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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

Auction Technology Group plc Press Release

17 June 2021

Auction Technology Group plc ("ATG", the "Company", or the "Group")

Proposed placing of Ordinary Shares

ATG, the operator of world-leading online auction marketplaces ("**Marketplaces**") and proprietary global auction platform technology for curated online auctions, today announces its intention to conduct a non-pre-emptive placing of 19,999,990 new ordinary shares of 0.01 pence each in the capital of the Company (the "**Placing Shares**"), at the Placing Price (as defined below) representing just less than 20.0% of the current issued ordinary share capital of the Company (the "**Placing**"). Certain directors and executive management of the Company intend to participate in the Placing.

ATG proposes to use the net proceeds of the Placing to partly fund the acquisition of Platinum Parent, Inc., the holding company of LiveAuctioneers (the "**Acquisition**"), a leading curated online North American Arts & Antiques ("**A&A**") Marketplace, as separately announced today.

The Placing will be conducted through an accelerated bookbuilding process (the "**Bookbuilding Process**") which will be launched immediately following this announcement. The Placing is subject to the terms and conditions set out in Appendix 1 to this announcement (which forms part of this Announcement, such announcement and its Appendices together being this "**Announcement**").

Reasons for the placing

The net proceeds of the Placing will be predominantly used to fund the acquisition of LiveAuctioneers for a total consideration of approximately \$525 million, as separately announced today.

Details of the Placing

J.P. Morgan Securities plc, which conducts its UK investment banking activities as J.P. Morgan Cazenove ("J.P. Morgan Cazenove"), and Numis Securities Limited ("Numis") are acting as Joint Global Coordinators and Joint Bookrunners (the "Joint Global Coordinators" or the "Banks") in connection with the Placing.

The Placing is subject to the terms and conditions set out in the Appendix 1 to this Announcement.

The Banks will commence the Bookbuilding Process immediately following the release of this Announcement in respect of the Placing. The price at which the Placing Shares are to be placed (the "Placing Price") will be determined at the close of the Bookbuilding Process by agreement between the Company and the Banks.

The book will open with immediate effect following this Announcement. The timing of the closing of the book, pricing and allocations are at the absolute discretion of the Banks and the Company. Details of the Placing Price and the number of Placing Shares to be allotted and issued will be announced as soon as reasonably practicable after the close of the Bookbuilding Process.

The Placing Shares, when issued, will be fully paid and will rank pari passu in all respects with each other and with the existing ordinary shares of the Company, including, without limitation, the right to receive all dividends and other distributions declared, made or paid after the date of issue.

Applications will be made to (i) the Financial Conduct Authority (the "FCA") for admission of the Placing Shares to listing on the premium listing segment of the Official List; and (ii) London Stock Exchange plc for admission of the Placing Shares to trading on its main market for listed securities (together, "Admission").

Settlement for, and Admission of, the Placing Shares is expected to take place on or before 8.00 a.m. on 22 June 2021. The Placing is conditional upon, among other things, Admission becoming effective. The Placing is also conditional upon the placing agreement between the Company and the Banks (the "Placing Agreement") becoming unconditional and not being terminated in accordance with its terms. Appendix 1 to this Announcement sets out further information relating to the terms and conditions of the Placing.

ATG acknowledges that it is seeking to issue Placing Shares amounting to up to just less than 20.0 per cent. of its existing issued ordinary share capital on a non-pre-emptive basis and therefore members of its Board of Directors and senior management have consulted with the Company's major institutional shareholders ahead of the release of this Announcement. Given the expected revenue accretion of the Acquisition to be funded in part with proceeds from the Placing, the Company believes the structure of the Placing, including its issue of shares on a non-pre-emptive basis, is very much aligned with shareholder and other stakeholder interests. The Placing structure has been chosen as it minimises time to signing of the Acquisition reducing both the complexity and time required to provide certainty of funds to the Company in the context of the Acquisition. The consultation has confirmed the Board's view that the Placing is in the best interests of shareholders, as well as wider stakeholders in the Company and will promote the success of the Company.

To permit the Placing, J.P. Morgan Cazenove and Numis have waived the 180 day lock-up arrangement put in place at the time of the ATG IPO. Following the placing, the Company shall be subject to a new lock-up for a period of 180 days following the date of the Placing Agreement, subject to certain customary carve-outs agreed between the Joint Global Coordinators and the Company.

This Announcement should be read in its entirety. In particular, you should read and understand the information provided in the "Important Notices" section of this Announcement. The Appendix to this Announcement sets out further information relating to the terms and conditions of the Placing. Unless otherwise stated, capitalised terms in this Announcement have the meanings ascribed to them in the Appendix (which forms part of this Announcement).

Investors who have chosen to participate in the Placing, by making an oral or written offer to acquire Placing Shares, will be deemed to have read and understood this Announcement in its entirety (including the Appendices) and to be making such offer on the terms and subject to the conditions herein, and to be providing the representations, warranties, agreements, acknowledgements and undertakings contained in Appendix 1.

Background, strategy and reasons for the Acquisition

ATG operates world-leading Marketplaces and a proprietary auction Platform for curated online auctions, connecting bidders with auctioneers. The Group was founded approximately 50 years ago and is headquartered in London, UK, with offices across three countries (UK, US and Germany). As a key partner to and advocate for auctioneers, the Company creates value by providing them with access to robust online marketplace capabilities, a global bidder base and a range of value-added tools and services that enable them to maximise value on lots sold. The Group's pro forma revenue for FY20 was £52.3 million. In February 2021, the Company completed its successful listing on the premium listing segment of the Official List and on the London Stock Exchange's main market for listed securities at a market capitalisation of £600 million. In the IPO Prospectus, the Company clearly conveyed its strategic direction to its Shareholders and the key pillars for its future growth, including its overall M&A strategy. The Company has a strong track record of M&A following on from the notable acquisition of Proxibid in February 2020 as well other smaller acquisitions such as Auction Mobility, BidSpotter US and Lot-tissimo.

LiveAuctioneers is an operator of a leading North American A&A Marketplace, connecting bidders with more than 6,000 auctioneers since inception (including approximately 1,600 auctioneers as at 31 March 2021) via its online platform, helping auctioneers to realise operational efficiencies and bidders to access a wide range of exceptional items through secure online auctions. LiveAuctioneers is headquartered in New York City. The Directors believe there is a strong strategic rationale for the Acquisition of the LiveAuctioneers Group.

Following Completion, LiveAuctioneers' Chief Executive Officer, Phil Michaelson and Chief Technology Officer, Rob Cummings, will remain involved in the business and will continue to run LiveAuctioneers in North America. Under the terms of the Acquisition, Phil Michaelson, Rob Cummings and certain other Management Sellers have agreed to retain an ongoing Share ownership in ATG in order to support the delivery of the full strategic, operational and financial benefits of the Acquisition. This includes agreeing to lock-up arrangements relating to the Consideration Shares receivable by them.

The acquisition of LiveAuctioneers is in line with the M&A and growth strategies laid out at IPO

As set out in the IPO Prospectus, the Directors believe future growth is important to the ongoing success of the Group and that expanding the Group's geographical and industry footprint is important to allow it to efficiently invest in key elements of the online buying experience (payments, delivery, improved buyer experience) that will enable its Marketplaces to remain competitive with the many other forms of online buying. The Directors believe that the acquisition of LiveAuctioneers is directly in line with this strategy, developing the Group's footprint in the North American A&A vertical / geography. ATG expects the Combined Group to benefit from similar operational and technical benefits that have been realised from the acquisitions of Proxibid, BidSpotter US and Lot-tissimo such as through the Group's 'hub and spoke' model and, in due course, technological redundancy of legacy systems.

The Acquisition also demonstrates ATG's commitment to the growth strategy laid out at the IPO addressing all of the key pillars, including:

- Increasing total addressable market
- Expansion into a market in the early stages of online adoption
- Increased auctioneer and bidder client base
- Efficient investment in value enhancing end-to-end UX, features, and functionality for auctioneers and bidders
- Adding highly accretive businesses to the group via M&A
- Enhancing and accelerating the value-add proposition for auctioneers and customers

Increasing total addressable market ("TAM")

The Acquisition adds a significant incremental piece to the Group's total addressable market with the addition of one of the leading curated online A&A marketplaces in North America.

