	6,000	6,000
Bank fees	250	228	228
Consulting	18,200	–	7,359
Acquisition costs	19,650	–	–
Directors' remuneration	6,000	6,000	–
Travel	2,532	146	–
Other expenses	1,511	67	–
	<u>55,523</u>	<u>13,821</u>	<u>13,587</u>

### 4. EMPLOYEES

The Company had 1 employee during the period. The average number of employees for the period was 1. Please see below for further details. There were no other staff in the period.

	<i>Period ending 31 August 2022 £</i>	<i>Year ending 31 August 2023 £</i>	<i>Year ending 31 August 2024 £</i>
Director fees	6,000	6,000	–
	<u>6,000</u>	<u>6,000</u>	<u>–</u>

## 5. TAXATION

No liability to incomes taxes arise in the year.

	<i>Period ending 31 August 2022 £</i>	<i>Year ending 31 August 2023 £</i>	<i>Year ending 31 August 2024 £</i>
A reconciliation of the tax charge appearing in the income statement to the tax that would result from applying the standard rate of tax to the results for the year is:			
<b>Loss for the period</b>	<u>(55,523)</u>	<u>(13,821)</u>	<u>(13,587)</u>
Tax (credit) / charge at the standard rate of corporation tax in UK of 25% (2023: 19% / 2022: 19%)	(10,549)	(2,626)	(3,396)
Tax effects of:			
Tax losses for which no deferred income tax asset was recognised	<u>10,549</u>	<u>2,626</u>	<u>3,396</u>
Income tax charge for the period	<u>–</u>	<u>–</u>	<u>–</u>

Estimated tax losses of £82,931 (2023: £69,344 / 2022: £55,523) are available for relief against future profits and a deferred tax asset of £20,733 (2023: £13,175 / 2022: £10,549).

Deferred tax assets carried forward have not been recognised in the accounts because there is currently insufficient evidence of the timing of suitable future taxable profits against which they can be recovered.

## 6. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	<i>Period ending 31 August 2022 £</i>	<i>Year ending 31 August 2023 £</i>	<i>Year ending 31 August 2024 £</i>
Loss attributable to equity holders of the Company	(55,523)	(13,821)	(13,587)
Weighted number of ordinary shares in issue	<u>40,143,432</u>	<u>45,500,000</u>	<u>45,930,328</u>
<b>Basic and dilutive earnings per share from continuing operations – pence</b>	<u>(0.14)</u>	<u>(0.03)</u>	<u>(0.03)</u>

There is no difference between the diluted loss per share and the basic loss per share presented due to the fact that there are no other equity instruments in issue at the period end.

## 7. CASH AND CASH EQUIVALENTS

	<i>As at 31 August 2022 £</i>	<i>As at 31 August 2023 £</i>	<i>As at 31 August 2024 £</i>
Cash at Bank	<u>77</u>	<u>81</u>	<u>253</u>
	<u>77</u>	<u>81</u>	<u>253</u>

## 8. TRADE AND OTHER RECEIVABLES

	<i>As at 31 August 2022 £</i>	<i>As at 31 August 2023 £</i>	<i>As at 31 August 2024 £</i>
Director loan	780	–	–
Unpaid share capital	29,950	29,420	32,500
	<u>30,730</u>	<u>29,420</u>	<u>32,500</u>

## 9. TRADE AND OTHER PAYABLES

	<i>As at 31 August 2022 £</i>	<i>As at 31 August 2023 £</i>	<i>As at 31 August 2024 £</i>
Trade payables	–	–	2,859
Accruals	7,380	13,380	18,000
Director loan	–	6,515	8,875
Other creditors	15,000	15,000	15,000
	<u>22,380</u>	<u>34,895</u>	<u>44,734</u>

## 10. SHARE CAPITAL AND PREMIUM

	<i>Number of shares Number</i>	<i>Ordinary shares £</i>	<i>Share premium £</i>	<i>Total £</i>
Shares issued on incorporation <sup>1</sup>	37,500,000	3,750	–	3,750
Ordinary shares issued <sup>2</sup>	2,000,000	200	–	200
Ordinary shares issued <sup>3</sup>	6,000,000	600	59,400	60,000
Share issue costs	–	–	–	–
<b>Balance at 31 August 2022</b>	<u>45,500,000</u>	<u>4,550</u>	<u>59,400</u>	<u>63,950</u>
Ordinary shares issued	–	–	–	–
Share issue costs	–	–	–	–
<b>Balance at 31 August 2023</b>	<u>45,500,000</u>	<u>4,550</u>	<u>59,400</u>	<u>63,950</u>
Ordinary shares issued <sup>4</sup>	700,000	70	6,930	7,000
Share issue costs	–	–	–	–
<b>Balance at 31 August 2024</b>	<u>46,200,000</u>	<u>4,620</u>	<u>66,330</u>	<u>70,950</u>

1- 37,500,000 shares were issued at £0.0001 nominal value at incorporation of the Company on 23 August 2021.

2- 2,000,000 shares were issued at £0.0001 on 12 November 2021 for total proceeds of £200

3- 6,000,000 shares were issued at £0.01 on 25 June 2022 for total proceeds of £60,000

4- 700,000 shares at £0.01 were issued on 19 January 2024 for total proceeds of £7,000

The share premium represents the difference between the nominal value of the shares issued and the actual amount subscribed, less the cost of issue of the shares, the value of the bonus share issue, or any bonus warrant issue.

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have a par value of £0.0001 and the company does not have a limited amount of authorised capital.



On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

All issued shares are fully paid.

## 11. CAPITAL MANAGEMENT POLICY

The Directors' objectives when managing the Company's capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The capital structure of the Company consists of equity attributable to equity holders of the Company, comprising issued share capital and reserves.

## 12. FINANCIAL INSTRUMENTS

The Company's accounting policies and methods adopted, including the criteria for recognition, the basis on which income and expenses are recognised in respect of each class of financial asset and equity instrument are set out in Note 2.10 to the Historical Financial Information. The Company does not use financial instruments for speculative purposes.

## 13. FINANCIAL RISK MANAGEMENT AND RISK FACTORS

### Principal financial instruments

The principal financial instruments used by the Company from which the financial risk arises are as follows:

#### Financial Assets

	<i>As at 31 August 2022 £</i>	<i>As at 31 August 2023 £</i>	<i>As at 31 August 2024 £</i>
Cash at Bank	77	81	253
	<u>77</u>	<u>81</u>	<u>253</u>

#### Financial Liabilities

	<i>As at 31 August 2022 £</i>	<i>As at 31 August 2023 £</i>	<i>As at 31 August 2024 £</i>
Trade payables	–	–	2,859
Director loan	–	6,515	8,875
Other creditors	15,000	15,000	15,000
	<u>15,000</u>	<u>21,515</u>	<u>26,734</u>

### General objectives and policies

As alluded to in the Directors' report, the overall objective of the Board is to set policies that seek to reduce risk as far as practical without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are:

#### Policy on financial risk management

The Company's principal financial instruments comprise cash and cash equivalents, directors' loans and trade and other payables. The Company's accounting policies and methods adopted, including the criteria for recognition, the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are set out in note 2 – "Accounting Policies".

The Company does not use financial instruments for speculative purposes. The carrying value of all financial assets and liabilities approximates to their fair value.

#### *Derivatives, financial instruments and risk management*

The Company does not use derivative instruments or other financial instruments to manage its exposure to fluctuations in foreign currency exchange rates, interest rates and commodity prices.

#### *Foreign currency risk management*

The Company operates in a global market with income and costs possibly arising in a number of currencies and is exposed to foreign currency risk arising from commercial transactions, translation of assets and liabilities and net investment in foreign subsidiaries. Exposure to commercial transactions arise from sales or purchases by operating companies in currencies other than the Company's functional currency. Currency exposures are reviewed regularly.

The Company has a limited level of exposure to foreign exchange risk through their foreign currency denominated cash balances.

Accordingly, movements in the Pounds Sterling exchange rate against these currencies could have a detrimental effect on the Company's results and financial condition.

The table below shows the currency profiles of cash and cash equivalents:

	<i>As at 31 August 2022 £</i>	<i>As at 31 August 2023 £</i>	<i>As at 31 August 2024 £</i>
Cash at Bank	<u>77</u>	<u>81</u>	<u>253</u>
	<u>77</u>	<u>81</u>	<u>253</u>

#### *Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties.

The Company's exposure and the credit ratings of its counterparties are monitored by the Board of Directors to ensure that the aggregate value of transactions is spread amongst approved counterparties.

The Company applies IFRS 9 to measure expected credit losses for receivables, these are regularly monitored and assessed. Receivables are subject to an expected credit loss provision when it is probable that amounts outstanding are not recoverable as set out in the accounting policy. The impact of expected credit losses was immaterial.

The Company's principal financial assets are cash and cash equivalents. Cash equivalents include amounts held on deposit with financial institutions.

The credit risk on liquid funds held in current accounts and available on demand is limited because the Company's counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

No financial assets have indicators of impairment.

The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recorded in the financial statements.

#### *Borrowings and interest rate risk*

The Company currently has no borrowings. The Company's principal financial assets are cash and cash equivalents. Cash equivalents include amounts held on deposit with financial institutions. The effect of variable interest rates is not significant.

### *Liquidity risk*

During the year ended 31 August 2022 ,2023 and 2024, the Company was financed by cash raised through equity funding. Funds raised surplus to immediate requirements are held as cash deposits in Sterling.

In managing liquidity risk, the main objective of the Company is to ensure that it has the ability to pay all of its liabilities as they fall due. The Company monitors its levels of working capital to ensure that it can meet its liabilities as they fall due.

The table below shows the undiscounted cash flows on the Company's financial liabilities as at the reporting dates on the basis of their earliest possible contractual maturity.

	<i>Total</i> £	<i>Within</i> <i>2 months</i> £	<i>Within</i> <i>2-6 months</i> £	<i>Greater</i> <i>than</i> <i>6 months</i>
<b>At 30 August 2024</b>				
Trade payables	2,859	2,859	–	–
Director loan	8,875	–	–	8,875
Other creditors	15,000	–	–	15,000
	<u>26,734</u>	<u>2,859</u>	<u>–</u>	<u>23,875</u>
	<i>Total</i> £	<i>Within</i> <i>2 months</i> £	<i>Within</i> <i>2-6 months</i> £	<i>Greater</i> <i>than</i> <i>6 months</i>
<b>At 30 August 2023</b>				
Trade payables	–	–	–	–
Director loan	6,515	–	–	6,515
Other creditors	15,000	–	–	15,000
	<u>21,515</u>	<u>–</u>	<u>–</u>	<u>21,515</u>
	<i>Total</i> £	<i>Within</i> <i>2 months</i> £	<i>Within</i> <i>2-6 months</i> £	<i>Greater</i> <i>than</i> <i>6 months</i>
<b>At 30 August 2022</b>				
Trade payables	–	–	–	–
Director loan	–	–	–	–
Other creditors	15,000	–	–	15,000
	<u>15,000</u>	<u>–</u>	<u>–</u>	<u>15,000</u>

### ***Capital management***

The Company considers its capital to be equal to the sum of its total equity. The Company monitors its capital using a number of key performance indicators including cash flow projections, working capital ratios, the cost to achieve development milestones and potential revenue from partnerships and ongoing licensing activities.

The Company's objective when managing its capital is to ensure it obtains sufficient funding for continuing as a going concern. The Company funds its capital requirements through the issue of new shares to investors

#### 14. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	<i>Financial assets at amortised cost £</i>	<i>Financial liabilities at amortised cost £</i>	<i>Total £</i>
<b>31 August 2024</b>			
<b>Financial assets / liabilities</b>			
Cash and cash equivalents	253	–	253
Other current assets	32,500	–	32,500
Trade and other payables	–	(44,734)	(44,734)
	<u>32,753</u>	<u>(44,734)</u>	<u>(11,981)</u>
<b>31 August 2023</b>			
<b>Financial assets / liabilities</b>			
Cash and cash equivalents	81	–	81
Other current assets	29,420	–	29,420
Trade and other payables	–	(34,895)	(34,895)
	<u>29,501</u>	<u>(34,895)</u>	<u>(5,394)</u>
<b>31 August 2022</b>			
<b>Financial assets / liabilities</b>			
Cash and cash equivalents	77	–	77
Trade and other receivables	30,730	–	30,730
Trade and other payables	–	(22,380)	(22,380)
	<u>30,807</u>	<u>(22,380)</u>	<u>8,427</u>

#### 15. CAPITAL COMMITMENTS

There were no capital commitments as at 31 August 2022, 31 August 2023 and 31 August 2024.

#### 16. CONTINGENT LIABILITIES

There were no contingent liabilities as at 31 August 2022, 31 August 2023 and 31 August 2024.

#### 17. COMMITMENTS UNDER OPERATING LEASES

There were no commitments under operating leases 31 August 2022, 31 August 2023 and 31 August 2024.

#### 18. RELATED PARTY TRANSACTIONS.

##### Equity issues

- On incorporation, 37,500,000 shares were issued at £0.001 per share to Justin Drummond, the Company's Director. Amounts unpaid at 31 August 2022, 31 August 2023 and 31 August 2024 totalled £2,450, £1,920 and £Nil respectively.
- Unpaid share capital in relation to the issue of 8,000,000 shares in the period ended 31 August 2022 at an average price of £0.00753 per share totalled £27,500 and remained outstanding at each reporting date.
- The Company received a total of £15,000 in the reporting period ended 31 August 2022 from individuals in exchange for the issue of shares. The value of shares to be issued outstanding at each reporting date was £15,000.
- A further 700,000 shares were issued to a consultant of the company in the year ended 31 August 2024 at £0.0001 per share. Amounts unpaid at 31 August 2024 totalled £5,000.

### **Directors' fees**

During the period ended 31 August 2022 and year ended 31 August 2023 Justin Drummond was paid £6,000 and £6,000 respectively for director fees.

### **Consultancy fees**

- Consultancy fees incurred from shareholders of the Company in the period ended 31 August 2022 totalled £18,200.
- Consultancy fees incurred from shareholders of the Company in the year ended 31 August 2024 totalled £2,000.
- Consultancy fees incurred from prospective shareholders of the Company in the year ended 31 August 2024, whereby £5,000 had been received in advance of shares being issued in the period ended 31 August 2022, totalled £2,500.

## **19. ULTIMATE CONTROLLING PARTY**

In the opinion of the Directors for the years ending 31 August 2022, 2023 & 2024 Justin Drummond was considered the ultimate controlling party. As at the date of the Historical Financial Information Jason Drummond is considered the ultimate controlling party.

## **20. EVENTS AFTER THE REPORTING PERIOD**

### **Pre-IPO capital fundraise at £0.0001 per Ordinary share**

On 4 April 2025, the Company issued 42,300,000 Ordinary shares at an issue price of £0.0001 per Ordinary share.

On 16 April 2025, the Company issued 2,000,000 Ordinary shares at an issue price of £0.0001 per Ordinary share.

On 13 June 2025, the Company issued 12,600,000 Ordinary shares at an issue price of £0.0001 per Ordinary share.

### **Pre-IPO capital fundraise at £0.01 per Ordinary share**

On 4 April 2025, the Company issued 33,650,000 Ordinary shares at an issue price of £0.01 per Ordinary share.

On 13 June 2025, the Company issued 9,800,000 Ordinary shares at an issue price of £0.01 per Ordinary share. 1,000,000 of these Ordinary shares were issued as non-cash consideration.

On 15 August 2025, 5,000,000 Ordinary Shares were allotted at a subscription price of £0.01 per share.

### **Pre-IPO capital fundraise at £0.03 per Ordinary share**

On 13 June 2025, the Company issued 2,533,333 Ordinary shares at an issue price of £0.03 per Ordinary share.

On 4 July 2025, the Company issued 2,500,001 Ordinary shares at an issue price of £0.03 per Ordinary share of which 333,333 were issued as non-cash consideration.

On 15 August 2025, 12,000,001 Ordinary Shares were allotted at a subscription price of £0.03 per share.

### **Acquisition of IP for MedPal app – issue of shares**

On 4 April 2025, the Company acquired business assets and intellectual property from Jason Drummond, a Director of the Company, for 192,500,00 Ordinary shares at a total consideration price of £0.0001 per Ordinary share.

**Director appointment**

On 4 April 2025, Jason Drummond was appointed as a director of the Company.

**Settlement of accrued historical audit fees**

In the period to 18 August 2025, the Company settled historical audit fees totalling £18,000.

**Settlement of directors' loan accounts**

The Director loan account held with Justin Drummond was settled in full by 30 June 2025.