The Directors believe that the US A&A segment (the LiveAuctioneers Group's US TAM) was worth \$21.0 billion in 2020 and the value of goods sold through the auction channel overall in the US A&A segment (excluding Christie's and Sotheby's) will be worth \$6.6 billion in 2023 (Source: Company estimates based on internal data). The Directors estimate that the US A&A online auction segment (excluding Christie's and Sotheby's) was worth \$1.8 billion in 2019 and believe this will grow to an estimated \$4.0 billion by 2023, with an estimated CAGR of approximately 22 per cent. per annum between 2021-23 (Source: Company estimates based on internal data). The differential between the current size of the US A&A online auction segment and the US A&A TAM represents a significant growth opportunity for the Group.

The LiveAuctioneers Marketplace is a leading US A&A online auction marketplace with more than 50 million website visits (growing at a CAGR of 23.5 per cent. since FY18), more than one million registered bidders (growing 18.9 per cent. since FY18) and almost 120,000 active bidders (growing 34.8 per cent. since FY18) in FY20 and the Directors believe that these factors mean that the LiveAuctioneers Group is well-positioned to capture an increasing portion of the US A&A TAM.

LiveAuctioneers is well positioned in North American A&A and has carved out a differentiated proposition from its competitors, most notably:

- LiveAuctioneers has c.1,600 auctioneers
- LiveAuctioneers charges a transparent headline commission
- LiveAuctioneers has a highly engaging website with strong functionality (e.g. payments, personalisation and item categorisation)
- LiveAuctioneers has a highly competitive service offering, with further scope to expand into other adjacencies, e.g. shipping, financing, insurance, restoration/repair
- LiveAuctioneers has a wide ranging category focus and covers all key A&A categories, whilst also having one of the highest number of lots on its site vs key peers

Expansion into a market in the early stages of online adoption

The Acquisition brings greater access to a market with relatively low online penetration and with a considerable scope to grow online share in the market as more bidders move online. By way of illustration, as of its FY20, online share (i.e. gross merchandise value (GMV) of goods sold online via the LiveAuctioneers Marketplace as a percentage of total hammer value (THV) for the auctions listed by LiveAuctioneers) was 15.4 per cent., up from 12.0 per cent. in its FY18. In the auctions listed on ATG's European-focused A&A Marketplaces (The Saleroom and Lot-tissimo), online share was 17 per cent. in ATG's FY20, highlighting the clear headroom available. The Directors believe that these A&A Marketplaces have a similar capacity for growth as that experienced by the online segment for I&C, where online share for the auctions listed on ATG's I&C Marketplaces (Proxibid, BidSpotter US and BidSpotter UK) was 39 per cent. in ATG's FY20. A&A auctions have traditionally been carried out in an offline, in-person setting where there is less accessibility for bidders whilst also incurring higher costs to the auctioneers and thus the shift to online has significant benefits for both auctioneers and bidders. There are also a significant number of North American A&A auctioneers that do not have a meaningful online presence and thus there is a further growth opportunity due to the number of auctioneers that could be added to the Combined Group's current auctioneer base. LiveAuctioneers have seen strong growth both from auctioneers moving online but also from revenue retained from historic cohorts. LiveAuctioneers auctioneer net revenue retention was 108% in its FY18, 104% in FY19 and 119% in FY20.

Increasing the auctioneer and bidder client base

The Acquisition will add approximately 1,600 new auctioneer clients (as at 31 March 2021) who operate approximately 27,000 auctions per year (for the 12 months ending 31 December 2020) and collectively deliver winning bidders on approximately 1.3 million lots (for the 12 months ending 31 December 2020). It also expands the bidder base by more than 120,000 (as at 31 March 2021) in the North American A&A vertical / geography who conducted over 56 million sessions (for the 12 months ending 31 December 2020), further expanding the footprint currently provided by Proxibid and Auction Mobility. The Acquisition will have significant benefits for both the Existing Group's and the LiveAuctioneers Group's auctioneers, providing them with a more integrated service, whilst also saving them time and reducing their costs, enabling them to compete more effectively and efficiently, particularly against other online channels for secondary, unique, and specialised items, such as eBay and Etsy. The Directors believe that the LiveAuctioneers Group's auctioneers will also benefit from the ability of the Combined Group to offer Auction Mobility's capabilities, which will enable auctioneers to further build out their white label offering, giving auctioneers the ability to build their brands alongside the Existing Group's brands, and thus enhancing the overall auctioneer value-add proposition.

The incremental inventory from the combination of the Existing Group's premium white label offering plus Marketplace sales with that of the LiveAuctioneers Marketplace will increase the appeal and value for bidders at auction. The incremental bidder base will also help to increase competition in auctions, providing greater revenue to the consignors and auctioneers as well as enabling auctions on those Marketplaces to provide a truer reflection of the market price for those goods. This translates into higher benefits to consignors of the goods to the auctioneers, which should in turn lead to more items being sold at auction.

Bidders will have access to a far wider range of items from a wider universe of auctioneers and can benefit from the enhanced customer service auctioneers will be able to provide as a result of efficiencies realised through the Combined Group's expanded service offering. The Acquisition will enable bidders around the world to gain access to approximately 1.3 million lots in a secure, easy, and engaging online environment. The Directors also believe that bidders will buy with more confidence and believe they are playing a role in sustainable buying and a greener planet.

Fully integrated payments solution

The Acquisition adds the ability to provide a fully integrated payments solution to the Combined Group, helping to simplify the fragmented payments process for auctioneers and bidders. LiveAuctioneers provides bidders the functionality to pay auctioneers through: (i) third-party payment processors, (ii) LiveAuctioneers invoicing; (iii) credit and debit card payments and pre-authorisation; and (iv) Automated Clearing House payments. For successful bidders, payments can be taken automatically from card details saved to the LiveAuctioneers Group's system via an "autopay" functionality. This helps to ensure quicker remittance of funds to auctioneers and consignors, as payment is deducted automatically 72 hours after the issue of an invoice following an auction. The Directors believe that the addition of LiveAuctioneers' payments processing functionality will significantly accelerate the Existing Group's payments functionality. This adds significant value-add functionality for the auctioneer helping to mitigate compliance risk whilst also helping auctioneers to comply with their obligations to collect taxes. Historically, bidders would have to make payments via less efficient methods, which would

increase the likelihood of defaults in payment and increase the time-period between the auction and a consignor receiving the proceeds of the sale. The addition of a fully integrated payments solution will also add functionality for the bidder, helping to enhance the wider bidder end-to-end experience and provide a buying experience more in line with bidder expectations and wider e-commerce transactions. The Directors believe that LiveAuctioneers payments solution, which has been developed on a modular basis, will be integrated into the Combined Group's North American Marketplaces (Proxibid and BidSpotter US) within six to twelve months of Completion, enabling quick availability across the North American Marketplaces, with integration across the UK and DACH region Marketplaces within twelve to fifteen months of Completion. Additional investment would be required to extend the solution to the UK and Europe. LiveAuctioneers' payments function has experienced notable increase in volumes over the three months ended 31 March 2021, following initial launch in December 2020, due to its enhanced focus on communicating the benefits of the same to auctioneers, with more than 450 auction houses using the service.

The Acquisition enhances ATG's shared success value proposition with real value delivered to all participants in the marketplace

Management believe that the Acquisition will deliver real value to the three core participants in their marketplace.

For auctioneers, the Acquisition will bring an incremental bidder base that increases competition for each lot, driving higher asset sale prices for auctioneers; a fully integrated payments solution that improves security, reduces chargeback risk, improves bidder confidence; and gets consignors their money faster and simpler payments that reduces hassle and increases collection efficiency for auctioneers leading lowering operating costs.

For consignors, the Acquisition will bring an incremental bidder base that increases competition for each lot, driving higher asset sale prices for consignors; higher values for assets sold that increases the number of items consignors will choose to sell online at auction; incremental geography for A&A that justifies more rapid investment in value-added services, further enhancing value for consignors; and proven value of online auctions that means more consignors will use it as a channel for disposal of assets, reducing waste, and further enhancing ATG's role in the circular/sustainable economy.

For bidders, the Acquisition will bring access to 1.3 million lots in a secure, easy, and engaging online environment that responds to bidder desire for sustainable shopping; investment efficiencies that give ATG the ability to invest in more ecommerce basics, providing a more familiar end-to-end user experience; and buildout of the auction ecosystem that increases the appeal of auctions, opening up new revenue streams for the service providers in the auction ecosystem and making it easier for bidders to find them.

Compelling financial benefits

The Acquisition adds a significant bidder and auctioneer base to the Combined Group. The Acquisition will add approximately 1,600 new auctioneers, taking the total number between the Existing Group and the LiveAuctioneers Group to approximately 3,600. In light of LiveAuctioneers' North American A&A focus, ATG and LiveAuctioneers have a very limited shared auctioneer base and the Directors believe them to be highly complementary. The Acquisition also adds a notable bidder base, with LiveAuctioneers having more than one million registered bidder accounts, taking the total number of registered bidder accounts for the Combined Group to approximately six million as at 31 March 2021 and the Directors believe them to also be highly complementary.

The Directors believe the Acquisition will enhance the growth and profitability profile of the Combined Group and will support and accelerate the Company's strategy laid out in the IPO Prospectus. The Existing Group's unaudited pro forma revenue for FY20 was £52.3 million having grown from £37.0 million in FY18 at a CAGR of 19%. LiveAuctioneers' revenue as at FY20 was \$30.7 million, having grown at a CAGR of 23% since FY18. LiveAuctioneers also brings a strong track record of profitability with Adjusted EBITDA of \$16.5 million in their FY20, at an Adjusted EBITDA margin of 54%. LiveAuctioneers' operating cash flow (adjusted EBITDA-Capex) in FY20 was \$14.8 million with cash generation of 89% (operating cash flow / adjusted EBITDA).

The Acquisition is expected to be very materially earnings per Share accretive immediately post Completion, before the realisation of any synergies. The Directors expect the Combined Group will be highly cash generative with low capital intensity and significant operating leverage, given the largely fixed costs base.

Overview of Acquisition terms, financing and approvals

- Acquisition of LiveAuctioneers for an enterprise value of up to \$525 million, with \$500m consideration due on Completion and Earn Out consideration of up to \$25 million
- The acquisition will be financed by way of:
 - Cash consideration:
 - An equity financing by way of a cashbox placing via accelerated bookbuild for just less than 20.0% of the issued share capital of ATG (the “Capital Raising”)
 - New debt financing of approximately \$204 million resulting in pro-forma leverage of up to c.3.0x
 - Key LiveAuctioneers management will be rolling not less than 35% of their existing holding into ATG Shares. Based on current estimates this represents approximately \$19 million which is subject to change based on the timing of completion and closing mechanics
 - Any remaining consideration to be funded via cash or additional vendor equity issuance at Completion
- The Acquisition is a Class 1 transaction for ATG under the Listing Rules of the FCA. A Circular and Prospectus containing further details on the Acquisition, the recommendation of ATG's board of directors and the notice of the general meeting of the Company (to be held to approve, amongst other matters, the Acquisition, agreement to pay the Reverse Termination Fee of \$25m if triggered and to authorise the Directors to allot shares in connection with the Acquisition) will be issued in due course
- TA Associates, ECI Partners, the Directors, Senior Management and Jupiter Investment Management Limited, who collectively hold 46% of the Enlarged Share Capital of ATG, have irrevocably committed to vote in favour of the resolutions
- Completion is also conditional, amongst other things, upon approval of the Acquisition by relevant antitrust authorities, including approval in the UK and US

Summary key performance indicators and historical financial information on LiveAuctioneers

\$m	FY18 (for twelve months to 31 December 2018)	FY19 (for twelve months to 31 December 2019)	FY20 (for twelve months to 31 December 2020)
THV	1,844	2,087	2,438
<i>THV growth (%)</i>	<i>n.a</i>	<i>13%</i>	<i>17%</i>
<i>Online share (%)</i>	<i>12%</i>	<i>13%</i>	<i>15%</i>
GMV	221	261	375
<i>GMV growth (%)</i>	<i>n.a.</i>	<i>18%</i>	<i>44%</i>
<i>Take-rate (%)</i>	<i>8.4%</i>	<i>8.3%</i>	<i>7.5%</i>

\$ million	FY18 (for twelve months to 31 December 2018)	FY19 (for twelve months to 31 December 2019)	FY20 (for twelve months to 31 December 2020)
Revenue	21.1	23.7	30.7
<i>% growth</i>	<i>n.a</i>	<i>13%</i>	<i>30%</i>
Adjusted EBITDA	12.2	12.1	16.5
<i>% margin</i>	<i>58%</i>	<i>51%</i>	<i>54%</i>
Capex (including capitalized software costs)	0.2	0.0	1.8
<i>% of sales</i>	<i>1%</i>	<i>0%</i>	<i>6%</i>
OpFCF	12.0	12.1	14.8
<i>% cash conversion</i>	<i>98%</i>	<i>100%</i>	<i>89%</i>

LiveAuctioneers, LLC is the trading entity of the LiveAuctioneers Group. Prior to 21st May 2019, LiveAuctioneers, Inc was the majority owner of LiveAuctioneers, LLC. On 21st May 2019, Platinum Parent, Inc., through its subsidiary Platinum Intermediate, Inc., purchased LiveAuctioneers, Inc and its subsidiaries, including LiveAuctioneers, LLC (the “2019 LiveAuctioneers Acquisition”).

The financial information included within this announcement has been extracted from the LiveAuctioneers Group’s available historical audited financial statements for the three years ended 31 December 2018, 2019 and 2020, which have been prepared in accordance with accounting principles generally accepted in the United States (“US GAAP”) (the “Historical Audited US GAAP Financial Statements”).

The Historical Audited US GAAP Financial Statements have been prepared at the LiveAuctioneers, LLP level for the year ended 31 December 2018, and at the Platinum Intermediate, Inc level for the two years ended 31 December 2019, and 2020. In the case of the year ended 31 December 2019, which included the 2019 LiveAuctioneers Acquisition, the period prior to the 2019 LiveAuctioneers Acquisition reflects the results of operations and cash flows of LiveAuctioneers, LLC, and the period subsequent to the 2019 LiveAuctioneers Acquisition reflects the Platinum Intermediate, Inc operations, including LiveAuctioneers, Inc and LiveAuctioneers, LLC.

In accordance with the Listing Rules, the Circular when published will include full historical financial information on the LiveAuctioneers Group for the three years ended 31 December 2018, 2019 and 2020, prepared in accordance with International Financial Reporting Standards as adopted by the European Union (“IFRS”), in a form consistent with the accounting policies adopted by ATG in its latest annual consolidated accounts (the “Historical IFRS Financial Statements”). The basis for the Historical IFRS Financial Statements will differ from the Historical Audited US GAAP Financial Statements as prior to the 2019 LiveAuctioneers Acquisition the Historical IFRS Financial Statements will be consolidated at the LiveAuctioneers, Inc level, and subsequent to the 2019 LiveAuctioneers Acquisition the Historical IFRS Financial Statements will be consolidated at the Platinum Parent, Inc level. Whilst not acting as trading entities, consolidating at the LiveAuctioneers, Inc and Platinum Parent Inc level in the Historical IFRS Financial Statements will lead to the additional recognition of certain cash, working capital, tax and professional expenses amounts in the periods presented.

US GAAP differs in several respects from IFRS. The IFRS transition exercise remains incomplete at the date of this presentation.

ATG has identified what it believes to be the material difference between ATG’s IFRS policies and LiveAuctioneers’ accounting policies below. As the IFRS transition exercise is incomplete there may be additional differences not noted below:

a) Income Statement, Balance Sheet and Cashflow Statement Presentation

The presentation of certain income statement, balance sheet and cashflow financial statement items may be realigned to conform to ATG presentation.

b) IFRS first-time adoption (IFRS 1)

For first-time adopters of IFRS, full retrospective application is subject to certain optional exemptions, designed to reduce the burden where the cost of retrospective application might exceed the benefits. Certain exemptions are applicable and may be applied to the ATG historical financial information under IFRS, including electing to use a previous valuation of property, plant, and equipment as the deemed cost for IFRS.

c) Share-based payments

Differences can occur between the US GAAP and IFRS treatment of share-based payments, including valuation methodology at each balance sheet date and the option of recognising share-based payment expense over the vesting period using a straight-line method rather than using a graded-vesting schedule as required by IFRS.

d) Income taxes

There are differences that exist between US GAAP and IFRS in the accounting for income taxes, including the presentation of deferred taxes.

e) Purchase price accounting and goodwill

There are differences that exist between US GAAP and IFRS in the accounting for business combinations, including the identification of intangible assets. Further, under US GAAP goodwill arising from business combinations can be amortised annually whereas at least annual impairment reviews are required under IFRS.

f) Capitalised development costs

There are differences that exist between US GAAP and IFRS in the criteria for capitalising development costs.

g) Lease accounting

There are differences that exist between US GAAP and IFRS in accounting for leases, in particular IFRS requires the recognition of a lease liability and right of use asset for all leases and no longer permits the recognition of lease expenses in the income statement on an annual basis.

h) Accounting for debt

There are differences that exist between US GAAP and IFRS in accounting for debt, specifically debt modifications