**Bonus issue of shares**

On 11 August 2025, the Company carried out a bonus share issue, issuing 1 Ordinary share for every existing share held for a nominal value of £0.0001 per share. This resulted in a bonus share issue of 346,083,334 Ordinary shares, increasing the Company's share capital by £34,608 and reducing the Company's share premium by the same amount.

**Capital re-organisation**

On 11 August 2025, the Company consolidated its existing Ordinary Share capital of 692,166,668 Ordinary Shares of £0.0001 each into 346,083,334 Ordinary Shares of £0.0002 each.

**Company re-registration**

On 18 August 2025, the Company was re-registered as a public limited company ("plc").

**Settlement of transaction costs**

In the period to 18 August, the Company settled £226,000 of Admission related transaction costs.

There have been no other subsequent events noted.



**SECTION C:**  
**INTERIM FINANCIAL INFORMATION OF THE COMPANY**

**CONDENSED INTERIM FINANCIAL INFORMATION – MEDPAL AI PLC**  
**6 MONTHS ENDING 28 FEBRUARY 2025**

		<i>Unaudited 6 months ending 28 February 2025</i>	<i>Unaudited 6 months ending 29 February 2024</i>
	<i>Note</i>	<i>£</i>	<i>£</i>
<b>Continuing operations</b>			
Administrative expenses	3	(175,576)	(2,000)
<b>Operating loss</b>		(175,576)	(2,000)
<b>Loss before taxation</b>		(175,576)	(2,000)
Taxation on profit on ordinary activities		–	–
<b>Loss for the period from continuing operations</b>		(175,576)	(2,000)
Other comprehensive income		–	–
<b>Total comprehensive profit for the year attributable to shareholders from continuing operations</b>		(175,576)	(2,000)
Basic and dilutive earnings per share – pence	4	(0.38)	(0.0044)

The accompanying notes form an integral part of the Financial Information.

**CONDENSED INTERIM FINANCIAL INFORMATION – MEDPAL AI PLC**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 28 FEBRUARY 2025**

		<i>Unaudited As at 28 February 2025</i>	<i>Unaudited As at 29 February 2024</i>
	<i>Note</i>	<i>£</i>	<i>£</i>
<b>CURRENT ASSETS</b>			
Other current assets	6	51,616	19,220
Cash and cash equivalents		111,873	281
<b>TOTAL CURRENT ASSETS</b>		<u>163,489</u>	<u>19,501</u>
<b>TOTAL ASSETS</b>		<u>163,489</u>	<u>19,501</u>
<b>EQUITY</b>			
Share capital	7	4,620	4,620
Share Premium	7	66,330	66,330
Retained earnings		(258,507)	(71,344)
<b>TOTAL EQUITY</b>		<u>(187,557)</u>	<u>(394)</u>
<b>CURRENT LIABILITIES</b>			
Trade and Other payables	5	351,046	19,895
<b>TOTAL CURRENT LIABILITIES</b>		<u>351,046</u>	<u>19,895</u>
<b>TOTAL LIABILITIES</b>		<u>351,046</u>	<u>19,895</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>163,489</u></u>	<u><u>19,501</u></u>

The accompanying notes form an integral part of the Financial Information.

**CONDENSED INTERIM FINANCIAL INFORMATION – MEDPAL AI PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
**AS AT 28 FEBRUARY 2025**

	<i>Share capital £</i>	<i>Share premium £</i>	<i>Retained earnings £</i>	<i>Total equity £</i>
<b>Balance at 31 August 2023</b>	4,550	59,400	(69,344)	(5,394)
Loss for the period	–	–	(2,000)	(2,000)
<b>Total comprehensive income for the period</b>	–	–	(2,000)	(2,000)
Ordinary Shares issued in the period	70	6,930	–	7,000
Share issue costs	–	–	–	–
<b>Transactions with owners in own capacity</b>	70	6,930	–	7,000
<b>Balance at 29 February 2024</b>	4,620	66,330	(71,344)	(394)
<b>Balance at 1 March 2024</b>	4,620	66,330	(71,344)	(394)
Loss for the period	–	–	(11,587)	(11,587)
<b>Total comprehensive income for the period</b>	–	–	(11,587)	(11,587)
Ordinary Shares issued in the period	–	–	–	–
Share issue costs	–	–	–	–
<b>Transactions with owners in own capacity</b>	–	–	–	–
<b>Balance at 31 August 2024</b>	4,620	66,330	(82,931)	(11,981)
Loss for the period	–	–	(175,576)	(175,576)
<b>Total comprehensive income for the period</b>	–	–	(175,576)	(175,576)
Ordinary Shares issued in the period	–	–	–	–
Share issue costs	–	–	–	–
<b>Transactions with owners in own capacity</b>	–	–	–	–
<b>Balance at 28 February 2025</b>	4,620	66,330	(258,507)	(187,557)

The accompanying notes form an integral part of the Financial Information.

**CONDENSED INTERIM FINANCIAL INFORMATION – MEDPAL AI PLC**  
**STATEMENT OF CASH FLOWS**  
**AS AT 28 FEBRUARY 2025**

	<i>Period ended</i> <i>28 February</i> <i>2025</i>	<i>Period ended</i> <i>28 February</i> <i>2024</i>
<i>Notes</i>	<i>£</i>	<i>£</i>
<b>Cash flow from Operating Activities</b>		
Loss for the period	(175,576)	(2,000)
<i>Adjustments for:</i>		
<i>Changes in working capital:</i>		
(Increase)/decrease in other receivables	(35,902)	(3,420)
Increase/(decrease) in trade and other payables	2,997	(1,380)
<b>Net cash used in operating activities</b>	<u>(208,481)</u>	<u>(6,800)</u>
<b>Cash flows from Financing Activities</b>		
Share capital in advance	320,101	–
Proceeds from issuance of ordinary shares	–	7,000
<b>Net cash generated from financing activities</b>	<u>320,101</u>	<u>7,000</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>	111,620	200
Cash and cash equivalents at beginning of period	253	81
<b>Cash and cash equivalents at the end of the period</b>	<u>111,873</u>	<u>281</u>

**CONDENSED INTERIM FINANCIAL INFORMATION – MEDPAL AI PLC**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**AS AT 28 FEBRUARY 2025**

**1 General information**

The Company was incorporated on 23 August 2021 in England and Wales with Registered Number 13578804 under the Companies Act 2006. The principal activity of the Company is the development of artificial intelligence (AI) technologies within the healthcare sector.

The address of its registered office is Hill Dickinson LLP, 8th Floor The Broadgate Tower, 20 Primrose Street, London, United Kingdom, EC2A 2EW.

The Directors of the Company are responsible for the Financial Information and contents of the AIM admission document in which it is included.

**2 Accounting Policies**

IAS 8 requires that management shall use its judgement in developing and applying accounting policies that result in information which is relevant to the economic decision-making needs of users, that are reliable, free from bias, prudent, complete and represent faithfully the financial position, financial performance and cash flows of the entity.

**2.1 Basis of preparation**

The Condensed Interim Financial Information has been prepared in accordance with the Prospectus Rules and UK adopted International Accounting Standards and the Companies Act 2006 applicable to companies reporting under IFRS. The Condensed Interim Financial Information has not been prepared in accordance with IAS 34 “Interim Financial Information.” The Condensed Interim Financial Information does not include all disclosures that would otherwise be required in a complete set of Financial Statements but has been prepared in accordance with the existing accounting policies of the Company.

The Condensed Interim Financial Information for the period ended 28 February 2025 with comparatives for the period ended 29 February 2024 is unaudited.

MedPal’s Condensed Interim Financial Information has been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense.

The Condensed Interim Financial Information does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

The Condensed Interim Financial Information is presented in £ unless otherwise stated, which is MedPal’s presentational currency.

**2.2 Going concern**

The Directors have made an assessment of the Company’s ability to continue as a going concern and are satisfied that the company has the adequate resources to continue in operational existence for the foreseeable future. The Company, therefore, continues to adopt the going concern basis in preparing its Condensed Interim Financial Information.

**2.3 New standards, amendments and interpretations adopted**

The Company has adopted all of the new and amended standards and interpretations issued by the International Accounting Standards Board that are relevant to its operations and effective for accounting periods commencing on or after 1 January 2024.

*New standards and interpretations adopted*

New and revised accounting standards adopted for the period ended 28 February 2025 did not have any material impact on the Company accounting policies. There are a number of standards,

amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2024:

- IFRS 16 Leases (Amendment – Liability in a Sale and Leaseback);
- IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-current) with Covenants; and
- Amendment to IAS 7 and IFRS 7 - Supplier finance;

The following amendments are effective for the period beginning 1 January 2025:

- Lack of Exchangeability (Amendments to IAS 21 The effects of changes in foreign exchange rates)

The Company is currently assessing the impact of these new accounting standards and amendments. The Company does not believe that the amendments to IAS 1 will have a significant impact on the classification of its liabilities. The Company does not expect any other standards issued by the IASB, but not yet effective, to have a material impact on the Company.

## 2.4 **Trade and other receivables**

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

### *Critical accounting estimates and judgments*

In preparing the Condensed Interim Financial Information, the directors must make judgments on how to apply the Company's accounting policies and make estimates about the future. Estimates and judgements are continuously evaluated based on experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may deviate from these estimates and assumptions.

During the period it was determined that there was no key accounting estimates or judgements.

## 3. **Administrative expenses**

	6 month period ending 28 February 2025 £	6 month period ending 29 February 2024 £
Director salaries	85,000	–
Office expenses	15,000	–
Accountancy fees	11,840	–
Consulting	15,000	2,000
Entertainment	8,877	–
IPO Costs	27,794	–
IT software and consumables	2,969	–
Travel	2,333	–
Other expenses	6,763	–
	<u>175,576</u>	<u>2,000</u>

## 4. **Earnings per share**

The calculation of the basic and diluted earnings per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	<i>Period ending 28 February 2025</i>	<i>Period ending 29 February 2024</i>
Loss attributable to equity holdings of the Company	(175,576)	(2,000)
Weighted number of ordinary shares in issue	46,200,000	45,658,564
Basic & dilutive earnings per share from continuing operations – pence	<u>0.38</u>	<u>0.0044</u>

There is no difference between the diluted loss per share and the basic loss per share presented as there are no dilutive financial instruments.

## 5. Trade and other payables

	<i>28 February 2025 £</i>	<i>29 February 2024 £</i>
Accounts Payable	30,445	–
Accruals	18,000	12,000
Director Loan	–	7,895
Other creditors	302,601	–
	<u>351,046</u>	<u>19,895</u>

## 6. Trade and other receivables

	<i>28 February 2025 £</i>	<i>29 February 2024 £</i>
Director Loan <sup>1</sup>	46,675	–
Unpaid share capital	–	19,220
VAT	4,941	–
	<u>51,616</u>	<u>19,220</u>

As of the date of this report the entire balance of the Directors Loans has been paid off.

## 7. Share capital

	<i>Number of shares Number</i>	<i>Ordinary shares £</i>	<i>Share premium £</i>	<i>Total £</i>
<b>Balance at 31 August 2023</b>	<u>45,500,000</u>	<u>4,550</u>	<u>59,400</u>	<u>63,950</u>
Ordinary shares issued <sup>1</sup>	700,000	70	6,930	7,000
Share issue costs	–	–	–	–
<b>Balance as at 29 February 2024</b>	<u>46,200,000</u>	<u>4,620</u>	<u>66,330</u>	<u>70,950</u>
Ordinary shares issued	–	–	–	–
Share issue costs	–	–	–	–
<b>Balance at 31 August 2024</b>	<u>46,200,000</u>	<u>4,620</u>	<u>66,330</u>	<u>70,950</u>
Ordinary shares issued	–	–	–	–
Share issue costs	–	–	–	–
<b>Balance at 28 February 2025</b>	<u>46,200,000</u>	<u>4,620</u>	<u>66,330</u>	<u>70,950</u>

<sup>1</sup> 700,000 shares at £0.01 were issued on 19 January 2024.



The share premium represents the difference between the nominal value of the shares issued and the actual amount subscribed less; the cost of issue of the shares, the value of the bonus share issue, or any bonus warrant issue.

The par value of ordinary shares is £0.0001 per share. All issued shares are fully paid.

## **8. Related party transactions**

### **Director's drawings**

As at 28 February 2025 the Directors owed the Company £46,675 (2024: £7,895) from drawings during the period.

## **9. Capital Commitments**

There were no capital commitments at 28 February 2025 (2024: £nil).

## **10. Contingent Liabilities**

There were no contingent liabilities at 28 February 2025 (2024: £nil).

## **11. Events subsequent to period end**

### **Pre-IPO capital fundraise at £0.0001 per Ordinary share**

On 4 April 2025, the Company issued 42,300,000 Ordinary shares at an issue price of £0.0001 per Ordinary share.

On 16 April 2025, the Company issued 2,000,000 Ordinary shares at an issue price of £0.0001 per Ordinary share.

On 13 June 2025, the Company issued 12,600,000 Ordinary shares at an issue price of £0.0001 per Ordinary share.

### **Pre-IPO capital fundraise at £0.01 per Ordinary share**

On 4 April 2025, the Company issued 33,650,000 Ordinary shares at an issue price of £0.01 per Ordinary share.

On 13 June 2025, the Company issued 9,800,000 Ordinary shares at an issue price of £0.01 per Ordinary share. 1,000,000 of these Ordinary shares were issued as non-cash consideration.

On 4 July 2025, the Company issued 2,000,000 Ordinary shares at an issue price of £0.01 per Ordinary share and were issued as non-cash consideration.

On 15 August 2025, 5,000,000 Ordinary Shares were allotted at a subscription price of £0.01 per share.

### **Pre-IPO capital fundraise at £0.03 per Ordinary share**

On 13 June 2025, the Company issued 2,533,333 Ordinary shares at an issue price of £0.03 per Ordinary share.

On 4 July 2025, the Company issued 2,500,001 Ordinary shares at an issue price of £0.03 per Ordinary share of which 333,333 were issued as non-cash consideration.

On 15 August 2025, 12,000,001 Ordinary Shares were allotted at a subscription price of £0.03 per share.

**Acquisition of IP for MedPal app – issue of shares**

On 4 April 2025, the Company acquired business assets and intellectual property from Jason Drummond, a Director of the Company, for 192,500,00 Ordinary shares at a total consideration price of £0.0001 per Ordinary share.

**Director appointment**

On 4 April 2025, Jason Drummond was appointed as a director of the Company.

**Settlement of accrued historical audit fees**

In the period to 18 August 2025, the Company settled historical audit fees totalling £18,000.

**Settlement of directors' loan accounts**

The Director loan account held with Justin Drummond was settled in full by 30 June 2025.

**Bonus issue of shares**

On 11 August 2025, the Company carried out a bonus share issue, issuing 1 Ordinary share for every existing share held for a nominal value of £0.0001 per share. This resulted in a bonus share issue of 346,083,334 Ordinary shares, increasing the Company's share capital by £34,608 and reducing the Company's share premium by the same amount.

**Capital re-organisation**

On 11 August 2025, the Company consolidated its existing Ordinary Share capital of 692,166,668 Ordinary Shares of £0.0001 each into 346,083,334 Ordinary Shares of £0.0002 each.

**Company re-registration**

On 18 August 2025, the Company was re-registered as a public limited company ("plc").

**Settlement of transaction costs**

In the period to 18 August, the Company settled £226,000 of Admission related transaction costs.

There have been no other subsequent events noted.

**PART IV**  
**PRO FORMA FINANCIAL INFORMATION**

**SECTION A:**  
**ACCOUNTANT'S REPORT ON THE**  
**PRO FORMA FINANCIAL INFORMATION OF THE COMPANY**



25 August 2025

*The Directors*  
**MedPal AI plc**  
Hill Dickinson LLP  
8th Floor, The Broadgate Tower  
20 Primrose Street  
London  
W1J 8AJ

And

*The Partners*  
**Cairn Financial Advisers LLP**  
9th Floor, 107 Cheapside  
London  
EC2V 6DN

**RPG Crouch Chapman LLP**  
*Chartered Accountants*

40 Gracechurch Street  
London  
EC3V 0BT

Dear Sirs,

**Introduction**

We report on the unaudited pro forma statement of financial position (the 'unaudited pro forma financial information') of MedPal AI plc (the "Company") set out in Section B of Part IV of the Admission Document dated 25 August 2025.

This report is required by Section 3 of Annex 20 of the Prospectus Regulation Rules as applied by part (a) of Schedule Two to the AIM Rules for Companies (the "AIM Rules") and is given for the purposes of complying with the AIM Rules and for no other purpose.