IMPORTANT INFORMATION

Sources, Bases and Important Notes

1. Unless otherwise stated:
 - a. Financial information relating to ATG has been extracted from the audited results for the twelve months ended 31 September 2020
 - b. Financial information relation to LiveAuctioneers have been extracted or derived from the audited results for the twelve months ended 31 December 2020
 - c. References to FY18, FY19, FY20 and FY21 mean:
 - i. In the case of ATG, the financial years ended 31 September 2018, 2019, 2020 and 2021, and H1 FY21 means the 6-month period ended 31 March 2021.
 - ii. In the case of LiveAuctioneers, the financial years ended 31 December 2018, 2019, 2020 and 2021.
2. All LiveAuctioneers financial information in this announcement is presented in accordance with US GAAP and may differ from the financial information to be included in due course in the Circular and Prospectus, as further detailed above under the heading "Summary key performance indicators and historical financial information on LiveAuctioneers".
3. The economic effect of the Management RSUs is that the Rollover Management Sellers will, following the expiry of the Acquisition Lock-Up Period, receive Shares at an effective price of 750p per Share.
4. The maximum number of new Shares required will only be known on Completion depending on, amongst other things, (i) how many options over Platinum Parent, Inc. shares are exchanged at Completion pursuant to the terms of the Rollover, (ii) the per share Acquisition value of a Platinum Parent, Inc. share, (iii) the closing share price of the Shares on the date of Completion and (iv) the US \$ to pound sterling exchange rate at Completion.
5. Certain figures in this announcement have been subject to rounding adjustments.

Enquiries

ATG

For investor enquiries

investorrelations@auctiontechnologygroup.com

For media enquiries

press@auctiontechnologygroup.com

Tulchan Communications

(Public relations advisor to ATG)

+44 207 353 4200

ATG@tulchangroup.com

Tom Murray, Sunni Chauhan, Matt Low

Numis Securities Limited

(Sponsor, Joint Global Co-ordinator, Joint Financial Adviser and Debt Adviser)

+44 207 260 1205

Nick Westlake, Matt Lewis, William Baunton

J.P. Morgan Securities plc

(Joint Global Co-ordinator and Joint Financial Adviser)

+44 207 134 8765

Bill Hutchings, Barry Meyers, Beau Freker

The preceding summary should be read in conjunction with the full text of the following announcement and its appendices, together with the Circular and Prospectus which will be published in due course.

IMPORTANT NOTICES

THIS ANNOUNCEMENT (INCLUDING THE APPENDIX) AND THE TERMS AND CONDITIONS SET OUT HEREIN (TOGETHER, THIS "ANNOUNCEMENT") IS FOR INFORMATION PURPOSES ONLY AND DOES NOT CONSTITUTE OR FORM ANY PART OF AN OFFER TO SELL OR ISSUE, OR A SOLICITATION OF AN OFFER TO BUY, SUBSCRIBE FOR OR OTHERWISE ACQUIRE ANY SECURITIES IN THE UNITED STATES (INCLUDING ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA (COLLECTIVELY, THE "UNITED STATES")), AUSTRALIA, CANADA, THE REPUBLIC OF SOUTH AFRICA, JAPAN OR ANY OTHER JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION WOULD BE UNLAWFUL OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION. NO PUBLIC OFFERING OF THE PLACING SHARES IS BEING MADE IN ANY SUCH JURISDICTION. ANY FAILURE TO COMPLY WITH THESE RESTRICTIONS MAY CONSTITUTE A VIOLATION OF THE SECURITIES LAWS OF SUCH JURISDICTIONS.

This Announcement is not for public release, publication, distribution or forwarding, in whole or in part, directly or indirectly, in or into the United States, Australia, Canada, the Republic of South Africa, Japan or any other jurisdiction in which such release, publication, distribution or forwarding would be unlawful. No public offering of the securities referred to herein is being made in any such jurisdiction or elsewhere.

The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States, except pursuant to an exemption from the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. No public offering of the Placing Shares is being made in the United States.

No action has been taken by the Company, J.P. Morgan Securities plc ("**JPM**") or Numis Securities Limited ("**Numis**") or any of their respective affiliates, or any of its or their respective directors, officers, partners, employees, advisers or agents (collectively, "**Representatives**") that would, or is intended to, permit an offer of the Placing Shares or possession or distribution of this Announcement or any other publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons receiving this Announcement are required to inform themselves about and to observe any restrictions contained in this Announcement. The distribution of this Announcement, and the Placing and/or the

offer or sale of the Placing Shares, may be restricted by law in certain jurisdictions. Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Announcement should seek appropriate advice before taking any action. Persons distributing any part of this Announcement must satisfy themselves that it is lawful to do so.

This Announcement has not been approved by the Financial Conduct Authority or the London Stock Exchange. Members of the public are not eligible to take part in the Placing. This Announcement is directed at and is only being distributed to persons: (a) if in member states of the European Economic Area, "qualified investors" within the meaning of Article 2(e) of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") ("**Qualified Investors**"); or (b) if in the United Kingdom, Qualified Investors within the meaning of Article 2(e) of the UK version of Regulation (EU) 2017/1129 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**") who are (i) persons who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), or (ii) persons who fall within Article 49(2)(a) to (d) of the Order; or (c) persons to whom they may otherwise lawfully be communicated (each such person above, a "**Relevant Person**"). No other person should act or rely on this Announcement and persons distributing this Announcement must satisfy themselves that it is lawful to do so. By accepting the terms of this Announcement, you represent and agree that you are a Relevant Person, if in the United Kingdom, or a Qualified Investor, if in a member state of the EEA. This Announcement must not be acted on or relied on by persons who are not Relevant Persons, if in the United Kingdom, or Qualified Investors, if in a member state of the EEA. Any investment or investment activity to which this Announcement or the Placing relates is available only to Relevant Persons, if in the United Kingdom, and Qualified Investors, if in a member state of the EEA, and will be engaged in only with Relevant Persons, if in the United Kingdom, and Qualified Investors, if in a member state of the EEA.

No offering document or prospectus will be made available in any jurisdiction in connection with the matters contained or referred to in this Announcement or the Placing and no such offering document or prospectus is required (in accordance with the Prospectus Regulation or UK Prospectus Regulation) to be published.

This Announcement does not constitute, or purport to include the information required of, a disclosure document under Chapter 6D of the Australian Corporations Act 2001 (Cth) ("**Corporations Act**") and will not be lodged with the Australian Securities and Investments Commission. No offer of Placing Shares is or will be made to persons in Australia pursuant to this Announcement, except to a person who is a "sophisticated investor" within the meaning of section 708(8) of the Corporations Act or a "professional investor" within the meaning of section 708(11) of the Corporations Act and a wholesale client under section 761G(7) of the Corporations Act. If any Placing Shares are issued, they may not be offered for sale (or transferred, assigned or otherwise alienated) to investors in Australia for at least 12 months after their issue, except in circumstances where disclosure to investors is not required under Part 6D.2 of the Corporations Act.

Certain statements in this Announcement are forward-looking statements with respect to the Company's expectations, intentions and projections regarding its future performance, strategic initiatives, anticipated events or trends and other matters that are not historical facts and which are, by their nature, inherently predictive, speculative and involve risks and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future. All statements that address expectations or projections about the future, including statements about operating performance, strategic initiatives, objectives, market position, industry trends, general economic conditions, expected expenditures, expected cost savings and financial results are forward-looking statements. Any statements contained in this Announcement that are not statements of historical fact are, or may be deemed to be, forward-looking statements. These forward-looking statements, which may use words such as "aim", "anticipate", "believe", "could", "intend", "estimate", "expect", "may", "plan", "project" or words or terms of similar meaning or the negative thereof, are not guarantees of future performance and are subject to known and unknown risks and uncertainties. There are a number of factors including, but not limited to, commercial, operational, economic and financial factors, that could cause actual results, financial condition, performance or achievements to differ materially from those expressed or implied by these forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the Company's ability to control or estimate precisely, such as changes in taxation or fiscal policy, future market conditions, currency fluctuations, the behaviour of other market participants, the actions of governments or governmental regulators, or other risk factors, such as changes in the political, social and regulatory framework in which the Company operates or in economic or technological trends or conditions, including inflation, recession and consumer confidence, on a global, regional or national basis. Given those risks and uncertainties, readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of this Announcement. Each of the Company, JPM and Numis expressly disclaims any obligation or undertaking to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise unless required to do so by applicable law or regulation.

In particular, no statement in this Announcement is intended to be a profit forecast or profit estimate and no statement of a financial metric (including estimates of adjusted EBITDA, profit before tax, free cash flow or net debt) should be interpreted to mean that any financial metric for the current or future financial years would necessarily match or exceed the historical published position of the Company and its subsidiaries. Certain statements in this Announcement may contain estimates. The estimates set out in this Announcement have been prepared based on numerous assumptions and forecasts, some of which are outside of the Company's influence and/or control, and is therefore inherently uncertain and there can be no guarantee or assurance that it will be correct. The estimates have not been audited, reviewed, verified or subject to any procedures by the Company's auditors. Undue reliance should not be placed on them and there can be no guarantee or assurance that they will be correct.

JPM is authorised by the Prudential Regulation Authority ("PRA") and regulated in the United Kingdom by the PRA and the Financial Conduct Authority ("FCA"). Numis is authorised and regulated in the United Kingdom by the FCA. Each of JPM and Numis is acting exclusively for the Company and for no one else in connection with the Placing and will not regard any other person (whether or not a recipient of this Announcement) as a client in relation to the Placing or any other matter referred to in this Announcement and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for giving advice in relation to the Placing or any other matter referred to in this Announcement.

This Announcement is being issued by and is the sole responsibility of the Company. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by or on behalf of JPM or Numis (apart from the responsibilities or liabilities that may be imposed by the Financial Services and Markets Act 2000, as amended ("FSMA") or the regulatory regime established thereunder) or by their respective affiliates or any of their respective Representatives as to, or in relation to, the accuracy, adequacy, fairness or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers or any other statement made or purported to be made by or on behalf of JPM or Numis or any of their respective affiliates or any of their respective Representatives in connection with the Company, the Placing Shares or the Placing and any responsibility and liability whether arising in tort, contract or otherwise therefor is expressly disclaimed. No representation or warranty, express or implied, is made by JPM or Numis or any of their respective affiliates or any of their respective Representatives as to the accuracy, fairness, verification, completeness or sufficiency of the information or opinions contained in this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefor is expressly disclaimed.

The information in this Announcement may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. Any forwarding, distribution, reproduction or disclosure of this Announcement, in whole or in part, is unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

This Announcement does not constitute a recommendation concerning any investor's options with respect to the Placing. Recipients of this Announcement should conduct their own investigation, evaluation and analysis of the business, data and other information described in this Announcement. This Announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the Placing Shares. The price and value of securities can go down as well as up and investors may not get back the full amount invested upon the disposal of the shares. Past performance is not a guide to future performance. The contents of this Announcement are not to be construed as legal, business, financial or tax advice. Each investor or prospective investor should consult with his or her or its own legal adviser, business adviser, financial adviser or tax adviser for legal, business, financial or tax advice.

Any indication in this Announcement of the price at which the Company's shares have been bought or sold in the past cannot be relied upon as a guide to future performance. Persons needing advice should consult an independent financial adviser. No statement in this Announcement is intended to be a profit forecast or profit estimate for any period and no statement in this Announcement should be interpreted to mean that earnings, earnings per share or income, cash flow from operations or free cash flow for the Company for the current or future financial periods would necessarily match or exceed the historical published earnings, earnings per share or income, cash flow from operations or free cash flow for the Company.

All offers of the Placing Shares will be made pursuant to an exemption under the UK Prospectus Regulation from the requirement to produce a prospectus. This Announcement is being distributed and communicated to persons in the United Kingdom only in circumstances in which section 21(1) of FSMA does not apply.

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the main market for listed securities of the London Stock Exchange.

In connection with the Placing, JPM and Numis and any of their respective affiliates or any of their respective Representatives, acting as investors for their own account, may take up a portion of the Placing Shares in the Placing as a principal position and in that capacity may retain, purchase, sell, offer to sell for the own accounts or otherwise deal for their own account in such Placing Shares and other securities of the Company or related investments in connection with the Placing or otherwise. Accordingly, references to Placing Shares being offered, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or acquisition, placing or dealing by, JPM and Numis and any of their respective affiliates and their respective Representatives acting in such capacity. In addition, JPM and Numis and any of their respective affiliates or their respective Representatives may enter into financing arrangements (including swaps, warrants or contracts for difference) with investors in connection with which JPM and Numis and any of their respective affiliates may from time to time acquire, hold or dispose of shares. JPM and Numis do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

The Appendix to this Announcement sets out the terms and conditions of the Placing. By participating in the Placing, each Placée will be deemed to have read and understood this Announcement (including the Appendix) in its entirety, to be participating in the Placing and making an offer to acquire and acquiring Placing Shares on the terms and subject to the conditions set out in the Appendix to this Announcement and to be providing the representations, warranties, undertakings and acknowledgements contained in the Appendix to this Announcement.

Neither the content of the Company's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this Announcement.

This Announcement has been prepared for the purposes of complying with applicable law and regulation in the United Kingdom and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws and regulations of any jurisdiction outside the United Kingdom.

UK Product Governance Requirements

Solely for the purposes of the product governance requirements contained within the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Rules**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any 'manufacturer' (for the purposes of the UK Product Governance Rules) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that such Placing Shares are: (a) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in Chapter 3 of the FCA Handbook Conduct of Business Sourcebook ("**COBS**"); and (b) eligible for distribution through all permitted distribution channels (the "**UK target market assessment**"). Notwithstanding the UK target market assessment, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing 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 UK target market assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the UK target market assessment, the JPM and Numis will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the UK target market assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of COBS 9A and COBS 10A, respectively; 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 Placing Shares. Each distributor is responsible for undertaking its own UK target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

EU Product Governance Requirements

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any 'manufacturer' (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that such Placing Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing 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. Furthermore, it is noted that, notwithstanding the Target Market Assessment, JPM and Numis will only procure investors who meet the criteria of professional clients and eligible counterparties.

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 Placing Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

APPENDIX I: TERMS AND CONDITIONS OF THE PLACING

IMPORTANT INFORMATION FOR INVITED PLACEEES ONLY REGARDING THE PLACING

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT (INCLUDING APPENDIX 1) AND THE TERMS AND CONDITIONS SET OUT HEREIN (TOGETHER, THIS "ANNOUNCEMENT") ARE FOR INFORMATION PURPOSES ONLY AND ARE DIRECTED ONLY AT PERSONS WHOSE ORDINARY ACTIVITIES INVOLVE THEM IN ACQUIRING, HOLDING, MANAGING AND DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSES OF THEIR BUSINESS AND WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE: (A) IF IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA (THE "EEA"), PERSONS WHO ARE QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 2(E) OF REGULATION (EU) 2017/1129 (THE "**PROSPECTUS REGULATION**") ("**QUALIFIED INVESTORS**"); OR (B) IF IN THE UNITED KINGDOM, QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 2(E) OF THE UK VERSION OF REGULATION (EU) 2017/1129 AS IT FORMS PART OF UK LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE "**UK PROSPECTUS REGULATION**") WHO ARE (I) PERSONS WHO FALL WITHIN THE DEFINITION OF "INVESTMENT PROFESSIONALS" IN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "**ORDER**"), OR (II) PERSONS WHO ARE HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS OR PARTNERSHIPS OR TRUSTEES OF HIGH VALUE TRUSTS AS DESCRIBED IN ARTICLE 49(2)(A) TO (D) OF THE ORDER; OR (c) OTHERWISE, PERSONS TO WHOM IT MAY OTHERWISE BE LAWFUL TO COMMUNICATE IT TO (EACH SUCH PERSONS IN (B) REFERRED TO AS "**RELEVANT PERSONS**"). NO OTHER PERSON SHOULD ACT OR RELY ON THIS ANNOUNCEMENT. BY ACCEPTING THE TERMS OF THIS ANNOUNCEMENT YOU REPRESENT AND AGREE THAT YOU ARE EITHER A QUALIFIED INVESTOR OR A RELEVANT PERSON. THIS APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT QUALIFIED INVESTORS IN THE EEA AND RELEVANT PERSONS IN THE UNITED KINGDOM. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT HEREIN RELATE IS AVAILABLE ONLY IN MEMBER STATES OF THE EEA TO QUALIFIED INVESTORS AND IN THE UNITED KINGDOM TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH QUALIFIED INVESTORS IN MEMBER STATES OF THE EEA AND RELEVANT PERSONS IN THE UNITED KINGDOM. THE INFORMATION CONTAINED HEREIN IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES (INCLUDING ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA (COLLECTIVELY, THE "**UNITED STATES**")), AUSTRALIA, CANADA, THE REPUBLIC OF SOUTH AFRICA OR JAPAN OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL OR REQUIRE A PROSPECTUS OR SIMILAR DOCUMENT TO BE FILED. THIS ANNOUNCEMENT AND THE INFORMATION CONTAINED HEREIN DO NOT CONSTITUTE AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES, AUSTRALIA, CANADA, THE REPUBLIC OF SOUTH AFRICA, JAPAN OR IN ANY OTHER JURISDICTION IN WHICH THE SAME WOULD BE UNLAWFUL.