**Responsibilities**

It is the responsibility of the Directors of the Company (the "Directors") to prepare the unaudited pro forma financial information in accordance with Annex 20 of the Prospectus Regulation Rules as applied by part (a) of Schedule Two to the AIM Rules and on the basis of the accounting policies set out in note 2 to the Historical Financial Information set out in Section B of Part III of the Admission Document.

It is our responsibility to form an opinion, as required by part (a) of Schedule Two to the AIM Rules on the proper compilation of the unaudited pro forma financial information and to report that opinion to you.

Save for any responsibility arising under 18.4.1 of Annex 1 of the Prospectus Regulation Rules as applied by paragraph (a) of Schedule Two of the AIM Rules for Companies to any person as and to the extent there provided, to the fullest extent permitted by the law we do not assume responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Item 18.4.1 of Annex 1 of the Prospectus Regulation Rules as applied by paragraph (a) of Schedule Two to the AIM Rules for Companies, or consenting to its inclusion in the Admission Document.

## **Basis of opinion**

We conducted our work in accordance with Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of the Company in accordance with relevant ethical requirements as applied to Investment Circular Reporting engagements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the unaudited pro forma financial information with the Directors of the Company.

We planned and performed our work as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the unaudited pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

## **Opinion**

In our opinion:

- The unaudited pro forma financial information has been properly compiled on the basis stated; and
- Such basis is consistent with the accounting policies of the Company.

## **Jurisdictions outside of the UK**

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions outside the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

## **Declaration**

For the purposes of paragraph (a) of Schedule Two of the AIM Rules for Companies we are responsible for this report as part of the Admission Document and declare, to the best of our knowledge, that the information contained in this report is in accordance with the facts and contains no omission likely to affect its import.

This declaration is included in the Admission Document in compliance with Item 1.2 of Annex 1 and Item 1.2 of Annex 11 of the Prospectus Regulation Rules as applied by paragraph (a) of Schedule Two of the AIM Rules.

Yours faithfully,

**RPG Crouch Chapman LLP**

*Chartered Accountants*

## **SECTION B:**

### **PRO FORMA STATEMENT OF FINANCIAL POSITION**

Set out below is the unaudited Pro Forma Statement of Financial Position of the Company as at 26 August 2025. This has been prepared on the basis of the accounting policies adopted by the Company in preparing the unaudited financial statements of the Company for the six-month period ended 28 February 2025, incorporated in Section C: “Interim Financial Information of the Company” of Part III of this document and on the basis set out in the notes below, to illustrate the effects of:

- the pre-Admission investor fundraise carried out by the Company raising a further £279k;
- the shares issued under the APA with Jason Drummond for the purchase of MedPal business assets and intellectual property for share consideration;
- the settlement of accrued expenditure of £18k relating to historical audit fees;
- the settlement of overdrawn directors’ loan account balances prior to Admission;
- the pre-Admission bonus share issue carried out as required for PLC re-registration purposes;
- the final pre-Admission investor fundraise carried out by the Company raising a further £330k;
- the issue of Placing Shares raising £1.439 million on Admission, net of broker commissions; and
- the payment of the transaction costs and the cost associated with Admission of £757k,

on the assets, liabilities and equity of the Company had the aforementioned transactions occurred on or before 26 August 2025.

The Pro Forma Statement of Financial Position has been prepared for illustrative purposes only. Due to its nature, the Pro Forma Statement of Financial Position addresses a hypothetical situation and, therefore, does not represent the Company’s actual financial position as at 26 August 2025. It is based on:

- the unaudited interim financial statements of the Company for the six-month period ended 28 February 2025; and
- the financial information of the Company as at 28 February 2025 has been extracted, without adjustment, from the unaudited interim financial statements of the Company for the six-month period ended 28 February 2025 incorporated in Section C: “Interim Financial Information of the Company” of Part III of this document.

Users should read the whole of this document and not rely solely on the Pro Forma Financial Information.

The functional and presentational currency of the Company is Great British Pounds Sterling (GBP).

Unaudited pro forma Balance Sheet										
	Unaudited MedPal AI Balance Sheet 28/02/25 (Note 1) £	Investor fundraise pre- Admission (Note 2) £	Asset Purchase Transaction with Jason Drummond (Note 3) £	Payment of accrued expenditure (Note 4) £	Settlement of Directors' loan accounts (Note 5) £	Pre- Admission bonus share issue (Note 6) £	Final pre- Admission investor fundraise (Note 7) £	Equity Raise (Note 8) £	Settlement of transaction costs (Note 9) £	Pro forma balances as at 26/08/25 £
<b>Assets</b>										
<b>Non-current assets</b>	-	-	192,500	-	-	-	-	-	-	192,500
	-	-	192,500	-	-	-	-	-	-	192,500
<b>Current assets</b>										-
Directors loan account (debtor)	61,225				(61,225)					-
Share capital to issue	-									-
VAT recoverable	4,941									126,441
Cash at bank	111,873	278,589		(18,000)	46,675		330,000	1,800,000	121,500	1,792,137
	178,039	278,589	-	(18,000)	(14,550)	-	330,000	1,800,000	(635,000)	1,918,578
	178,039	278,589	192,500	(18,000)	(14,550)	-	330,000	1,800,000	(635,000)	2,111,078
<b>Total assets</b>										
<b>Liabilities</b>										
<b>Current Liabilities</b>										(30,445)
Trade creditors	(30,445)									-
Directors loan account	(14,550)			18,000	14,550					-
Accruals	(18,000)									-
Share capital to issue (liability)	(302,601)	302,601								-
	(365,596)	302,601	-	18,000	14,550	-	-	-	-	(30,445)
<b>Non-Current Liabilities</b>										
	-	-	-	-	-	-	-	-	-	-
	(365,596)	302,601	-	18,000	14,550	-	-	-	-	(30,445)
<b>Total Liabilities</b>										
	(187,557)	581,190	192,500	-	-	-	330,000	1,800,000	(635,500)	2,080,633
<b>Net Assets/(Liabilities)</b>										
<b>Equity</b>										
Called up share capital	4,620	10,738	19,250			34,608	3,400	10,000		82,617
Share premium	66,330	600,452	173,250			(34,608)	406,600	1,790,000		3,002,023
Retained earnings	(258,507)	(30,000)					(80,000)		(635,500)	(1,004,007)
	(187,557)	581,190	192,500	-	-	-	330,000	1,800,000	(635,500)	2,080,633
<b>Total equity</b>										

1. The unaudited Statement of Financial Position of the Company as at 28 February 2025 has been extracted, without adjustment, from the unaudited interim financial information of the Company for six-month period ended 28 February 2025 included in Section C: “Interim Financial Information of the Company” of Part III.
2. The adjustment represents the pre-Admission investor fundraising activities carried out by the Company raising additional cash proceeds of £279k. This adjustment also reflects the issue of all Ordinary Shares due to investors who subscribed for shares in the Company at the interim date, but for which the Company had not yet issued the shares.
3. The adjustment represents the shares issued to Jason Drummond and associated nominees under the APA.
4. The adjustment represents the payment of historical accrued expenditure as included in the interim financial statements. The accrued expenditure wholly relates to amounts due to the Company’s auditors in respect of historical audit fees.
5. The adjustment represents the repayment and settlement of Directors’ loan account balances prior to the admission date.
6. The adjustment represents the bonus share issue, with the Company issuing 1 bonus share for every share in issue. This has the effect of reducing the share premium account by £34.6k and increasing share capital by £34.6k. The bonus share issue is required for PLC re-registration purposes.
7. The adjustment represents the final pre-Admission fundraise carried out by the Company issuing 5,000,000 Ordinary Shares of £0.0002 each for a price of £0.01 per share, issued for non-cash consideration, and a further issue of 12,000,001 Ordinary Shares of £0.0002 each for a price of £0.03 per share, for part cash, part non-cash consideration, raising cash proceeds of £330k. The adjustment allocates £3,400 and £406,600 to share capital and share premium, respectively.
8. The adjustment represents the Placing Shares raising £1,800,000 (net of broker commissions of £200,000) on Admission. The value over and above the nominal value of the Placing Shares and Retail Offer Shares and net of broker commissions has been classified within the share premium account.
9. The adjustment represents settlement of the transaction and Admission costs. The costs of the transaction and Admission are £757k and their settlement will result in a decrease to “cash at bank” of £757k, an increase to “VAT recoverable” of £121.5k, and an increase to “retained deficit” of £635k.

The Pro Forma Financial Information excludes the effects of the issue of Option Shares.



## **PART V**

### **CORPORATE GOVERNANCE**

The Board is committed to ensuring that appropriate standards of corporate governance are maintained so far as is appropriate, given the Company's current stage of development, the size and composition of the Board and available resources.

As a result, the Board has chosen to adopt the Quoted Companies Alliance ("QCA") Code, which provides guidelines to ensure appropriate governance of companies which are in the growth stage of their life cycle.

The Board will aim to comply with the QCA Guidelines on Corporate Governance ("QCA Guidelines") to the best of their ability, specifically detailing any diversions from the code.

The QCA Code has ten principles of corporate governance that the Company applies to establish the governance foundations of the business. These principles are:

1. Establish a purpose, strategy and business model which promote long term value for shareholders;
2. Promote a corporate culture that is based on ethical values and behaviours;
3. Seek to understand and meet shareholder needs and expectations;
4. Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long term success;
5. Embed effective risk management, considering both internal controls and assurance activities, considering both opportunities and threats, throughout the organisation;
6. Establish and maintain the board as a well-functioning balanced team led by the Chair;
7. Maintain appropriate governance structures and ensure that individually and collectively the directors have the necessary up-to-date experience, skills and capabilities;
8. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement;
9. Establish a remuneration policy which is supportive of long-term value creation and the Company's purpose strategy and culture; and
10. Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other key stakeholders.

Here follows a short explanation of how the Company applies each of the principles, including where applicable an explanation of why there is a deviation from those principles.

#### **Principle One**

##### ***Business Model and Strategy***

The Company has a clear business model which is centred around digital health and artificial intelligence ("AI") focusing on wellness support, whilst its commercial strategy aims to leverage multiple channels to drive user growth and revenue, while maintaining its role as a non-clinical wellness facilitator.

MedPal is designed to support the user's overall wellbeing and to signpost users to appropriate care when needed.

MedPal's app aggregates data from over 100 wearable fitness trackers or health apps into a unified health profile, enabling personalised lifestyle recommendations through its AI wellness coach. This high-level structure positions MedPal as a technology company delivering wellness support.

The Company's purpose is to create value for its shareholders by growing the MedPal app's user base and capabilities and, in future, developing partnerships with other businesses that improve the functionality of, or facilitate the provision of, the app, including for example, healthcare providers, telehealth companies and insurance firms.

## **Principle Two**

### ***Corporate Culture***

The Board recognises that its decisions regarding strategy and risk will impact the corporate culture of the Company as a whole, which in turn will impact the Company's performance. The Directors are very aware that the tone and culture set by the Board will greatly impact all aspects of the Company and the way that consultants or other representatives behave. The corporate governance arrangements that the Board has adopted are designed to instil a firm ethical code to be followed by Directors, consultants and representatives alike, throughout the entire organisation. The Company strives to achieve and maintain an open and respectful dialogue with representatives, regulators, suppliers and other stakeholders. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives. The Board places great importance on this aspect of corporate life and seeks to ensure that this flows through everything that the Company does. The Directors are focused on ensuring that the Company maintains an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge.

The Company has adopted a code for Directors' dealings in securities which is appropriate for a company whose securities are traded on AIM and is in accordance with the requirements of the Market Abuse Regulation which came into effect in 2016.

Issues of bribery and corruption are taken seriously. The Company has a zero-tolerance approach to bribery and corruption and has an anti-bribery and corruption policy in place to protect the Company, its employees and third parties with which the business engages with.

The Company has adopted a whistleblowing policy that demonstrates the Company's commitment to ethical practices and internal accountability alongside a social media policy to ensure its messaging aligns with regulatory-approved investor communications

## **Principle Three**

### ***Understanding shareholder needs and expectations***

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company seeks to provide effective communication through its interim and annual reports, along with regulatory news releases, which will be made available on the Company's website. Investors will also be encouraged to attend the Company's AGMs which provide opportunity for dialogue with the Board. The Company is also open to receiving feedback from key stakeholders and the key contact at the Company for this is Jason Drummond.

The Company also engages the services of external media providers which assist with the Company's public and investor relations and seek to further encourage and facilitate opportunities for shareholder engagement.

## **Principle Four**

### ***Considering wider stakeholder and social responsibilities***

The Board considers the interests of shareholders and all relevant stakeholders in line with section 172 of the Companies Act 2006. The Board recognises that the long-term success of the Company is reliant upon open communication with its internal and external stakeholders: investee companies, shareholders, contractors, suppliers, regulators and other stakeholders. The Company has created close ongoing relationships with a broad range of its stakeholders and will ensure that it provides them with regular opportunities to raise issues and provide feedback to the Company. As the Company evolves, we anticipate that this aspect of community engagement will evolve further, accordingly the Board will regularly review its principal stakeholders and how it engages with them.

## **Principle Five**

### ***Risk Management***

The Board recognises the need for an effective and well-defined risk management process and it oversees and regularly reviews the current risk management and internal control mechanisms.

The Board is responsible for providing entrepreneurial leadership of the Company within a framework of prudent and effective controls which enable risks to be managed and assessed against the Company's strategic aims.

The Audit Committee has responsibility for ensuring that procedures are in place and are being implemented effectively to identify, evaluate and manage the significant risks faced by the Company. It ensures that risks are identified as early as practically possible, monitored and addressed in a timely manner. Risk management policies and systems are reviewed regularly to reflect changes in the Company's activities and to ensure compliance with best practice, whilst having regard for the Company's size and the resources available.

The Company has a framework of internal financial controls to address financial risk and regularly reviews the non-financial risks to ensure all exposures are adequately managed. The Company maintains appropriate insurance cover in respect of legal actions against the Directors as well as against material loss or claims against the Company. Key financial controls include:

- a schedule of matters reserved for the approval of the Board;
- evaluation, approval procedures and risk assessment for acquisitions; and
- close involvement of the Directors in the day-to-day operational matters of the Company.

An internal audit function is not yet considered necessary as day-to-day control is sufficiently exercised by the Company's Executive Directors. However, the Board will continue to monitor the need for an internal audit function.

The Board takes seriously the matter of cyber security and has strict internal protocols over its IT environment to try and help minimise the threat of loss or disruption caused by cyber attack. The Company engages with cyber security experts as and when required, and encourages all staff and sub contractors to report and communicate internally to all colleagues any suspicious emails received or warn of any known cyber scams.

The principal risks and uncertainties are as set out in Part II, Risk Factors, of the Admission Document.

## **Principle Six**

### ***A Well-Functioning Board of Directors***

The Board of Directors currently consists of the Non-executive Chairman, Karl Karlsson, the Chief Executive Officer, Jason Drummond, Director Justin Drummond, Finance Director Adam Monaco, and Non-executive Director Kevin O'Neill.

It is expected that the Directors will meet at least 6 times per annum and at other times as and when required to ensure that the Company is fulfilling all of its regulatory and compliance obligations. Meetings are expected to be open and constructive, with every director participating fully. To be efficient, the Directors meet formally and informally both in person and by video conference. Directors are sent an agenda and Board papers at least three days prior to every Board meeting to facilitate proper assessment of any matters requiring a decision or insight. Additional information is provided when requested by the Board or individual Directors. The Non-executive Directors maintain ongoing communication with the Executive Directors between formal Board meetings. The CEO is required to work in the Company on a full time basis and all Non-executive Directors spend a minimum of two days a month on company business, or as much time necessary to fulfil their duties above this.

The Company has an Audit Committee and Remuneration Committee, further details of which are set out below. All committees have the necessary skills and knowledge to discharge their duties effectively. As with board papers, committee papers are drafted and circulated to members of the relevant committee prior to meetings, thus allowing time for full consideration and necessary clarifications. The Company does not consider it necessary at the current time to have a Nominations Committee, however this will be kept under review as the Company develops.

The Board is responsible for the risk management of the Company. The CEO identifies risks to the Company's business as well as assessing industry threats and trends, and the Finance Director has the responsibility for ensuring that all disclosures relating to risk and controls are included in the Annual Report.

The CEO and Finance Director brief the Board on risk matters at Board meetings and the Board as a collective unit identify and discuss macroeconomic risks. Further detail on risk management is provided in Principle 4.

The Board will consider any Board imbalances for future nominations to the Board, including director independence and gender balance, and will seek input from external advisors when required to assist in matters such as the identification of potential Board candidates, establishing additional committees and other initiatives to enhance the overall Corporate Governance of the Company.