THIS ANNOUNCEMENT (INCLUDING APPENDIX) DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY.

THE PLACING SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR UNDER THE APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY WITHIN, INTO OR IN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THERE WILL BE NO PUBLIC OFFER OF THE PLACING SHARES IN THE UNITED STATES, THE UNITED KINGDOM OR ELSEWHERE.

EACH PLACEE SHOULD CONSULT ITS OWN ADVISERS AS TO LEGAL, BUSINESS, FINANCIAL, TAX AND RELATED ASPECTS OF ACQUIRING THE PLACING SHARES.

All offers of the Placing Shares will be made pursuant to an exemption under the Prospectus Regulation and the UK Prospectus Regulation from the requirement to produce a prospectus. This Announcement is being distributed and communicated to persons in the UK only in circumstances to which section 21(1) of the Financial Services and Markets Act 2000, as amended ("**FSMA**") does not apply.

Persons who are invited to and who choose to participate in the placing (the "**Placing**") of the Placing Shares (as defined below) by making an oral or written offer to acquire Placing Shares (including any individuals, funds or others on whose behalf a commitment to acquire Placing Shares is given) ("**Placees**") will be deemed to have read and understood this Announcement in its entirety and to be making such offer on the terms and conditions, and to be providing (and shall only be permitted to participate in the Placing on the basis that they have provided) the representations, warranties, indemnities, acknowledgements, undertakings and agreements, contained in this Appendix. In particular, each such Placee represents, warrants, acknowledges and agrees to each of Auction Technology Group plc (the "**Company**"), J.P. Morgan Securities plc ("**JPM**") and Numis Securities Limited ("**Numis**" and, together with JPM, the "**Joint Bookrunners**") that:

1. If it is in the United Kingdom it is a Relevant Person and if it is in the member state of the EEA it is a Qualified Investor, and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
2. If it is in Australia, it is a "sophisticated investor" within the meaning of section 708(8) of the Corporations Act or a "professional investor" within the meaning of section 708(11) of the Corporations Act and a wholesale client under section 761G(7) of the Corporations Act;
3. it is acquiring the Placing Shares for its own account or is acquiring the Placing Shares for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the representations, warranties, indemnities, acknowledgements, undertakings and agreements contained in this Announcement;
4. it understands (or if acting for the account of another person, such person has confirmed that such person understands) the resale and transfer restrictions set out in this Announcement (including this Appendix);
5. if it is a financial intermediary, as that term is used in Article 5(1) of the Prospectus Regulation and the UK Prospectus Regulation, that it understands that any Placing Shares subscribed for by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of securities to the public other than an offer or resale in a member state of the EEA to Qualified Investors or in the United Kingdom to Relevant Persons, or in circumstances in which the prior consent of the Joint Bookrunners has been given to each such proposed offer or resale;
6. it understands that the Placing Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States except pursuant to an exemption from the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States;
7. it and the person(s), if any, for whose account or benefit it is acquiring the Placing Shares are either (a)(i) outside the United States and will be outside the United States at the time the Placing Shares are acquired by it and (ii) acquiring the Placing Shares in an "offshore transaction" within the meaning of Regulation S; or (b) a "qualified institutional buyer" as defined in Rule 144A under the Securities Act (a "QIB") who has executed and delivered to the Company and the Joint Bookrunners a US investor letter substantially in the form provided to it;
8. if it is resident in Canada, it is resident in either the province of Ontario, Quebec, Alberta or British Columbia; is purchasing as principal, or is deemed to be purchasing as principal in accordance with applicable Canadian securities laws, for investment only and not with a view to resale or redistribution; is not an individual; is an "accredited investor" as such term is defined in section 1.1 of National Instrument 45-106 - Prospectus Exemptions ("NI 45-106") or, in Ontario, as such term is defined in section 73.3(1) of the Securities Act (Ontario); and is a "permitted client" as such term is defined in section 1.1 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations ("NI 31-103"); and
9. the Company and the Joint Bookrunners will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States.

No representation is made by either of the Joint Bookrunners or their respective affiliates to any Placees regarding an investment in the Placing Shares.

IMPORTANT INFORMATION FOR PLACEES ONLY REGARDING THE PLACING

Bookbuild

Following this Announcement, the Joint Bookrunners will today commence the bookbuilding process in respect of the Placing (the "**Bookbuild**") to determine demand for participation in the Placing by Placees. This Appendix gives details of the terms and conditions of, and the mechanics of participation in, the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares. Members of the public are not entitled to participate.

The Joint Bookrunners and the Company shall be entitled to effect the Placing by such alternative method to the Bookbuild as they may, in their absolute discretion, determine.

Details of the Placing Agreement and of the Placing Shares

The Company has today entered into an agreement (the "**Placing Agreement**") with the Joint Bookrunners under which, subject to the terms and conditions set out therein, each of the Joint Bookrunners has agreed, severally and not jointly or jointly and severally, as agent for and on behalf of the Company, to use its reasonable endeavours to procure Placees for up to 19,999,990 ordinary shares of 0.01 pence each in the capital of the Company (the "**Placing Shares**") representing up to just less than 20.0 per cent. of the Company's existing issued share capital, at a price to be determined following completion of the Bookbuild and, to the extent that any Placee defaults in paying the Placing Price (as defined below) in respect of any of the Placing Shares allocated to it, each of the Joint Bookrunners has agreed, severally and not jointly or jointly and severally, to subscribe for such Placing Shares at the Placing Price. JPM and Numis are acting as joint global co-ordinators and joint bookrunners in connection with the Placing.

The Placing Shares will, when issued, be credited as fully paid and will rank *pari passu* in all respects with the existing ordinary shares of 0.01 pence each in the capital of the Company (the "**Ordinary Shares**"), including the right to receive all dividends and other distributions declared, made or paid in respect of such Ordinary Shares after the date of issue of the Placing Shares.

The allotment and issue of the Placing Shares will be effected by way of a placing of new Ordinary Shares in the Company for non-cash consideration. JPM will subscribe for ordinary shares and redeemable preference shares in Project Haka Limited ("**JerseyCo**"), a Jersey incorporated wholly owned subsidiary of the Company, for an amount approximately equal to the net proceeds of the Placing. The Company will allot and issue the Placing Shares on a non-pre-emptive basis to Placees in consideration for the transfer to the Company by JPM of the ordinary shares and redeemable preference shares in JerseyCo that will be issued to JPM.

Applications for listing and admission to trading

Applications will be made to the Financial Conduct Authority (the "**FCA**") for admission of the Placing Shares to listing on the premium listing segment of the Official List of the FCA (the "**Official List**") and to London Stock Exchange plc (the "**London Stock Exchange**") for admission of the Placing Shares to trading on its main market for listed securities (together, "**Admission**").

It is expected that Admission will become effective at or around 8.00 a.m. on 22 June 2021 and that dealings in the Placing Shares will commence at that time. The Placing is conditional upon, among other things, Admission becoming effective and the Placing Agreement not being terminated in accordance with its terms.

Participation in, and principal terms of, the Placing

1. Each of JPM and Numis is acting as a joint global co-ordinator, joint bookrunner and agent of the Company in connection with the Placing.
2. Participation in the Placing will only be available to persons who may lawfully be, and are, invited to participate by the Joint Bookrunners. Each of the Joint Bookrunners and their respective agents and affiliates are each entitled to enter bids in the Bookbuild as principal.
3. The Bookbuild will establish a single price per Placing Share payable to the Joint Bookrunners by all Placees whose bids are successful (the "Placing Price"). The final number of Placing Shares and the Placing Price will be determined by the Company (in consultation with the Joint Bookrunners) following completion of the Bookbuild. Any discount to the market price of the existing Ordinary Shares will be determined in accordance with the FCA's Listing Rules. The Placing Price and the final number of Placing Shares to be issued will be announced on a FCA-

listed regulatory information service (a "Regulatory Information Service") following the completion of the Bookbuild.

4. To bid in the Bookbuild, prospective Placees should communicate their bid by telephone or in writing to their usual sales contact at either of the Joint Bookrunners. Each bid should state the number of Placing Shares which the prospective Placee wishes to subscribe for at either the Placing Price which is ultimately established by the Company and the Joint Bookrunners or at prices up to a price limit specified in its bid. Bids may be scaled down by the Joint Bookrunners on the basis referred to in paragraph 11 below.
5. A bid in the Bookbuild will be made on the terms and subject to the conditions in this Appendix and will be legally binding on the Placee on behalf of which it is made and, except with the Joint Bookrunners' consent, will not be capable of variation or revocation after the time at which it is submitted. Each Placee's obligations will be owed to the Company and the Joint Bookrunners. Each Placee will also have an immediate, separate, irrevocable and binding obligation, owed to each of the Joint Bookrunners as agent of the Company, to pay in cleared funds immediately on the settlement date, in accordance with the registration and settlement requirements set out below, an amount equal to the product of the Placing Price and the number of Placing Shares such Placee has agreed to subscribe for and the Company has agreed to allot to them.
6. The Bookbuild is expected to close no later than 5.00 p.m. (London time) on 18 June 2021, but may be closed earlier or later at the absolute discretion of the Joint Bookrunners. The Joint Bookrunners may, in agreement with the Company, accept bids that are received after the Bookbuild has closed.
7. Each prospective Placee's allocation will be agreed between the Joint Bookrunners and the Company and will be confirmed orally or in writing by either of the Joint Bookrunners (each as agent of the Company) following the close of the Bookbuild. This confirmation to such Placee will constitute an irrevocable legally binding commitment upon that person (who will at that point become a Placee) in favour of the Joint Bookrunners and the Company to subscribe for the number of Placing Shares allocated to it at the Placing Price on the terms and conditions set out in this Appendix and in accordance with the Company's articles of association and each Placee will be deemed to have read and understood this Announcement (including this Appendix) in its entirety.
8. All obligations under the Bookbuild and Placing will be subject to fulfilment or, where applicable, waiver of the conditions referred to below under "Conditions of the Placing" and to the Placing not being terminated on the basis referred to below under "Right to terminate under the Placing Agreement".
9. By participating in the Bookbuild, each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee after confirmation (oral or otherwise) by a Joint Bookrunner.
10. Each prospective Placee's allocation and commitment will be evidenced by a contract note or trade confirmation issued to such Placee by either of the Joint Bookrunners. The terms of this Appendix will be deemed incorporated by reference therein.
11. Subject to paragraphs 4 and 5 above, the Joint Bookrunners may choose to accept bids, either in whole or in part, on the basis of allocations determined in agreement with the Company and may scale down any bids for this purpose on such basis as they may determine. The Joint Bookrunners may also, notwithstanding paragraphs 4 and 5 above, subject to the prior consent of the Company (i) allocate Placing Shares after the time of any initial allocation to any person submitting a bid after that time; and (ii) allocate Placing Shares after the Bookbuild has closed to any person submitting a bid after that time. The Company reserves the right (upon agreement with the Joint Bookrunners) to reduce or seek to increase the amount to be raised pursuant to the Placing.
12. Except as required by law or regulation, no press release or other announcement will be made by the Joint Bookrunners or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.
13. Irrespective of the time at which a Placee's allocation pursuant to the Placing is confirmed, settlement for all Placing Shares to be subscribed for pursuant to the Placing will be required to be made at the same time, on the basis explained below under "Registration and settlement".
14. To the fullest extent permissible by law, none of the Joint Bookrunners or the Company or any of their respective affiliates or any of their respective directors, officers, partners, employees, advisers or agents (collectively, "Representatives") shall have any responsibility or liability to Placees (or to any other person whether acting on

behalf of a Placee or otherwise). In particular, none of the Joint Bookrunners or the Company or any of their respective affiliates or any of their respective Representatives shall have any responsibility or liability (including to the fullest extent permissible by law, any fiduciary duties) in respect of the conduct of the Bookbuild or of such alternative method of effecting the Placing as the Joint Bookrunners and the Company may agree.

Conditions of the Placing

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms. The obligations of the Joint Bookrunners under the Placing Agreement in respect of the Placing Shares are conditional on, inter alia:

1. the acquisition agreement dated 17 June 2021 between, amongst others, the Company and Platinum Parent Inc. (the "**Acquisition Agreement**") not having been amended in any material respect or terminated or lapsed, in each case prior to Admission;
2. the Company complying in all material respects with all of its obligations and having satisfied all conditions to be satisfied under the Placing Agreement or under the terms and conditions of the Placing which fall to be performed or satisfied on or prior to Admission, save to an extent which the Joint Bookrunners, following consultation with the Company, do not consider (acting in good faith) to be material in the context of the Placing and Admission;
3. certain of the representations and warranties of the Company contained in the Placing Agreement being untrue or inaccurate or misleading at the date of the Placing Agreement or immediately prior to Admission, by reference to the facts and circumstances then subsisting; and
4. Admission occurring not later than 8.00 a.m. (London time) on 22 June 2021.

The Joint Bookrunners have discretion to waive compliance with certain of the conditions and/or agree an extension in time for their satisfaction. Any such extension or waiver will not affect Placees' commitments as set out in this Announcement.

If (a) any of the conditions contained in the Placing Agreement, including those described above, are not fulfilled (or, where permitted, waived or extended in writing by the Joint Bookrunners) or become incapable of fulfilment on or before the date or time specified for the fulfilment thereof (or such later date and/or time as the Joint Bookrunners may agree); or (b) the Placing Agreement is terminated in the circumstances specified below, the Placing will not proceed and the Placees' rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by the Placee in respect thereof. Any such extension or waiver will not affect Placees' commitments as set out in this Announcement.

Neither the Joint Bookrunners nor any of their respective affiliates nor any of their respective Representatives shall have any responsibility or liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision they may make as to whether or not to waive or to extend the time and/or the date for the satisfaction of any condition to the Placing nor for any decision they may make as to the satisfaction of any condition or in respect of the Placing generally, and by participating in the Placing each Placee agrees that any such decision is in the absolute discretion of the Joint Bookrunners.

Lock-up¹

The Company has undertaken that it will not, and will procure that none of its subsidiaries will, at any time between the date of the Placing Agreement and the date which is 180 days after the date of the Placing Agreement without the prior written consent of the Joint Bookrunners enter into certain transactions involving or relating to the Ordinary Shares, subject to certain customary carve-outs agreed between the Joint Bookrunners and the Company.

By participating in the Placing, Placees agree that the exercise by the Joint Bookrunners of any power to consent to waive the undertaking by the Company of a transaction which would otherwise be subject to the lock-up under the Placing Agreement shall be within the absolute discretion of the Joint Bookrunners, and that they do not need to make any reference to, consult with, or seek consent from, Placees and that the Joint Bookrunners shall have no liability to Placees whatsoever in connection with any such exercise of the power to grant consent or failure so to exercise.

¹ To reflect the agreed terms of the Placing Agreement.

Right to terminate under the Placing Agreement

Each of the Joint Bookrunners, for itself in its capacity as joint global co-ordinator and joint bookrunner, is entitled, in its absolute discretion acting in good faith and after consultation with the Company, at any time before Admission, to terminate the Placing Agreement by giving notice to the Company if, amongst other things, (a) there has been a material adverse change in any major financial market in the United Kingdom or the United States; (b) there has been any material adverse change in the international financial markets; (c) there has been any outbreak or escalation of hostilities, war, act of terrorism, declaration of emergency or martial law or other calamity or crisis or event in the United Kingdom or the United States; or (d) there has been any change or development involving a prospective change in national or international political, financial, economic, monetary or market conditions or currency exchange rates or controls, in each case the effect of which the Joint Bookrunners consider (acting in good faith), following consultation with the Company, to be so material in the context of the Placing and Admission as to make it impractical or inadvisable to proceed with the Placing.

If any of the termination conditions as specified in the Placing Agreement shall occur, then the Joint Bookrunners may, in their absolute discretion acting in good faith and after such consultation with the Company by reference to the then existing facts and circumstances as may be reasonably practicable in the circumstances: (i) allow the Placing to proceed on the basis of this Announcement; or (ii) give notice to the Company to terminate the Placing Agreement. Upon notice being given by the Joint Bookrunners to the Company, the parties to the Placing Agreement shall be released and discharged (except for any liability arising before or in relation to such termination) from their respective obligations under or pursuant to the Placing Agreement, subject to certain exceptions.

By participating in the Placing, Placees agree that the exercise or non-exercise by the Joint Bookrunners of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of the Joint Bookrunners, and that they do not need to make any reference to, consult with, or seek consent from, Placees and that the Joint Bookrunners shall have no liability to Placees whatsoever in connection with any such exercise or failure so to exercise.

No prospectus

No offering document, admission document or prospectus has been or will be prepared or submitted to be approved by the FCA (or any other authority) or submitted to the London Stock Exchange or in any other jurisdiction in relation to the Placing or Admission and no such prospectus is required (in accordance with the UK Prospectus Regulation) to be published in the United Kingdom or any equivalent document in any other jurisdiction.