#### *Directors' conflict of interest*

The Company has effective procedures in place to monitor and deal with conflicts of interest. The Board is aware of the other commitments and interests of its Directors, and changes to these commitments and interests are reported to and, where appropriate, agreed with the rest of the Board.

As at the date of Admission, Jason and Justin Drummond, together with their connected persons, will between them control the exercise of approximately 54 per cent. of the voting rights of the Company. Accordingly, the Relationship Agreement has been put in place between them, the Company and the Company's nominated adviser to ensure that the Company is able to carry on its business independently and to regulate the relationship between them on an arm's length and normal commercial basis.

Further details of the Relationship Agreement are set out in paragraph 16 of Part I.

## **Principle Seven**

### ***Appropriate governance structures***

The Company is committed to, and ultimately responsible for, high standards of corporate governance and has chosen to adopt the QCA Code. The Board reviews the Company's corporate governance arrangements regularly and expects to evolve this over time, in line with the Company's growth. The Board delegates responsibilities to its committees and individual members as it sees fit.

The Chairman's principal responsibilities are to ensure that the Company and the Board of Directors are acting in the best interests of shareholders. The Chairman's leadership of the Board is undertaken in a manner which ensures that the Board retains its integrity and effectiveness and includes creating the right Board dynamic and ensuring that all important matters, in particular strategic decisions, receive adequate time and attention at Board meetings.

The CEO has, through powers delegated by the Board, responsibility for leadership of the management team in the execution of the Company's corporate strategies and policies and for the day-to-day management of the business.

The Non-executive Directors are tasked with constructively challenging the decisions of executive management and satisfying themselves that the systems of business risk management and internal financial controls are robust.

The Board considers that the Company's governance structures are appropriate for a Company of its size. The Board meets regularly and the Directors also continuously maintain an informal dialogue between themselves. The current governance structure is outlined below:

**Audit Committee** – upon Admission, the Company audit committee will comprise 2 members, Kevin O'Neill and Karl Karlsson who acts as Chairman. The audit committee maintains primary responsibility for monitoring the quality of internal control and ensuring that the financial performance of the Company is properly measured and reported on.

The Audit Committee is also responsible for making recommendations to the Board on the appointment of auditors and the audit fee and for ensuring that the financial performance of the Company is properly monitored and reported.

RPG Crouch Chapman LLP have been appointed auditor to the Company. The Audit Committee will meet with the auditor to consider the results, internal procedures and controls and matters raised by the auditor.

The Board considers auditor independence and objectivity of the audit process as a high priority in the functioning of the Company. It also considers the nature and extent of the non-audit services supplied by the auditor when reviewing the ratio of audit to non-audit fees and ensures that an appropriate relationship is maintained between the Company and its external auditor.

The audit committee will meet 2 times per annum on and around the approval of the interim and annual financial statements.

**Remuneration Committee** – The Company remuneration committee comprises 2 members, Karl Karlsson, and Kevin O'Neill who acts as Chairman. The remuneration committee is responsible for both the review and recommendation of the scale and structure of remuneration for senior management. In reviewing the remuneration policy of the Company, this will include any bonus arrangements or the award of share options with due regard to the interests of the Shareholders and the performance of the Company.

The remuneration committee will meet 2 times per annum.

**Nomination Committee** – the Company does not consider it necessary at the current time to have a Nominations Committee, however this will be kept under review as the Company develops.

The Company believes that the Directors have wide ranging experience working for/and/or advising businesses operating within the technology sector. They also have an extensive network of relationships to reach key decision-makers to help achieve their strategy. The Board recognises that it currently does not have any female Directors, however as it grows, it will look to recruit and develop a diverse and more gender-balanced executive team.

## **Principle Eight**

### ***Evaluation of Board Performance***

Internal evaluation of the Board, the Committees and individual Directors will be undertaken on an annual basis in the form of peer appraisal and discussions to determine the effectiveness and performance against targets and objectives. As a part of the appraisal the appropriateness and opportunity for continuing professional development whether formal or informal is discussed and assessed. As the Company grows, the Company may expand the Board and re-consider the need for a more formal evaluation process.

No succession planning is deemed necessary at this point due to the small size of the Company.

Each Director is also assessed by shareholders on a three year rotation basis at AGM when their re-appointment is due.

## **Principle Nine**

### ***Remuneration policy***

The Board is committed to ensuring that the creation of value for shareholders aligns with the interests of executives and employees of the Company. The remuneration of the Board is to be implemented at admission and will be reviewed annually to ensure that it remains appropriate for the level of time and responsibilities that each director is committing to their roles. The Board remuneration currently comprises a mixture of salary and equity-based compensation and the Board considers that the members of the Board are currently remunerated appropriately.

The remuneration report will be put to shareholders for an advisory vote at each Annual General Meeting of the Company.

## **Principle Ten**

### ***Shareholder Communication***

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders in compliance with regulations applicable to companies quoted on AIM. All shareholders are encouraged to attend the Company's Annual General Meeting where they will be given the opportunity to interact with the Directors. Investors also have access to current information on the Company through its website, ([www.medpalplc.com](http://www.medpalplc.com)).

The Board takes feedback from a wide range of shareholders (large and small) and endeavours at every opportunity to pro-actively engage with all shareholders (via regular news reporting-RNS) and engage with any specific shareholders in response to particular queries they may have from time to time.

The Company will report on the responsibilities and activities of each of the Board sub-committees in its annual reports going forward, and also intends to release full proxy/poll votes after shareholder meetings and will post results on the Company website.

## PART VI

### ADDITIONAL INFORMATION

#### 1. RESPONSIBILITY STATEMENT

- 1.1 The Directors (including the Proposed Directors), whose names appear on page 15, and the Company accept responsibility, both individually and collectively, for the information contained in this document (including any expression of opinion) and for compliance with the AIM Rules. To the best of the knowledge and belief of the Directors and the Company (each of whom have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 RPG, whose address appears on page 15, accepts responsibility for the information contained in Part IV of this document. To the best of the knowledge and belief of RPG (who have taken all reasonable care to ensure that such is the case) the information contained in Part IV is in accordance with the facts and makes no omission likely to affect the import of such information.

#### 2. INCORPORATION AND STATUS

- 2.1 The Company was incorporated and registered on 23 August 2021 in England and Wales, with company number 13578804. The Company was incorporated as a private limited company under the Companies Act with the name Daxsto Limited.
- 2.2 The Company changed its name to Tokenomics Limited on 17 November 2021. The Company changed its name to its current legal and commercial name, MedPal AI Limited, on 17 January 2024.
- 2.3 The Company's registered office is at Hill Dickinson LLP, 8th Floor The Broadgate Tower, 20 Primrose Street, London, United Kingdom, EC2A 2EW. The telephone number of the Company is +44 (0) 7400 800 500. The address of the Company's website is [www.medpalplc.com](http://www.medpalplc.com). The information included on the Company's website or the contents of any website accessible from hyperlinks on the Company's website are not incorporated and do not form part of this document.
- 2.4 The principal legislation under which the Company operates and which the Existing Ordinary Shares have been, and the Placing Shares and Retail Offer Shares will be, issued is the Companies Act and the regulations made thereunder.
- 2.5 The Company is subject to the Companies Act, the Takeover Code and the AIM Rules for Companies.
- 2.6 The liability of the members of the Company is limited to the amount, if any, unpaid on the Ordinary Shares held by them.
- 2.7 The accounting reference date of the Company is 31 August.
- 2.8 The Company does not have any subsidiary undertakings.

#### 3. SHARE CAPITAL OF THE COMPANY

- 3.1 The issued and fully paid share capital of the Company as at the date of this document and immediately following Admission, is and will be as follows:

	£	<i>Number of Ordinary Shares of £0.0002 each</i>
At the date of this document	72,616.61	363,083,335
On Admission	82,617.67	413,083,335

- 3.2 On incorporation, the share capital of the Company was £3,750, divided into 37,500,000 Ordinary Shares of £0.0001 each, all of which were subscribed for and issued, fully paid.



- 3.3 The following changes in the share capital of the Company have taken place between the date of the Company's incorporation and the Last Practicable Date:
- 3.3.1 on 12 November 2021, 2,000,000 Ordinary Shares were allotted;
  - 3.3.2 on 25 June 2022, 6,000,000 Ordinary Shares were allotted at a subscription price of £0.01 per share;
  - 3.3.3 on 19 January 2024, 700,000 Ordinary Shares were allotted at a subscription price of £0.01 per share;
  - 3.3.4 on 4 April 2025, 42,300,000 Ordinary Shares were allotted at a subscription price of £0.0001 per share;
  - 3.3.5 on 4 April 2025, 33,650,000 Ordinary Shares were allotted at a subscription price of £0.01 per share;
  - 3.3.6 on 4 April 2025, 192,500,000 Ordinary Shares were allotted at a subscription price of £0.001 per share<sup>1</sup>;
  - 3.3.7 on 16 April 2025, 2,000,000 Ordinary Shares were allotted at a subscription price of £0.0001 per share;
  - 3.3.8 on 13 June 2025, 9,800,000 Ordinary Shares were allotted at a subscription price of £0.01 per share<sup>2</sup>;
  - 3.3.9 on 13 June 2025, 12,600,000 Ordinary Shares were allotted at a subscription price of £0.0001 per share;
  - 3.3.10 on 13 June 2025, 2,533,333 Ordinary Shares were allotted at a subscription price of £0.03 per share;
  - 3.3.11 on 4 July 2025, 2,000,000 Ordinary Shares were allotted at a subscription price of £0.01 per share<sup>3</sup>;
  - 3.3.12 on 4 July 2025, 2,500,001 Ordinary Shares were allotted at a subscription price of £0.03 per share<sup>4</sup>;
  - 3.3.13 on 11 August 2025, the share premium account of the Company was reduced by £34,608.33 from £840,031.66 to £805,423.33 and the amount by which the share premium account was so reduced was credited to a reserve;
  - 3.3.14 on 11 August 2025, a bonus issue of 346,083,334 Ordinary Shares were allotted to the existing shareholders in the Company at a ratio of one bonus share for each Ordinary Share held;
  - 3.3.15 on 11 August 2025, the Company consolidated its existing Ordinary Share capital of 692,166,668 Ordinary Shares of £0.0001 each into 346,083,334 Ordinary Shares of £0.0002 each;
  - 3.3.16 on 14 August 2025, a written resolution was passed to approve the re-registration of the Company as a public limited company (**Re-Registration**);
  - 3.3.17 on 15 August 2025, 5,000,000 Ordinary Shares were allotted at a subscription price of £0.01 per share<sup>5</sup>;

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<sup>1</sup> The Ordinary Shares referenced at paragraph 3.3.6 above were allotted to Jason Drummond and his elected nominees as consideration shares pursuant to terms of the APA.

<sup>2</sup> Out of the 9,800,000 Ordinary Shares referenced at paragraph 3.3.8 above, 1,000,000 Ordinary Shares of £0.0001 each were allotted to Oliver Brown in full settlement of an invoice in the amount of £10,000 for consultancy services provided to the Company.

<sup>3</sup> Out of the 2,000,000 Ordinary Shares referenced at paragraph 3.3.11 above, 1,500,000 Ordinary Shares were allotted to Cairn and 500,000 Ordinary Shares were allotted to Orana as non-cash consideration shares in settlement of advisor fees pursuant to the terms of their engagements set out at paragraphs 12.7 and 12.13 in Part VI.

<sup>4</sup> Out of the 2,500,001 Ordinary Shares referenced at paragraph 3.3.12 above, 333,333 Ordinary Shares were allotted to James Lennon as non-cash consideration shares in settlement of an invoice for consultancy services.

<sup>5</sup> The 5,000,000 Ordinary Shares referenced at paragraph 3.3.17 above were allotted to Phoenix Ventures Limited as non-cash consideration shares in settlement of an invoice for introductory and consultancy services provided to the Company.

- 3.3.18 on 15 August 2025, 12,000,001 Ordinary Shares were allotted at a subscription price of £0.03 per share.<sup>6</sup>
- 3.4 On 14 August 2025, the following resolutions were passed by way of a written resolution:
- 3.4.1 an ordinary resolution was passed generally and unconditionally authorising the Company in accordance with section 551 of the Act to exercise all powers of the Company to allot shares in the Company, and grant rights to subscribe for or to convert any security into shares of the Company (such shares, and rights to subscribe for or to convert any security into shares of the Company being “relevant securities”) up to an aggregate nominal value of £200,000 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the date of the next annual general meeting of the Company save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired; and:
- a special resolution was passed pursuant to section 570 of the Act authorising the Directors to make allotments of equity securities (within the meaning of section 560 of the Act) for cash pursuant to the general authority conferred above as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to:
- (i) an aggregate nominal value of £200,000 provided that this authority shall expire on the date of the next annual general meeting of the Company (unless renewed, varied or revoked by the Company prior to or on that date) save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors (or any subsequently duly appointed Directors) may allot equity securities in pursuance of such offer or agreement notwithstanding that the power conferred by this resolutions has expired.
- 3.5 The new Ordinary Shares in issue following Admission will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after Admission on the Ordinary Share capital.
- 3.6 On Admission, warrants in respect of 135,746,667 new Ordinary Shares will be issued to Cairn, Orana, Dalheim and Clear Capital. In addition, certain Fee Shares have been issued to Cairn and Orana in satisfaction of certain fees relating to Admission. Further details of these warrants and Fee Shares are provided in paragraphs 12.7 and 12.14 of Part VI.
- 3.7 The Company does not have in issue any securities not representing share capital.
- 3.8 No Ordinary Shares are currently in issue with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.
- 3.9 Save for the Placing Shares and Retail Offer Shares to be issued upon Admission and as disclosed in this paragraph 3:
- 3.9.1 no share or loan capital of the Company has been issued or is proposed to be issued, fully or partly paid, either for cash or for a consideration other than cash;
- 3.9.2 no share or loan capital of the Company is under option or is the subject of an agreement, conditional or unconditional, to be put under option;
- 3.9.3 no fee and no founder, management or deferred shares have been issued by the Company;
- 3.9.4 no commission, discounts, brokerage or other special term has been granted by the Company or is now proposed in connection with the issue or sale of any part of the share or loan capital of the Company;

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<sup>6</sup> Out of the 12,000,001 Ordinary Shares referenced at paragraph 3.3.18 above, 666,667 Ordinary Shares were allotted to Karl Karlsson as non-cash consideration shares for consultancy services provided to the Company pursuant to the terms of his Letter of Appointment detailed at paragraph 6.2.1 in Part VI and 666,667 Ordinary Shares were allotted to Oliver Brown as non-cash consideration shares in settlement of an invoice for consultancy services provided to the Company.

- 3.9.5 there are no shares held by or on behalf of the Company in itself; and
- 3.9.6 there has been no change in the amount of the issued share capital of the Company.

#### **4. ARTICLES OF ASSOCIATION**

- 4.1 The Articles of Association (the **Articles**) do not contain any restriction on the objects of the Company.
- 4.2 The following is a description of the rights attaching to the Ordinary Shares based on the Articles and English law. This description does not purport to be complete and is qualified in its entirety by the full terms of the Articles.

##### **4.2.1 Capital structure**

The share capital of the Company is represented by an unlimited number of Ordinary Shares having the rights described in the Articles.

##### **4.2.2 Voting**

Subject to disenfranchisement in the event of:

- (a) non-payment of calls or other monies due and payable in respect of Ordinary Shares; or
- (b) non-compliance with a statutory notice requiring disclosure as to beneficial ownership of Ordinary Shares,

and, without prejudice to any special rights or restrictions as to voting upon which any shares may be issued or may for the time being be held and to any other provisions of the Articles, on a show of hands every shareholder who is present in person (including by corporate representative) and every proxy present who has been duly appointed to vote on the resolution shall have one vote, and on a poll every shareholder who is present in person (including by corporate representative) and every proxy present who has been duly appointed to vote on the resolution shall have one vote for every Ordinary Share held.

##### **4.2.3 Dividends**

The Company may by Ordinary Resolution declare dividends but no dividend shall exceed the amount recommended by the Directors. Except insofar as the rights attaching to, or the terms of issue of, any shares otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid *pro rata* according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. If in the Directors' opinion the profits of the Company justify such payments, the Directors may pay interim dividends of such amounts and on such dates and in respect of such periods as they think fit. Any dividend unclaimed after a period of 12 years from the date it became due for payment shall be forfeited and shall revert to the Company.

##### **4.2.4 Transferability of Ordinary Shares**

All transfers of shares which are in certificated form may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors. The instrument of transfer shall be executed by or on behalf of the transferor and (except in the case of fully-paid shares) by or on behalf of the transferee. All transfers of shares which are in uncertificated form may be effected by means of a relevant system (as defined in the Articles).

The Directors may, in the case of shares in certificated form, in their absolute discretion refuse to register any transfer of shares (not being fully-paid shares) and they may also decline to register the transfer of a share upon which the Company has a lien, provided that any such refusal does not prevent dealings in partly-paid shares from taking place on an

open and proper basis. In addition, the Directors may, subject to the Crest Regulations, refuse to register a transfer of shares (whether fully-paid or not) in favour of more than four persons.

The Directors may decline to recognise any instrument of transfer relating to shares in certificated form unless the instrument of transfer is duly stamped, is in respect of only one class of share and is lodged at the Company's registered office accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (or if the instrument of transfer is executed by some other person on his behalf, the authority of that person to do so).

#### 4.2.5 **Calls**

Subject to the terms of allotment, the Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares including any premium and each member shall (subject to being given at least 14 clear days' notice specifying where and when payment is to be made) pay to the Company the specified amount called on his shares. If any sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid. Interest shall be paid at a rate fixed by the terms of allotment of the share or in the notice of the call; or if no rate is fixed, at the appropriate rate per annum from the day appointed for the payment thereof to the time of the actual payment. Directors may at their discretion waive payment of any such interest in whole or in part.

#### 4.2.6 **Variation of rights**

Subject to the provisions of the Act, if at any time the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class (but not otherwise).

#### 4.2.7 **Changes in capital**

Subject to the provisions of the Companies Act and the Articles, the Company can issue shares which are required to be redeemed and shares which may be redeemed at the option of the Company or the relevant member.

Subject to the provisions of the Statutes and to any special rights previously conferred on the holders of any existing shares, any share may be classified and issued with such preferred, deferred or other special rights or subject to such restrictions as the Company may determine by ordinary resolution (or, in the absence of any such determination, as the Directors determine). The Company may by ordinary resolution consolidate and divide all or any of its share capital into shares of a larger amount and sub-divide its shares, or any of them, into shares of a smaller amount (subject to the provisions of the Statutes).

Subject to the provisions of the Statutes, the Company may reduce its share capital, or any capital redemption reserve and share premium account in any manner. The Company may also, subject to the requirements of the Statutes, purchase its own shares (including any redeemable shares).

#### 4.2.8 **Untraced Shareholders**

Subject to the Statutes, the Company may sell any shares of a member or the shares of a person entitled thereto who is untraceable, if during a period of 12 years, at least three dividends in respect of the shares in question have become payable and the cheques or warrants for all amounts payable to such member or person in respect of his shares have

remained uncashed or mandated dividend payments have failed and the Company has received no communication from such member or person. The net proceeds of sale shall belong to the Company but the member or person who had been entitled to the shares shall become a creditor of the Company in respect of those proceeds.

If on three consecutive occasions notices sent to a member have been returned undelivered, such member shall not thereafter be entitled to receive notices from the Company until he shall have communicated with the Company and supplied in writing to the Company's registered office or a new registered address or a postal address within the United Kingdom for the service of notices or shall have informed the Company, in such manner as may be specified by the Company, of an address for the service of notices by electronic communication.

#### 4.2.9 **Non-UK Shareholders**

There are no limitations in the Articles on the rights of non-UK shareholders to hold, or exercise voting rights attaching to, Ordinary Shares. However, no shareholder is entitled to receive notices from the Company (whether electronically or otherwise), including notices of general meetings, unless he has given a postal address in the UK or an address for the service of notices by electronic communication to the Company to which such notices may be sent.

#### 4.2.10 **Annual General Meetings**

An annual general meeting shall be held once in every year, at such time and place as may be determined by the Directors, and must not be more than 15 months apart. An annual general meeting shall be called by not less than 21 clear days' written notice.

#### 4.2.11 **General Meetings**

The Directors may, whenever they think fit, and in accordance with the Companies Act, convene a general meeting. The Directors must convene one on the requisition of members under the Companies Act and, if it fails to do so within the time allowed, any of the requisitionists may convene the meeting. A general meeting of the Company shall be called by notice of at least such length as is required in the circumstances by the Companies Act and, in particular, a general meeting, other than an annual general meeting, may be called by notice of not less than 14 clear days' notice.

#### 4.2.12 **Pre-emption Rights**

There are no rights of pre-emption under the Articles of the Company in respect of transfers of issued Ordinary Shares.

In certain circumstances, the Company's shareholders may have statutory pre-emption rights under the Companies Act in respect of the allotment of new shares in the Company. These statutory pre-emption rights would require the Company to offer new shares for allotment to existing shareholders on a *pro rata* basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory pre-emption rights would be set out in the documentation by which such shares would be offered to the Company's shareholders.

#### 4.2.13 **Sanctions on Shareholders**

A member loses his rights to vote in respect of his shares if and for so long as he or any other person appearing to be interested in those shares fails to comply with a request by the Company under the Companies Act requiring him to give particulars of any interest in those Ordinary Shares within 14 days.

In the case of shareholdings representing 0.25 per cent. or more of the issued shares of the class concerned, the sanctions which may be applied by the Company include not only

disenfranchisement but also the right to withhold payment of dividends and other monies payable on, and restrictions on transfers of, the shares concerned.

#### 4.2.14 **Directors' Fees**

The Directors (other than those holding executive office with the Company or any subsidiary of the Company) shall be entitled to remuneration for their services in such amount as the Directors may determine, not exceeding in aggregate a sum determined by the Remuneration Committee of the Board (or such amount as the Company may by ordinary resolution determine), in addition, any Director who does not hold executive office and who serves on any committee of the Directors, by the request of the Board goes or resides abroad for any purpose of the Company or otherwise performs special services or duties which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission, fees or otherwise as the Board may determine.

The Directors may also be paid all such reasonable expenses as they may incur in attending and returning from meetings of the Company or of the Directors or any Committee or otherwise in or about the business of the Company or the proper exercise of their duties.

The Company may also fund a Director's expenditure (and that of a director of any subsidiary) for the purposes permitted under the Statutes and may do anything to enable a Director (or a director of any subsidiary) to avoid incurring such expenditure as provided in the Statutes.

#### 4.2.15 **Directors' Conflicts of Interest**

A Director must declare to the other Directors any situation in which he has, or could have, a direct or indirect interest that conflicts, or possibly might conflict, with the interests of the Company unless it relates to a contract, transaction or arrangement with the Company or the matter has been authorised by the Directors or the situation cannot reasonably be regarded as likely to give rise to a conflict of interest.

The Directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law:

- (a) any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties);
- (b) a Director to accept or continue in any office, employment or position in addition to his office as a Director of the Company and may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises,

provided that for this purpose the Director in question and any other interested Director are not counted in the quorum at any board meeting at which such matter, or such office, employment or position, is approved and it is agreed to without their voting or would have been agreed to if their votes had not been counted.

A Director shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any matter, or from any office, employment or position, which has been approved by the Directors (subject in any such case to any limits or conditions to which such approval was subject).



#### 4.2.16 **Votes and Directors' Interests**

A Director who is in any way, whether directly or indirectly, interested in a proposed or existing, contract, transaction or arrangement with the Company must declare the nature and extent of that interest to the other Directors unless it cannot reasonably be regarded as likely to give rise to a conflict of interest.

A Director shall not vote, and shall not be counted in a quorum, in respect of any contract, transaction, arrangement or any other proposal in which he has an interest which (together with any interest of any person connected with him) is to his knowledge a material interest (otherwise than by virtue of shares or debentures or other securities of or otherwise in or through the Company), except that this prohibition shall not apply to:

- (a) the giving of any security, guarantee or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiaries;
- (b) the giving of any security, guarantee or indemnity in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (c) any contract or arrangement by a Director to participate in the underwriting or sub-underwriting of any offer of shares, debentures or other securities of the Company or any of its subsidiaries for subscription, purchase or exchange;
- (d) any contract or arrangement concerning any other company in which the Director and any persons connected with him do not to his knowledge hold an interest in shares (as that term is used in sections 820 to 825 of the Companies Act) representing one per cent. or more of either any class of the equity share capital, or the voting rights, in such company;
- (e) any arrangement for the benefit of Directors or employees of the Company or any directors or employees of its subsidiaries which does not award him any privilege or benefit not generally awarded to the other persons to whom such arrangement relates;
- (f) any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for or for the benefit of *inter alia* any Directors of the Company,

and the Company may by ordinary resolution suspend or relax any such prohibitions or ratify any transaction not duly authorised by reason of a contravention of a prohibition.

#### 4.2.17 **Retirement**

The office of a Director will be vacated if the Director resigns, becomes bankrupt or is the subject of other insolvency-related proceedings, in certain circumstances where the Director is suffering from mental disorder, if the Director is absent from meetings of the Board for six successive months without leave and the Board resolves that the Director's office should be vacated, if removed by notice in writing from all the other Directors, if the Director is an executive Director and ceases to hold that office and the majority of the other Directors resolve that such office be vacated, or if the Director is removed or becomes prohibited from being a Director under any provision of applicable statutes.

The Directors are not required to retire at the first annual general meeting. At every subsequent annual general meeting, every Director shall retire from office. A retiring Director may offer themselves for re-appointment by the members and a Director that is so re-appointed will be treated as continuing in office without a break. A retiring Director shall be eligible for re-election.



#### 4.2.18 **Executive Office**

The Directors may from time to time appoint one or more Directors to be the holder of any executive office on such terms and for such period as they determine.

#### 4.2.19 **Borrowing Powers**

The Directors may exercise all the powers of the Company to borrow money, indemnify and guarantee, and to mortgage or charge all or any part of its undertaking, property, assets (present and future), and to create debenture and loan stock whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

#### 4.2.20 **Winding Up**

If the Company is wound up, the liquidator may, with the sanction of a special resolution and any other sanction required by law and subject to the CA 2006, divide among the

Shareholders in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the Shareholders or different classes of Shareholders.

### **5. INTERESTS OF THE DIRECTORS**

- 5.1 The interests (all of which are beneficial unless otherwise stated) of the Directors and their immediate families and the persons connected with them (within the meaning of section 252 of the Companies Act) in the issued share capital of the Company or the existence of which could, with reasonable diligence, be ascertained by any Director as at the date of this document and as expected to be immediately following Admission are as follows:

<i>Name</i>	<i>Number of Ordinary Shares as at the date of this document</i>	<i>Percentage of Existing Ordinary Shares</i>	<i>Number of Ordinary Shares at Admission</i>	<i>Percentage of Enlarged Share Capital</i>
Jason Drummond	170,000,000	46.8%	170,000,000	41.2%
Phoebe Drummond*	1,000,000	0.3%	1,000,000	0.2%
Oscar Drummond*	1,000,000	0.3%	1,000,000	0.2%
Matthew Drummond*	1,000,000	0.3%	1,000,000	0.2%
Justin Drummond	37,500,000	10.3%	37,500,000	9.1%
Marie Juste**	12,500,000	3.4%	12,500,000	3.0%
Karl Karlsson	5,000,000	1.4%	5,000,000	1.2%
Kevin O'Neill	5,000,000	1.4%	5,000,000	1.2%
Adam Monaco	0	0.0%	–	0
Total	233,000,000	64.2%	233,000,000	56.3%

\*adult child of Jason Drummond

\*\*co-habiting partner of Justin Drummond

- 5.2 Save as disclosed above, none of the Directors (or persons connected with the Directors within the meaning of section 252 of the Companies Act) has any interest, whether beneficial or non-beneficial, in any share or loan capital of the Company.
- 5.3 There are no outstanding loans granted or guarantees provided by the Company to or for the benefit of any of the Directors.
- 5.4 Save as disclosed above, and save as otherwise disclosed in this document, no Director has any interest, whether direct or indirect, in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company taken as a whole and which was effected by the Company since its incorporation and which remains in any respect outstanding or under-performed.

- 5.5 None of the Directors or any person connected with them (within the meaning of section 252 of the Companies Act) is interested in any related financial product referenced to the Ordinary Shares (being a financial product whose value is, in whole or in part, determined directly or indirectly by reference to the price of the Ordinary Shares including a contract for difference or a fixed odds bet).

## **6. DIRECTORS' SERVICE AGREEMENTS AND LETTERS OF APPOINTMENT**

### **6.1 Executive Directors**

- 6.1.1 Jason Drummond entered into an agreement with the Company to serve as Chief Executive Officer, with effect from Admission. His employment commenced on 4 April 2025 and continues on an indefinite basis, subject to 12 months' written notice by either party. The Company may terminate the agreement immediately by making a payment in lieu of notice and may summarily terminate without compensation in cases of gross misconduct, serious or repeated breach, or other specified grounds. Mr. Drummond is entitled to an annual salary of £120,000, payable monthly in arrears, subject to annual review. A discretionary bonus may be awarded by the Board. The agreement includes provisions on confidentiality, intellectual property, and post-termination obligations. There are no benefits upon termination of the employment.
- 6.1.2 Adam Monaco entered into an agreement with the Company to serve as Finance Director, with effect from Admission. The appointment is for an indefinite term, terminable by either party with not less than three months' written notice. The Company may, at its sole discretion, terminate the agreement immediately by making a payment in lieu of notice and may summarily terminate without compensation in cases of gross misconduct, serious or repeated breach, or other specified grounds. Mr Monaco is entitled to an annual salary of £30,000, payable monthly in arrears, subject to annual review. A discretionary bonus may be awarded by the Board. The agreement includes provisions on confidentiality, intellectual property, and post-termination obligations. There are no benefits upon termination of the employment.
- 6.1.3 Justin Drummond entered into an agreement with the Company to serve as an Executive Director, with effect from Admission. His employment commenced on 23 August 2021 and continues on an indefinite basis, subject to 12 months' written notice by either party. The Company may terminate the agreement immediately by making a payment in lieu of notice and may summarily terminate without compensation in cases of gross misconduct, serious or repeated breach, or other specified grounds. Mr. Drummond is entitled to an annual salary of £120,000, payable monthly in arrears, subject to annual review. A discretionary bonus may be awarded by the Board. The agreement includes provisions on confidentiality, intellectual property, and post-termination obligations. There are no benefits upon termination of the employment.

### **6.2 Non-executive Directors**

- 6.2.1 Karl Karlsson signed a letter of appointment from the Company to act as Non-executive Chairperson of the Company, with effect from Admission. Mr. Karlsson's appointment may be terminated by either party giving not less than three months' prior written notice. Mr. Karlsson will receive an annual fee of £30,000, payable in monthly instalments in arrears. This fee will be reviewed annually at the discretion of the Board. He will not be entitled to any bonus, pension, or other benefits. He is subject to confidentiality obligations and provisions relating to conflicts of interest. Mr Karlsson has received 666,667 Ordinary Shares in settlement of consultancy and introduction fees in the amount of £20,000 provided to the Company. There are no benefits upon termination of the employment.
- 6.2.2 Kevin O'Neill signed a letter of appointment from the Company to act as Non-executive Director of the Company with effect from Admission. Mr. O'Neill's appointment may be terminated by either party giving not less than three months' prior written notice. Mr. O'Neill will receive an annual fee of £25,000, payable in monthly instalments in arrears. This fee will be reviewed annually at the discretion of the Board. He will not be entitled to any bonus, pension, or other benefits. He is subject to confidentiality obligations and provisions relating to conflicts of interest. There are no benefits upon termination of the employment.

- 6.3 Save as disclosed above, there are no service contracts in existence or proposed between any Director and the Company.
- 6.4 The aggregate remuneration and benefits in kind paid by the Company to the Directors in respect of the period ended 28 February 2025 was £85,000.
- 6.5 It is estimated that under the arrangements currently in force at the date of this document, the aggregate remuneration payable and benefits in kind to be granted to the Directors for the financial period ending 31 August 2025 by the Company will be approximately £107,000.

## 7. ADDITIONAL INFORMATION ON THE DIRECTORS

- 7.1 Excluding the Company, the names of all companies (excluding group companies) and partnerships of which the Directors have been a director or partner at any time in the five years preceding the date of this document and indicating whether they are current or past are set out below:

<i>Director</i>	<i>Current Directorships/ Partnerships</i>	<i>Past Directorships/ Partnerships</i>
Karl Karlsson	Sway Ventures Management, LLC (USA) Omnivor Inc (USA) Abby Development Inc (USA) Model Medicines, Inc (USA) Applied VR Inc (USA) Model Medicines Inc (USA) Pickit AB (Sweden) DaWanda GmbH (Germany) JSC Center for Economic Development (Russia)	
Jason Drummond	Gaming Technologies Inc (USA) (previously Dito Inc) Gaming Technologies Limited (previously Dito UK Ltd) Hoot Foods Limited My8 Limited My6 Limited	Ashington Innovation PLC Eight Vodka Limited Gametech UK Limited
Justin Drummond	Ace Capital Group Ltd	
Kevin O'Neill	Kevin O'Neill Ltd	
Adam Monaco		DOFV Limited

- 7.2 Jason Drummond was a director of Gametech UK Limited until its dissolution in August 2023. On 12 April 2017, administrators were appointed in respect of the company, and on 4 April 2019, a winding up order was made pursuant to which liquidators were appointed. Following the company's winding up, it was dissolved on 31 August 2023. Unsecured creditors were estimated by the liquidators to be £2.6 million and claims received totalled £3.2 million.
- 7.3 On 25 July 2019, Justin Drummond and Jason Drummond received a private prosecution summons from the Westminster Magistrates Court alleging that they diverted funds out of Media Corporation plc for private gain. On 4 December 2019, all charges in these private proceedings were dismissed and an order for wasted costs was made against the claimant.
- 7.4 Jason Drummond and Justin Drummond were directors of Media Corporation plc from 14 May 2003 until 16 February 2012 and from April 2001 until May 2012 respectively. On 23 July 2012, within 12 months from their resignation, Media Corporation plc appointed a liquidator in relation to its wholly owned subsidiary, Purple Lounge Limited, of which Media Corporation plc was also a corporate director. As at 23 July 2012 it was estimated that there was a shortfall to creditors of approximately

£1.5 million. Media Corporation was the largest creditor and represented approximately 70 per cent. of the creditor shortfall.

- 7.5 Jason Drummond was a director of Parable Telecommunications Group plc and Parable Telecommunications Limited, both of which dissolved respectively on 29 September 2003 and 24 April 2005. There was a deficit of approximately £526,074 to creditors as a result of the creditors' voluntary liquidation of Parable Telecommunications Group plc of which Jason Drummond was the largest unsecured creditor at £268,880 and of approximately £2,706,902 to unsecured creditors as a result of the creditors' voluntary liquidation of Parable Telecommunications Limited, of which Parable Telecommunications Group plc was the largest unsecured creditor at £2,519,185.
- 7.6 Jason Drummond was on the Board of European Communications International Limited, which within 12 months of his resignation, was placed into compulsory liquidation and subsequently dissolved on 16 July 1996. No further information is available.
- 7.7 Justin Drummond was a director of Eyeconomy Limited, a wholly owned subsidiary of Media Corporation plc, from May 2004 until May 2012. Administrators were appointed to Eyeconomy Limited on 14 December 2012 and the company was liquidated on 2 March 2014 with an estimated total of outstanding creditor claims of £577,436.
- 7.8 Save as disclosed above, none of the Directors has:
- 7.8.1 any unspent convictions in relation to indictable offences;
  - 7.8.2 had any bankruptcy order made against him or entered into any voluntary arrangements;
  - 7.8.3 been a director of a company which has been placed in receivership, compulsory liquidation, administration, been subject to a voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director;
  - 7.8.4 been a partner in any partnership which has been placed in compulsory liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
  - 7.8.5 been the owner of any asset or been a partner in any partnership which owned, any asset which while he owned that asset, or while he was a partner or within the 12 months after he ceased to be a partner in the partnership which owned the asset entered into receivership;
  - 7.8.6 been the subject of any public criticism by any statutory or regulatory authority (including recognised professional bodies); or
  - 7.8.7 been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of any company.
- 7.9 Save as disclosed in this document, none of the Directors has or has had any interest in transactions effected by the Company since its incorporation which are or were unusual in their nature or conditions or which are or were significant to the business of the Company.
- 7.10 Each of the Directors has given an undertaking not to dispose of any of their Ordinary Shares, save in certain specified circumstances, for the period of 12 months from the date of Admission.
- 7.11 No loans made or guarantees granted or provided by the Company to or for the benefit of any Director are outstanding.

## **8. SIGNIFICANT SHAREHOLDERS**

- 8.1 The Company is aware only of the following persons who, at the date of this document and immediately following Admission, represent an interest (within the meaning of DTR Chapter 5) directly or indirectly, jointly or severally in three per cent. or more of the Company's issued share capital or could exercise control over the Company:

<i>Name</i>	<i>Number of Ordinary Shares as at the date of this document</i>	<i>Percentage of Existing Ordinary Shares</i>	<i>Number of Ordinary Shares at Admission</i>	<i>Percentage of Enlarged Share Capital</i>
Jason Drummond	170,000,000	46.8%	170,000,000	41.2%
Justin Piers Drummond	37,500,000	10.3%	37,500,000	9.1%
Marie Juste	12,500,000	3.4%	12,500,000	3.0%

- 8.2 None of the Directors, any senior managers or any other persons has voting rights which are different to any other holder of Ordinary Shares.

## 9. EMPLOYEES

- 9.1 Save for the executive Directors, since incorporation, the Company has had no employees and as at the date of this document, the Company has no employees.

## 10. SHARE OPTION PLANS

The Company recognises the need to attract, incentivise and retain employees and therefore has adopted the Long Term Incentive Plan, ("**LTIP**") which will operate to allow employees and directors (including non-executive directors) to be granted the right (Awards) to acquire Ordinary Shares subject to the rules of the LTIP. The Awards may be granted subject to time and/or performance-based vesting conditions. The LTIP is a discretionary share plan which will be administered and operated by the Board (including the Remuneration Committee).

### 10.1 LTIP Eligibility

The following individuals will be eligible to participate in the LTIP, at the absolute discretion of the Board: (i) directors (including non-executive directors); and (ii) an employee who has completed at least six months' continuous service with the Company and meets the relevant performance based vesting conditions.

### 10.2 Grant of LTIP Awards

Awards under the LTIP may be in the form of a conditional share award ("**Conditional Award**"), a market value option, a nil cost option, a nominal cost option or a phantom option (each an Option and together the Options). It is currently intended that LTIP Awards granted following Admission will be in the form of market value options, subject to future discretion of the Remuneration Committee.

Conditional Awards and the Options are together referred to as LTIP Awards, and each an LTIP Award, as applicable. The term Ordinary Shares in the context shall mean, Ordinary Shares (or, if the context requires, shares or other securities for the time being representing such shares in the consequence of any variation of the share capital of the Company).

As at the date of this document, the quantum of LTIP Awards has been granted to Directors as per the table below:

	<i>Award</i>
Jason Drummond <i>Chief Executive Officer</i>	20,154,166
Justin Drummond <i>Director</i>	6,092,499
Karl Karlsson <i>Proposed Non-executive Chairman</i>	6,000,000
Kevin O'Neill <i>Proposed Non-executive Director</i>	4,030,833
Adam Monaco <i>Proposed Finance Director</i>	4,030,833

The Company may not grant a LTIP Award which does not comply with the Company's remuneration policy or if it would result in the total number of options or awards under any of the Company's existing option schemes exceeding 15 per cent. of the issued share capital of the Company.

### 10.3 **Performance Conditions**

The Board may determine if an LTIP Award will be granted subject to the satisfaction of a performance condition which will determine the proportion (if any) of the LTIP Award capable of vesting at the end of a performance period. A performance period will usually be three financial years long (or such other duration as the Committee determines). Any performance condition may be waived, varied or substituted if the Board so determines.

Options held by Non-executive Directors are subject only to time-based, rather than performance-based, conditions.

### 10.4 **Dividend Equivalents**

The Board may determine on the date of grant that, the Company may provide additional Ordinary Shares to the participant based on the value of dividends paid on vested Ordinary Shares.

### 10.5 **Vesting, Release and Exercise**

An LTIP Award which is subject to a Holding Period will ordinarily be released (so that the participant is entitled to acquire the ordinary shares) following the end of the Holding Period. Alternatively, LTIP Awards that are subject to a Holding Period may be granted on the basis that the participant is entitled to acquire ordinary shares following vesting but that, other than sales to cover tax liabilities, they are not entitled to dispose of ordinary shares until the end of the Holding Period. LTIP Awards which are not subject to a Holding Period will ordinarily be released at vesting. LTIP Awards granted in the form of Options will normally be exercisable from the date of vesting or, if applicable, the end of the Holding Period until the tenth anniversary of the grant date, or such earlier date as the Board determines.

The LTIP Awards shall lapse on the tenth anniversary of the date of grant, assuming it is not exercised before then and no event occurs to cause it to lapse earlier under the LTIP Rules.

Holders of LTIP Awards shall exercise an Option by giving an exercise notice to the Company setting out the number of Ordinary Shares over which the LTIP Award holder wishes to exercise the Option.

### 10.6 **Recovery provisions (malus and clawback)**

The Board may apply malus or clawback to LTIP Awards in certain circumstances. Malus allows for the reduction or cancellation of unvested or unreleased LTIP Awards, while clawback permits the recovery of value after LTIP Awards have vested or been exercised. If the Board determines that one or more triggering events have occurred, it may cancel, reduce, or require repayment of LTIP Awards or the value received. The amount recoverable (the Clawback Amount) shall be such amount as the Board considers to be fair and reasonable, taking account of all relevant circumstances, and may be calculated on a gross or net basis, including consideration of any tax or social security liabilities that cannot be recovered. The Board must make any clawback determination within one year of becoming aware of the relevant circumstances. The LTIP Award holder shall reimburse the Company for the Clawback Amount, in any way acceptable to the Board, on or as soon as possible after the Board determines a Clawback Amount in relation to the LTIP Award.

LTIP Awards are strictly non-transferable and shall lapse immediately if the LTIP Award holder attempts to assign, transfer, charge, or otherwise create any security interest over the LTIP Award or any rights arising under it. This restriction does not prevent the transmission of an LTIP Award to the LTIP Award holder's personal representatives in the event of death. In addition, LTIP Awards will lapse in a range of circumstances, including (but not limited to): the failure to satisfy applicable performance conditions; the occurrence of any lapse date specified in the award certificate; the application of malus or clawback provisions; termination of employment; bankruptcy; or any other event as determined by the Board in accordance with the LTIP Rules.

In respect of termination of employment:

- 10.6.1 for Options, if employment or engagement with the Company ends due to death, injury, ill health, disability, or certain corporate events, vested options may be exercised within



90 days (or 12 months in the case of death). The Board may allow early vesting or extended exercise periods in other cases. If no decision is made within 90 days, the Option lapses; and

10.6.2 for Conditional Awards, if the LTIP Award holder dies or leaves before vesting, the LTIP Award typically lapses *pro rata* unless the Board decides otherwise. If death occurs before release, the Board may release a reduced number of shares based on performance. LTIP Awards are settled as soon as practicable after death.

10.7 In the event of a potential or actual change of control, the Board may release all LTIP Awards and allow Options to be exercised, regardless of vesting. If the change does not occur, any such release is void. LTIP Awards may also be exchanged for new awards offered by the acquiror. If no fair exchange is offered, LTIP Awards may lapse or be released and exercisable for a limited period. LTIP Awards are also released in full in cases of compulsory acquisition, court-sanctioned schemes, or voluntary winding-up. The Board may determine that certain transactions do not constitute a change of control.

## 11. TRADEMARK APPLICATION

On 7 May 2025, the Company filed an application for the following trademark to be registered in its name:

Trademark number	UK00004199932
Word/Figurative mark	"MedPal AI"
Class	9 – AI software, health monitoring software; 41 – health and wellness training 44 – provision of health information
Registration	UK Intellectual Property Office
Status	Examination
Date	Not yet registered as at 18 August 2025

## 12. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company or its subsidiaries within the period of two years immediately preceding the date of this document or were entered into prior to this but contain provisions which are, or may be, material.

Terms defined in this section are used only in this section 12 of Part VI.

### 12.1 Epassi Agreement

On 12 June 2025, the Company entered into the Epassi Agreement (as amended by a letter of variation dated 15 August 2025) for the provision of services with Epassi pursuant to which the Company agreed to provide certain medical AI application services to Epassi ("**Epassi Services**").

The parties shall agree separately in writing on the commencement, scope, pricing and timeline of each Service. Each Service shall primarily consist of the supply of the Company's app which the Company provides to Epassi based on Epassi's initial request to be able to re-supply to their clients and merchants exclusively at zero cost for the first 12 months. The Service shall also include the following: (i) incentive funds; (ii) training in the app's features; (iii) marketing items; and (iv) client query resolutions.

Epassi shall pay prices agreed separately with the Company in writing upon the accepted performance and delivery of the Service. Notwithstanding the payment upon delivery, and if the parties have not agreed otherwise, Epassi shall pay 100 per cent. of the full price of the Service upon the Company's acceptance and confirmation of the scope and pricing of the Service. The parties have agreed that during the first 12- month period, the Service will be provided at zero cost to Epassi. The Company shall contribute £4,000 per month towards sales incentives. After the initial 12-month free period, Epassi shall be entitled to receive 25 per cent. commission on monthly app fee income,



and 25 per cent. commission on all subscription fee upgrades (calculated after deduction of Apple App Store and Google Play Store fees).

The Company has provided a warranty and indemnity to Epassi that the materials, information, creations and rights provided to Epassi are not encumbered or limited by a third party's rights. Epassi has the right to not accept the delivery of a Service if there is a deviation from what has been agreed in relation to the Service, results, performance, quality or specification or what Epassi could reasonably assume from the Service. The Company has the right to re-perform the Service. Each party may terminate the agreement on 90 days' notice. In the event of a material breach and when a party is unable to remedy the breach, the agreement can be terminated upon 10 days' notice. Each party's liability for any losses suffered by the other party due to a party's gross negligence is limited to £500,000. The Company has granted Epassi the exclusive right, from the date following completion of a successful trial of Medpal's app to be agreed between Medpal and Epassi ("Activation Date") until and including the first anniversary of the Activation Date ("Exclusivity Period"), to offer the app on a zero-cost basis to Epassi's clients and merchant customers ("Epassi's Clients"). Medpal has agreed to not offer, licence, distribute, or otherwise make the app available to any of Epassi's Clients or to any other business in the United Kingdom that competes with Epassi in relation to the supply of employee benefits products and services without the prior written consent of Epassi during the Exclusivity Period. The Epassi Agreement is subject to the laws of England.

## 12.2 **Newsoft Service Agreement**

On 16 April 2025, the Company entered into a Master Service Agreement ("**MSA**") with Newsoft LLC ("**Newsoft**") pursuant to which Newsoft agreed to provide certain development services to the Company, including software development, engineering, product design, and user experience services through developers employed by Newsoft and assigned to the Company by mutual agreement as an independent contractor (the "**Services**"). The MSA commenced on 16 April 2025 and the statement of works became effective on the date the first developer began providing the Services and will remain in effect until the earlier of (i) its termination under the terms of the MSA, or (ii) the completion of the Services, at the sole discretion of the Company. In consideration for the Services, the Company agreed to pay Newsoft monthly fees in accordance with a shared Google spreadsheet based on the number of developers, their level, and agreed hourly rates, as agreed between the parties. Newsoft may not assign, transfer, or subcontract its obligations without the Company's written consent, while the Company may assign the MSA in whole or in part. The MSA may be terminated by either party upon 15 days' notice in the event of a material breach, unless cured within the notice period, and by the Company at any time with or without cause. If terminated without cause, the Company will pay all undisputed amounts due for services rendered and any requested wind-down activities. Newsoft provided representations, warranties, and indemnities regarding compliance with applicable laws and licensing, and agreed to indemnify the Company against certain liabilities. The Company also agreed to indemnify Newsoft for claims arising from materials provided by the Company. The MSA is governed by the laws of England and Wales.

On 1 September 2024, Newsoft entered into an agreement with Jason Drummond t/a MedPal.AI. To avoid any confusion with the MSA, this agreement was terminated on 30 July 2025.

## 12.3 **Open AI GPT-4.1**

The Company subscribes to OpenAI GPT 4.1 via an API (Application Programme Interface) which is a large language model trained to understand and generate responses based on the data it receives. The Company pays for a regular subscription in order to have access to tokens (units of data processed by Open AI during training inference) to operate certain features in the App, in particular the provision of wellness guidance based on data the user provides. The price of the subscription is based on the number of tokens used and the input cost for GPT-4.1 is \$2.00 per input token. The Company can terminate the subscription at any time.

## 12.4 **Asset Purchase Agreement**

On 4 April 2025, the Company entered into an asset purchase agreement ("**APA**") with Jason Drummond pursuant to which Mr. Drummond agreed to sell the business of MedPal AI, as carried

on by Mr. Drummond ("Business"), comprising the goodwill of the Business (and the exclusive right for the Company to represent itself as carrying on the Business in succession to Mr. Drummond including the benefit of the IT contracts and pending engagements and the right to use the name "MedPal AI"), all associated Business assets, intellectual property, IT contracts, domain names, social media accounts, and business records, to the Company with full guarantee. The consideration for the acquisition of the Business was £192,500, satisfied through the issue of 192,500,000 fully paid ordinary shares in the Company, allocated between Jason Drummond and his eight nominated recipients on 4 April 2025. Mr. Drummond provided warranties and covenants regarding the Business and retained responsibility for all pre-completion liabilities, agreeing to indemnify the Company against related claims. Mr. Drummond also agreed to non-compete, non-disclosure, and non-use obligations for a period of three years in the UK. The APA is governed by the laws of England and Wales.

#### 12.5 **Placing Agreement**

The Placing Agreement dated 19 August 2025 between the Company, the Directors, Cairn and the Broker whereby the Broker was appointed as agent of the Company to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price and Cairn is a party to the Placing Agreement in its capacity as nominated adviser to the Company in relation to Admission. Pursuant to the Placing Agreement, the Company and its Directors have given certain warranties to Cairn and the Broker regarding, *inter alia*, the accuracy of information in this document. The Placing is not underwritten. The Placing Agreement is conditional, *inter alia*, on Admission taking place no later than 26 August 2025 or such later date as may be agreed by the Company, Cairn and the Broker and the Company and its Directors complying with certain obligations under the Placing Agreement. The Company has agreed to pay to Cairn and the Broker the fees and commissions set out in the Cairn Engagement Letter (as summarised in paragraph 12.7 below) and the Clear Capital Engagement Letter (as summarised in paragraph 12.10 below).

Cairn and the Broker are each entitled, in certain limited circumstances, to terminate the Placing Agreement prior to Admission and to the payment of its outstanding costs on such termination.

#### 12.6 **Winterflood Agreement**

An agreement dated 19 August 2025 between the Company and Winterflood Securities pursuant to which Winterflood Securities will make an offer of Ordinary Shares to intermediaries through the provision of its proprietary WRAP platform. The agreement contains certain indemnities given by the Company in respect of, *inter alia*, breach of the agreement and taxes. The agreement is terminable by either party giving 7 days' written notice.

Under the agreement Winterflood Securities will be entitled to commission on the funds raised through the WRAP platform and any out of pocket expenses incurred by Winterflood Securities.

#### 12.7 **Cairn Engagement Letter**

The Company entered into an engagement letter ("**Cairn Engagement Letter**") with Cairn dated 5 March 2025, pursuant to which Cairn agreed to act as the Company's financial adviser and nominated adviser in connection with Admission. The letter may be terminated by either party upon seven days' prior written notice or automatically upon Admission. In consideration for the services being provided by Cairn, the Company has agreed to pay a corporate finance fee to Cairn.

In connection with the provisions of its services under the Cairn Engagement Letter, the Company has agreed to pay to Cairn a corporate finance fee (together with all costs and expenses and VAT thereon, where appropriate), part of which has been settled through the issue of certain Fee Shares. In addition, the Company has also granted warrants entitling Cairn to subscribe for new Ordinary Shares equating to 1 per cent. of the issued share capital of the Company at the time of Admission. Further details of these warrants are described in paragraph 12.9 below.

Furthermore, the Company shall pay to Cairn an annual retainer fee (together with all costs and expenses and VAT thereon, where appropriate) in respect of the provision of its services as nominated adviser to the Company following Admission.

## 12.8 Cairn Nominated Adviser Agreement

A nominated adviser agreement dated 19 August 2025 between the Company and Cairn (“**Nominated Adviser Agreement**”) pursuant to which the Company has appointed Cairn to act as its nominated adviser to the Company with effect from Admission on an ongoing basis as required by the AIM Rules. The agreement contains certain undertakings by the Company and indemnities given by the Company in respect of, *inter alia*, compliance with all applicable regulations. The Nominated Adviser Agreement continues for a minimum period of 12 months and is subject to termination, *inter alia*, by either the Company or Cairn on the giving of not less than three months’ prior written notice.

Under the Nomad Adviser Agreement, the Company agreed to pay Cairn in respect of its services as Nominated Adviser an annual retainer fee of £50,000 plus VAT (“**Retainer Fee**”), commencing on the date of Cairn’s appointment under this agreement (“**Cairn Appointment**”). The Retainer Fee shall be payable quarterly in advance together with any reasonable out-of-pocket expenses which may be incurred in respect of such services. The Retainer Fee is subject to an annual increase of 5 per cent. effective annually from the anniversary of the Cairn Appointment.

## 12.9 Cairn Warrant Instrument

The Company has entered into a warrant instrument dated 19 August 2025 pursuant to which the Company has granted, conditional upon Admission, warrants to Cairn (“**Cairn Warrants**”) to subscribe for new Ordinary Shares with an aggregate value of 1 per cent. of the issued share capital of the Company upon Admission. The Cairn Warrants are freely transferable and may be exercised at any time during the period of seven years following Admission at the Placing Price.

## 12.10 Clear Capital Broker Agreement

On 10 June 2025, the Company entered into a broker agreement with Clear Capital (“**Clear Capital Broker Agreement**”) pursuant to which Clear Capital agreed to act as the Company’s exclusive nominated broker in connection with Admission and following Admission.

The appointment of Clear Capital is for a fixed term of two years and quarterly thereafter until terminated by either party upon three months’ prior written notice (such notice not to expire prior to the second anniversary of the agreement) or immediately upon certain events occurring as detailed in the agreement.

In connection with the provisions of its services under the Clear Capital Broker Agreement, the Company has agreed to pay to Clear Capital an annual retainer fee of £30,000 plus any VAT, payable in cash quarterly in advance. The annual retainer fee shall be reviewed annually and any variation shall be agreed in writing by Clear Capital and the Company.

## 12.11 Clear Capital Warrant Instrument

The Company has entered into a warrant instrument dated 19 August 2025 pursuant to which the Company has granted, conditional upon Admission, warrants to Clear Capital (“**Clear Capital Warrants**”) to subscribe for 30,000,000 new Ordinary Shares in the Company upon Admission. The Clear Capital Warrants are freely transferable and may be exercised at any time during the period of five years following Admission at the Placing Price.

## 12.12 Square1 Consulting Agreement

On 28 July 2025, the Company entered into an agreement with Square1 Consulting Limited (“Square1”) pursuant to which the Company appointed Square1 to act as public relations consultant to the Company with immediate effect in connection with the Fundraise and Admission. The Company has agreed to pay Square1’s consultancy fees of £30,000 plus VAT in four equal instalments. Square1’s appointment shall continue until 31 July 2026 unless terminated in accordance with the agreed terms and conditions or upon three months’ written notice served by either party on the other. The agreement with Square1 is governed by the laws of England and Wales.

#### 12.13 **Service Level Agreement with Vox Markets Limited (“Vox Markets”)**

On 15 May 2025, the Company entered into a service level agreement with Vox Markets in relation to the use of Vox Markets’ investor platform for the purpose of maximising the publicity and increasing awareness of the Company amongst a targeted audience of professional investors including asset managers, fund managers, high net worth individuals and other private investors who use the Vox Markets platform.

The initial term under the agreement is 24 months, commencing on 15 May 2025. The agreement shall automatically renew for successive terms of 12 months unless either party provides written notice of its intention not to renew at least 3 months prior to the expiration of such term.

In consideration for the services being provided by Vox Markets, the Company agreed to pay £30,000 in quarterly instalments for 24 months. All payments to be made by the Company to Vox Markets in accordance with the agreement are exclusive of VAT.

Either party may terminate the agreement: (i) immediately upon serving written notice if the other party breaches any material term of the service level agreement and fails to remedy the breach within thirty (30) days of receiving written notice of the same; (ii) if the other party engages in conduct that materially harms the name or reputation of the terminating party, including but not limited to fraud, criminal activity, or regulatory violations; or (iii) if a force majeure event prevents either party from performing its obligations under the service level agreement for a period exceeding sixty (60) days. Any force majeure event shall pause the term of the agreement, and the term will resume once the event ceases.

#### 12.14 **Orana Engagement Letter – Accounting and Company Secretarial Support**

On 15 April 2025, the Company entered into an engagement letter (“**Orana Engagement Letter**”) with Orana pursuant to which Orana agreed to provide certain pre- and post- Admission corporate services to the Company. The letter may be terminated by either party upon three months’ prior written notice or with immediate effect in the event of either party being in material breach of the letter.

In consideration for the services being provided by Orana, the Company agreed to pay in aggregate, an IPO accounting fee of £32,500 payable as: (i) £2,500 in monthly instalments until Admission; (ii) £5,000 through the issue of Fee Shares; and (iii) the balance on Admission; and a £7,500 monthly post-Admission management fee. In addition, the Company has also granted warrants entitling Orana to subscribe for new Ordinary Shares equating to one per cent. of the issued share capital of the Company at the time of Admission. Further details of these warrants are described in paragraph 12.16 below.

#### 12.15 **Orana Introduction Warrant Instrument**

On 11 August 2025 the Company entered into a warrant instrument pursuant to which the Company has granted, conditional upon Admission, 75,000,000 warrants to Orana (“**Orana Introduction Warrants**”) to subscribe for new Ordinary Shares at an exercise price of £0.01 per ordinary share, subject to specific vesting criteria in connection with the Epassi Agreement. Of the 75,000,000 Orana Introduction Warrants, 25,000,000 vest when 300,000 Epassi clients subscribe for the MedPal app, a further 25,000,000 vest when 600,000 Epassi clients subscribe for the app and 25,000,000 vest when 900,000 Epassi clients subscribe for the app. The Orana Introduction Warrants are freely transferable and may be exercised at any time during the period of five years following Admission at a price of £0.01 per share.

#### 12.16 **Orana Warrant Instrument**

The Company has entered into a warrant instrument dated 19 August 2025 pursuant to which the Company has granted, conditional upon Admission, warrants to Orana (“**Orana Warrants**”) to subscribe for new Ordinary Shares with an aggregate value of 1 per cent. of the issued share capital of the Company upon Admission. The Orana Warrants are freely transferable and may be exercised at any time during the period of five years following Admission at the Placing Price.

#### 12.17 Dalheim Warrant Instrument

The Company has entered into a warrant instrument dated 11 August 2025 pursuant to which the Company has granted, conditional upon Admission, warrants to Dalheim Limited ("**Dalheim Warrants**") to subscribe for 11,500,001 new Ordinary Shares in the Company upon Admission. The Dalheim Warrants are freely transferable and may be exercised at any time during the period of five years following the date that is 6 months after Admission at £0.03 each.

#### 12.18 Lock-in Agreements

Certain of the Locked-In Shareholders, who are required to be locked-in in accordance with Rule 7 of the AIM Rules, who at Admission will hold in aggregate 217,500,000 Ordinary Shares (representing approximately 52.7 per cent. of the Enlarged Issued Share Capital), have undertaken pursuant to the AIM Rule 7 Lock-In Agreements not to (and to procure that their associates shall not), save in limited circumstances permitted by the AIM Rules, dispose of any of their interests in Ordinary Shares (including any Ordinary Shares that they may acquire prior to the first anniversary of Admission) at any time prior to the first anniversary of Admission ("**Rule 7 Restricted Period**"). Following the first anniversary of Admission, the Locked-In Shareholders have undertaken not to, at any time prior to the first anniversary of the Restricted Period, dispose of any of their interests in Ordinary Shares without prior written consent of the Nomad and Broker and only through the Broker or a reputable broking service in order to maintain an orderly market.

An additional number of Locked-In Shareholders, who are not subject to Rule 7 of the AIM Rules, who will hold in aggregate 20,500,000 Ordinary Shares (representing approximately 5 per cent of the Enlarged Issued Share Capital), have undertaken pursuant to lock in agreements (the "Additional Lock-In Agreements") not to (and to procure that their associates shall not), save in limited circumstances, dispose of any of their interests in Ordinary Shares (including any Ordinary Shares that they may acquire prior to the first anniversary of Admission) at any time prior to the first anniversary of Admission ("**Additional Lock-In Restricted Period**"). Following the first anniversary of Admission, these Locked-In Shareholders have undertaken not to, at any time prior to the first anniversary of the Restricted Period, dispose of any of their interests in Ordinary Shares without prior written consent of the Nomad and Broker and only through the Broker or a reputable broking service in order to maintain an orderly market.

A number of other Locked-In Shareholders, who are not subject to Rule 7 of the AIM Rules, will hold in aggregate 105,083,335 Ordinary Shares (representing approximately 25.44 per cent. of the Enlarged Issued Share Capital), have undertaken pursuant to the Short Lock-In Agreements not to (and to procure that their associates shall not), dispose of any of their interests in Ordinary Shares at any time during the six months following Admission ("**Non-Rule 7 Restricted Period**"). Following the end of the Non-Rule 7 Restricted Period, the Locked-In Shareholders have undertaken not to, at any time during the six months following the Non-Rule 7 Restricted Period, dispose of any of their interests in Ordinary Shares without prior written consent of the Nomad and Broker and only through the Broker or a reputable broking service in order to maintain an orderly market.

Each of the Locked-in Shareholders has undertaken to the Company, Cairn and the Broker that, save in specified circumstances, they will not dispose of any interest in Ordinary Shares held by each of them for a period of 12 or 6 months from Admission (the "**Lock-In Period**"). The specified circumstances for the Locked-In Shareholders subject to the AIM Rule 7 Lock-In Agreements are:

- (a) an intervening court order;
- (b) the death of the Locked-In Shareholder or Associate before the expiry of the Rule 7 Restricted Period;
- (c) any disposal pursuant to acceptance of a general offer made by an offeror (the Offeror) to all shareholders of the Company for the whole of the issued share capital of the Company (other than any shares already held by the Offeror or persons acting in concert with the Offeror); or
- (d) the execution of an irrevocable commitment to accept a general offer made to all shareholders of the Company for the whole of the issued capital of the Company (other than any shares already held by the Offeror or persons acting in concert with the Offeror).



The specified circumstances for the Locked-In Shareholders not subject to the AIM Rule 7 Lock-In Agreements are:

- (a) prior written consent of the Nomad and Broker is obtained;
- (b) an intervening court order;
- (c) the death of the Locked-In Shareholder or Associate before the expiry of the Non-Rule 7 Restricted Period;
- (d) any disposal pursuant to acceptance of a general offer made by an offeror (the Offeror) to all shareholders of the Company for the whole of the issued share capital of the Company (other than any shares already held by the Offeror or persons acting in concert with the Offeror); or
- (e) the execution of an irrevocable commitment to accept a general offer made to all shareholders of the Company for the whole of the issued capital of the Company (other than any shares already held by the Offeror or persons acting in concert with the Offeror).

#### 12.19 Relationship Agreement

On 19 August 2025, the Company, Cairn and Jason Drummond, Justin Drummond and Marie Juste (“**Shareholder Group**”) entered into a relationship agreement (the “**Relationship Agreement**”) which will, conditional upon Admission, regulate the ongoing relationship between the Company and the Significant Shareholders and their Associates. The principal purpose of the Relationship Agreement is to ensure that the Company can carry on its business independently, and all such transactions and relationships will be at arm’s length and on a normal commercial basis. The Relationship Agreement will be in place for as long as the members of the Shareholder Group individually or together with their Associates hold 20 per cent. or more of the rights to vote at a general meeting of the Company attaching to the Company’s Ordinary Shares.

#### 12.20 Pre-IPO Subscription Letters

The Company has entered into various subscription letters with Subscribers in connection with the pre-IPO fundraising pursuant to which the Subscribers agreed to subscribe for new shares in the Company at various prices. The Subscribers provided standard warranties to the Company.

#### 12.21 Placing Letters

On 19 August 2025, the Broker (acting as agent for the Company) entered into the Placing Letters with the Placees to raise £1,639,400 in aggregate at the Placing Price. The Placing Letters are each conditional on Admission taking place not later than 8.00 a.m. on 26 August 2025 (or such later date as the Broker and the Company may agree, but in any event no later than 9 September 2025) and the Placing Agreement being entered into and becoming unconditional save only for Admission and not having been terminated on or before 8.00 a.m. on 26 August 2025 (or such later time and/or date (being not later than 8.00 a.m. on 9 September 2025) as the Company may agree with those parties.

#### 12.22 Introducer Letter

On 19 August 2025, the Company and Dalheim Limited entered into an introducer letter in respect of investors introduced to the Company by Karl Karlsson, as a consultant to Dalheim Limited. The investors introduced by Mr Karlsson subscribed for a total of 11,500,001 Ordinary Shares and in respect of this, under the letter and subject to Admission, Dalheim will be granted 11,500,001 warrants on the terms of the Dalheim Warrant Instrument. The letter is governed by English law.

### 13. DETAILS OF THE RETAIL OFFER

A Retail Offer was made available via WRAP to raise up to £360,600 (before expenses) through the issue of 9,015,000 Ordinary Shares at the Placing Price. The Retail Offer was open to eligible investors resident and physically located in the United Kingdom only, through certain intermediaries.

Applications under the Retail Offer were to be made by reference to the total monetary amount the applicant wished to invest and the minimum monetary amount per applicant was £100. The Retail Offer is not part of the Placing and will complete upon Admission. Completion of the Placing is not conditional on the completion of the Retail Offer.

The Retail Offer Shares will be credited as fully paid and will, when issued, rank *pari passu* in all respects with the Placing Shares, including the right to receive all dividends and other distributions declared paid or made after issue.

#### **14. RELATED PARTY TRANSACTIONS**

The following transactions are the only related party transactions which, as a single transaction or in their entirety, are or may be material (in the context of the AIM Rules) to the Company and have been entered into during the periods for which historical financial information appears in this document;

- 14.1 The transactions referred to in Note 18 of the Historical Financial Information of the Company in Section B of Part III;
- 14.2 The transactions referred to in Note 8 of the Interim Financial Information of the Company in Section C of Part III; and
- 14.3 On 4 April 2025, the Company entered into an Asset Purchase Agreement pursuant to which it acquired from Jason Drummond the business and related assets of MedPal AI.

#### **15. TAKEOVER CODE AND CONCERT PARTY RULES RELATING TO THE ORDINARY SHARES AND NOTIFICATION OF MAJOR INTERESTS IN ORDINARY SHARES**

##### **15.1 Takeover Code**

Other than as provided by the Takeover Code and Chapter 28 of the Companies Act, there are no rules or provisions relating to mandatory bids and/or squeeze out and sell out rules that apply to the Ordinary Shares of the Company.

The Takeover Code is issued and administered by the Takeover Panel. The Takeover Code applies to all takeover and merger transactions, however effected, where the offeree company is, *inter alia*, a listed public company with its registered office in the United Kingdom. As a listed public company with its registered office in the United Kingdom, the Company's Shareholders are entitled to the protections afforded by the Takeover Code. For the purpose of the Takeover Code, a takeover will include any transaction with an objective or potential effect (directly or indirectly) of obtaining or consolidating control of the Company. For this purpose, control is defined as an interest or interests in shares carrying more than 30 per cent. of the voting rights of a company, irrespective of whether such interest or interests give de facto control.

##### **15.2 Mandatory Bids**

Under Rule 9 of the Takeover Code, when (i) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which, taken together with shares in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company subject to the Takeover Code or (ii) any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of such voting rights, and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested, then such person is normally required to make a general offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights of that company to acquire the balance of their interests in the company. An offer under Rule 9 of the Takeover Code must be in cash (or with a cash alternative) and must be at not less than the highest price paid within the preceding 12 months for any shares in the company by the person required to make the offer or any person acting in concert with him. Rule 9 of the Takeover Code further provides, among other things, that where any person who, together with persons acting in concert with him, holds over 50 per cent. of the voting rights of a company, acquires an interest in shares which carry additional voting rights, then they will not generally be required to make a general offer to the other shareholders to acquire the balance of their shares. However, individual members of a concert party will not be able to increase their percentage



interest in shares through or between a Rule 9 threshold without Takeover Panel consent. For the purposes of the Takeover Code, persons acting in concert comprise persons who, pursuant to an agreement or understanding (whether formal or informal), cooperate to obtain or consolidate control of a company. Paragraph (2) of the definition of 'acting in concert' also presumes that a company is acting in concert with its directors (together with their close relatives and the related trusts of any of them) for the purposes of the Takeover Code unless the contrary is established.

### 15.3 Squeeze-out Rules

Under the Companies Act, if a takeover offer (as defined in section 974 of the Companies Act) is made for the Ordinary Shares and the offeror were to acquire, or unconditionally contract to acquire, not less than 90 per cent. in value of the Ordinary Shares to which the takeover offer relates (the "Takeover Offer Shares") and not less than 90 per cent. of the voting rights attached to the Takeover Offer Shares within three months of the last day on which its offer can be accepted, it could acquire compulsorily the remaining 10 per cent. It would do so by sending a notice to outstanding Shareholders telling them that it will acquire compulsorily their Takeover Offer Shares and then, six weeks later, it would execute a transfer of the outstanding Takeover Offer Shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for the outstanding Shareholders. The consideration offered to the Shareholders whose Takeover Offer Shares are acquired compulsorily under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

### 15.4 Sell-out Rules

The Act also gives minority Shareholders the right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer relates to all the Ordinary Shares and at any time before the end of the period within which the offer could be accepted the offeror holds or has agreed to acquire not less than 90 per cent. of the Ordinary Shares (being voting shares that carry voting rights in the Company), any holder of Ordinary Shares to which the offer relates who has not accepted the offer is entitled by a written communication to the offeror to require it to acquire its Ordinary Shares. The offeror is required to give any Shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of the minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, the giving of the notice. If a Shareholder exercises his other rights, the offeror is bound to acquire those Ordinary Shares on the terms of the offer or on such other terms as may be agreed.

### 15.5 Concert Party

Following Admission, the following shareholders will be presumed to be acting in concert for the purposes of the Takeover Code in relation to their shareholdings in the Company: (1) Jason Drummond (2) Justin Drummond (3) Marie Juste (4) Oscar Drummond (5) Phoebe Drummond (6) Matthew Drummond.

<i>Name</i>	<i>Number of shares held</i>	<i>Current</i>	<i>On admission</i>	<i>Options</i>	<i>Diluted holding</i>	<i>Diluted holding %</i>
Jason Drummond	170,000,000	46.8%	41.2%	20,154,166	190,154,166	43.3%
Justin Drummond	37,500,000	10.3%	9.1%	6,092,499	43,592,499	9.9%
Marie Juste	12,500,000	3.4%	3.0%		12,500,000	2.9%
Phoebe Drummond	1,000,000	0.3%	0.2%		1,000,000	0.2%
Oscar Drummond	1,000,000	0.3%	0.2%		1,000,000	0.2%
Matthew Drummond	1,000,000	0.3%	0.2%		1,000,000	0.2%
<b>Total</b>	<b>223,000,000</b>	<b>61.4%</b>	<b>53.9%</b>	<b>26,246,665</b>	<b>249,246,665</b>	<b>56.7%</b>

Following Admission, the members of the concert party will hold shares carrying more than 50% of the voting rights of the Company and (for so long as they continue to be acting in concert) may accordingly increase their aggregate interests in shares without incurring any obligation to make an offer under Rule 9, although individual members of the concert party will not be able to increase their

percentage interests in shares through or between a Rule 9 threshold without Panel consent (other than through the exercise of the options detailed in the table above).

## 15.6 **Notification of Major Interests in Ordinary Shares**

Chapter 5 of the Disclosure and Transparency Rules makes provisions regarding notification of certain shareholdings and holdings of financial instruments.

Where a person holds voting rights in the Company as a Shareholder through direct or indirect holdings of financial instruments, then that person has an obligation to make a notification to the FCA and the Company of the percentage of voting rights held where that percentage reaches, exceeds or falls below three per cent. or any whole percentage point above three per cent. The requirement to notify also applies where a person is an indirect Shareholder and can acquire, dispose of or exercise voting rights in certain cases.

Shareholders are encouraged to consider their notification and disclosure obligations carefully as a failure to make any required notification to the Company may result in disenfranchisement pursuant to the Articles (see paragraph 4.2.13 above).

## 16. **LITIGATION**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened) of which the Company is aware, which may have or have had during the 12 months immediately preceding the date of this document a significant effect on the financial position or profitability of the Company or the Company.

## 17. **WORKING CAPITAL**

In the opinion of the Directors, having made due and careful enquiry, the working capital available to the Company is sufficient for its present requirements, that is, for at least the next 12 months from the date of Admission.

## 18. **TAXATION**

### **Taxation in the UK**

The following information is based on UK tax law and His Majesty's Revenue and Customs ("HMRC") practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her tax position should contact their professional advisor immediately. The tax legislation of an investor's Member State may have an impact on the income received from an investment in the Ordinary Shares.

### 18.1 ***Tax treatment of UK investors***

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

- who intend to acquire, or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10 per cent., of any of the classes of shares in the Company; or
- who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or
- who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

## 18.2 **Dividends**

Where the Company pays dividends, no UK withholding taxes are deducted at source. Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual and trustee Shareholders who are domiciled in the UK, and who hold their Ordinary Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.

The following information is based on current UK tax law in relation to rules applying to dividends paid to individuals and trustees from 6 April 2024 onwards. There is a dividend allowance of £500 per annum for individuals. Dividends falling within this allowance will effectively be taxed at 0 per cent. but such dividends will still count as taxable income when determining how much of the basic rate band or higher rate band has been used. If an individual receives dividends in excess of this allowance in a tax year, the excess will be taxed at 8.75 per cent., (for individuals not liable to tax at a rate above the basic rate), 33.75 per cent., (for individuals subject to the higher rate of income tax) and 39.35 per cent. (for individuals subject to the additional rate of income tax). The rate of tax paid on dividend income by trustees of discretionary trusts is 39.35 per cent. (or dividend income that falls above the tax-free amount (normally £500)). United Kingdom pension funds and charities are generally exempt from tax on dividends which they receive.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax.

## 18.3 **Disposals of Ordinary Shares**

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

UK resident individual Shareholders will be subject to capital gains tax to the extent their net gains exceed the annual exempt amount of £3,000, after taking account of any other available reliefs. The rate of capital gains tax on disposal of Ordinary Shares by basic rate taxpayers is 18 per cent., and 24 per cent. for upper rate and additional rate taxpayers.

For Shareholders within the charge to UK corporation tax, indexation allowance up until 1 January 2018 may reduce any chargeable gain arising on disposal of Ordinary Shares but will not create or increase an allowable loss.

The corporation tax rate applicable to taxable profits is currently 25 per cent. applying to companies with profits over £250,000. A small profits rate applies for companies with profits of £50,000 or less so that these companies pay corporation tax at 19 per cent. Companies with profits between £50,000 and £250,000 pay tax at the main rate reduced by a marginal relief providing a gradual increase in the effective corporation tax rate.

## 18.4 **Further information for Shareholders subject to UK income tax and capital gains tax**

### *"Transactions in securities"*

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HMRC to raise tax assessments so as to cancel "tax advantages" derived from certain prescribed "transactions in securities".

### 18.5 **Stamp duty and stamp duty reserve tax**

No UK stamp duty or stamp duty reserve tax will be payable on the allotment and issue of ordinary shares pursuant to the Fundraise.

There is an exemption from stamp duty and SDRT in respect of securities admitted to trading on certain recognised growth markets, including AIM and which are not listed on a Recognised Investment Exchange.

The above comments are intended as a guide to the general stamp duty and stamp duty reserve tax position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

### 18.6 **Inheritance Tax**

Shares in AIM quoted trading companies or a holding company of a trading group may, after a two-year holding period, qualify for Business Property Relief for United Kingdom inheritance tax purposes, subject to the detailed conditions for the relief. Investors' attention is drawn to the UK government's proposed changes to Business Property Relief which will, if brought into effect, mean that from 6 April 2026, AIM quoted shares will benefit from Business Property Relief exempting 50 per cent. of the shares from inheritance tax (as opposed to 100 per cent. previously).

**THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO THEIR TAX POSITION OR WHERE HE OR SHE IS RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT HIS OR HER PROFESSIONAL ADVISER.**

## 19. **GENERAL**

- 19.1 The gross proceeds of the Fundraise are expected to be £2,000,000 and total costs and expenses relating to the Fundraise payable by the Company are estimated to be £850,000 (exclusive of VAT). Taking into account the Company's cash position (and the application of that cash balance against the total costs and expenses relating to the Fundraise), the adjusted net proceeds of the Fundraise are approximately £1,650,000 (see paragraph 9 of Part I for further information).
- 19.2 The Placing Shares are not being offered generally and no applications have or will be accepted other than under the terms of the Placing Agreement and the Placing Letters. All the Placing Shares have been placed firm with Placees. The Placing is not being guaranteed or underwritten by any person.
- 19.3 Monies received from applicants pursuant to the Placing will be held in accordance with the terms and conditions of the Placing until such time as the Placing becomes unconditional in all respects. If the Placing does not become unconditional in all respects by 9 September 2025, application monies will be returned to the Placees at their risk without interest.
- 19.4 Cairn Financial Advisers LLP has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear.
- 19.5 Clear Capital Limited has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name and references to it in the form and context in which they appear.
- 19.6 RPG Crouch Chapman LLP has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear. RPG Crouch

Chapman LLP is a member firm of the Institute of Chartered Accountants in England and Wales and registered under the statutory audit directive, Register of Statutory Auditors number C003381018.

- 19.7 Where information has been sourced from a third party, the Company confirms that the information has been accurately reproduced and that as far as it is aware and is able to ascertain from the information published by those third parties, no facts have been omitted which would render the information produced inaccurate or misleading.
- 19.8 The percentage dilution incurred by the holders of Existing Ordinary Shares as a result of the issue of the Placing Shares and the Retail Offer Shares to the extent they do not participate in the Fundraise is 12.1 per cent.
- 19.9 It is expected that definitive share certificates will be despatched by hand or first class post within ten business days of Admission. In respect of uncertificated shares, it is expected that Shareholders' CREST stock accounts will be credited as soon as practicable on 26 August 2025.
- 19.10 The Company's accounting reference date is 31 August.
- 19.11 The Directors are unaware of any exceptional factors which have influenced the Company's activities.
- 19.12 Other than the current application for Admission, the Ordinary Shares have not been admitted to dealing on any investment exchange nor has any application for such admission been made nor any are there intended to be any other arrangements for there to be dealings in the Ordinary Shares on any such exchange.
- 19.13 There are no patents or other intellectual property rights, licences or particular contracts which are or may be of fundamental importance to the Company's business.
- 19.14 The Company has not made any investments since 1 September 2022 up to the date of this document, nor are there any investments by the Company in progress or anticipated which are significant.
- 19.15 There have been no significant changes in the trading or financial position of the Company since the incorporation of the Company.
- 19.16 The Directors are not aware of any other information that they reasonably consider necessary for the investors to form a full understanding of (i) the assets and liabilities, financial position, profits and losses and prospects of the Company and the securities for which Admission is being sought, (ii) the rights attached to those securities and (iii) any other matter contained in this document.
- 19.17 Save as disclosed in this document, the Directors are unaware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for the current financial period.
- 19.18 Save as disclosed in this document, there are no patents or other IP rights, licences or contracts that are of fundamental importance to the Company's business.
- 19.19 Save as disclosed in this document, there are no investments in progress and there are no future investments on which the Directors have already made firm commitments which are significant to the Company.
- 19.20 No public takeover bids have been made by third parties in respect of the Company's issued share capital since 28 February 2025, being the date to which the MedPal Interim Financial Information as set out in Section C "Interim Financial Information of the Company" of Part III "Historical Financial Information of the Company" has been prepared up to the date of this document.
- 19.21 CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding and transfer of shares under CREST. The Company has applied for the issued and to be issued

Ordinary Shares to be admitted to CREST and it is expected that the issued and to be issued Ordinary Shares will be so admitted, and accordingly enabled for settlement in CREST.

- 19.22 On 15 August 2025, the Company issued 5,000,000 Ordinary Shares at a value of 1p per share to Phoenix Ventures Limited. This was payment in lieu of £50,000 cash in respect of commission on investors introduced to the Company by Phoenix Ventures Limited.
- 19.23 On 13 June 2025 the Company issued 1,000,000 Ordinary Shares at a value of 1p per share to Oliver Brown. This was payment in lieu of £10,000 cash in respect of consultancy services provided to the Company by Mr Brown.
- 19.24 Other than as disclosed in 19.22 and 19.23 of Part VI, no person directly or indirectly (other than the Company's professional advisers and trade suppliers or as disclosed in this document) in the last 12 months received or is contractually entitled to receive, directly or indirectly, from the Company on or after Admission (excluding in either case persons who are professional advisers otherwise than as disclosed in this document and persons who are trade suppliers) any payment or benefit from the Company to the value of £10,000 or more or securities in the Company to such value at the Placing Price or entered into any contractual arrangements to receive the same from the Company at the date of Admission.

## **20. AVAILABILITY OF THIS DOCUMENT**

Copies of this document, together with the memorandum and articles of association of the Company, will be available on the Company's website: [www.medpalplc.com](http://www.medpalplc.com)

Date 25 August 2025