Placees' commitments will be made solely on the basis of their own assessment of the Company, the Placing and the Placing Shares based on information contained in this Announcement (including Appendix 1) and any information publicly announced to a Regulatory Information Service by or on behalf of the Company on or prior to the date of this Announcement and subject to the further terms set forth in the trade confirmation to be provided to individual prospective Placees.

Each Placee, by accepting a participation in the Placing, agrees that the content of this Announcement (including this Appendix) and all other publicly available information previously and simultaneously published by or on behalf of the Company by notification to a Regulatory Information Service is exclusively the responsibility of the Company and has not been independently verified by the Joint Bookrunners. Each Placee, by accepting participation in the Placing, further confirms that it has neither received nor relied on any other information, representation, warranty, or statement made by or on behalf of the Company or the Joint Bookrunners or any other person and none of the Company or Joint Bookrunners or any of their respective affiliates or any of their respective Representatives will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which the Placee may have obtained or received. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. Nothing in this paragraph shall exclude or limit the liability of any person for fraudulent misrepresentation by that person.

Registration and settlement

Settlement of transactions in the Placing Shares (ISIN: GB00BMVQDZ64) following Admission will take place within the CREST system, subject to certain exceptions. In the event of any difficulties or delays in the admission of the Placing Shares to CREST or the use of CREST in relation to the Placing, the Company and the Joint Bookrunners may agree that the Placing Shares should be issued in certificated form. The Joint Bookrunners and the Company reserve the right to require settlement for and delivery of the Placing Shares (or a portion thereof) to Placees in certificated form or by such other means as they deem necessary if delivery or settlement is not possible or practicable within the CREST system or would not be consistent with the regulatory requirements in the Placee's jurisdiction.

Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with the standing CREST or certificated settlement instructions that it has in place with the relevant Joint Bookrunner.

The Company will deliver the Placing Shares to a CREST account operated by the Joint Bookrunners (or either one of them) as agent for the Company and the relevant Joint Bookrunner will enter its delivery (DEL) instruction into the CREST system. The Joint Bookrunners (or either one of them) will hold any Placing Shares delivered to this account as nominee for the Placees until settlement. The input to CREST by a Placee of a matching or acceptance instruction will then allow delivery of the relevant Placing Shares to that Placee against payment.

It is expected that settlement will be on 22 June 2021 on a T+2 basis and on a delivery versus payment basis in accordance with the instructions given to the Joint Bookrunners.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above LIBOR as determined by the Joint Bookrunners.

Each Placee is deemed to agree that, if it does not comply with these obligations, the Joint Bookrunners may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for the account and benefit of each of the Joint Bookrunners, an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax or other similar taxes (together with any interest or penalties thereon) imposed in any jurisdiction which may arise upon the sale of such Placing Shares on such Placee's behalf. By communicating a bid for Placing Shares, each Placee confers on each of the Joint Bookrunners all such authorities and powers necessary to carry out any such transaction and agrees to ratify and confirm all actions which each of the Joint Bookrunners lawfully takes on such Placee's behalf.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the contract note or trade confirmation is copied and delivered immediately to the relevant person within that organisation.

Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax. If there are any other circumstances in which any stamp duty or stamp duty reserve tax or other similar taxes (and/or any interest, fines or penalties relating thereto) is payable in respect of the allocation, allotment, issue or delivery of the Placing Shares (or for the avoidance of doubt if any stamp duty or stamp duty reserve tax is payable in connection with any subsequent transfer of or agreement to transfer Placing Shares), none of the Joint Bookrunners or the Company shall be responsible for the payment thereof.

Placees (or any nominee or other agent acting on behalf of a Placee) will not be entitled to receive any fee or commission in connection with the Placing.

Representations and warranties

By submitting a bid and/or participating in the Placing, each prospective Placee (and any person acting on such Placee's behalf) irrevocably acknowledges, confirms, undertakes, represents, warrants and agrees (as the case may be) with each Joint Bookrunner and the Company, in each case as a fundamental term of its application for Placing Shares, that:

1. it has read and understood this Announcement (including this Appendix) in its entirety and that its participation in the Bookbuild and the Placing and its acquisition of Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained herein and it undertakes not to redistribute or duplicate this Announcement and that it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with Admission, the Bookbuild, the Placing, the Company, the Placing Shares or otherwise;
2. that no offering document, admission document or prospectus has been or will be prepared in connection with the Placing or is required under the Prospectus Regulation or UK Prospectus Regulation and it has not received and will not receive a prospectus, admission document or other offering document in connection with the Bookbuild, the Placing or the Placing Shares;
3. the Placing does not constitute a recommendation or financial product advice and the Joint Bookrunners have not had regard to its particular objectives, financial situation and needs;

4. (i) it has made its own assessment of the Company, the Placing Shares and the terms of the Placing based on this Announcement (including Appendix 1) and any information publicly announced to a Regulatory Information Service by or on behalf of the Company prior to the date of this Announcement (the "Publicly Available Information"); (ii) the Ordinary Shares are admitted to the premium listing segment of the Official List of the FCA and to trading on the London Stock Exchange's main market for listed securities and the Company is therefore required to publish certain business and financial information in accordance with the Market Abuse Regulation (EU) No.596/2014 ("MAR"), in the period up to and including 31 December 2020, and from 1 January 2021 in accordance with the UK version of the Market Abuse Regulation (EU) No.596/2014, which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR") and the rules and practices of the London Stock Exchange (the "Exchange Information"), which includes a description of the nature of the Company's business, most recent balance sheet and profit and loss account, and similar statements for preceding years, and it has reviewed such Exchange Information as it has deemed necessary or that it is able to obtain or access the Exchange Information without undue difficulty; and (iii) it has had access to such financial and other information (including the business, financial condition, prospects, creditworthiness, status and affairs of the Company, the Placing and the Placing Shares, as well as the opportunity to ask questions) concerning the Company, the Placing and the Placing Shares as it has deemed necessary in connection with its own investment decision to acquire any of the Placing Shares and has satisfied itself that the information is still current and relied on that investigation for the purposes of its decision to participate in the Placing. Each Placee further acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in deciding to participate in the Placing;
5. if it received any "inside information" as defined in the UK MAR concerning the Company or its shares or other securities or related financial instruments in advance of the Placing, it has not (i) dealt in the securities of the Company; (ii) encouraged or required another person to deal in the securities of the Company; or (iii) disclosed such information to any person except as permitted by UK MAR, prior to the information being made publicly available;
6. it has the power and authority to carry on the activities in which it is engaged, to subscribe and/or acquire Placing Shares and to execute and deliver all documents necessary for such subscription and/or acquisition;
7. none of the Joint Bookrunners or the Company or any of their respective affiliates or any of their respective Representatives or any person acting on behalf of any of them has provided, and none of them will provide, it with any material or information regarding the Placing Shares or the Company or any other person other than this Announcement, nor has it requested any of the Joint Bookrunners, the Company or any of their respective affiliates or any of their respective Representatives or any person acting on behalf of any of them to provide it with any such material or information;
8. (i) none of the Company or the Joint Bookrunners or any of their respective affiliates or any of their respective Representatives or any person acting on their behalf has made any warranties or representations to it, express or implied, with respect to the Company, the Placing and the Placing Shares or the accuracy, fairness, completeness or adequacy of the Publicly Available Information or the Exchange Information, and each of them expressly disclaims any liability in respect thereof; and (ii) it will not hold the Joint Bookrunners or any of their respective affiliates or any of their respective Representatives or any person acting on their behalf responsible for any misstatements in or omissions from any Publicly Available Information or any Exchange Information. Nothing in this paragraph or otherwise in this Announcement excludes the liability of any person for fraudulent misrepresentation made by that person;
9. the content of this Announcement is exclusively the responsibility of the Company and that neither the Joint Bookrunners nor any of their respective affiliates nor any of their respective Representatives nor any person acting on their behalf has or shall have any responsibility or liability for any information, representation or statement contained in this Announcement or any information previously or subsequently published by or on behalf of the Company, including, without limitation, any Publicly Available Information or Exchange Information, and will not be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this Announcement or any information previously or simultaneously published by or on behalf of the Company or otherwise. Each Placee further represents, warrants and agrees that the only information on which it is entitled to rely and on which such Placee has relied in committing itself to acquire the Placing Shares is contained in this Announcement and any Publicly Available Information including (without limitation) the Exchange Information, such information being all that it deems necessary and/or appropriate to make an investment decision in respect of the Placing Shares and that it has neither received nor relied on any other information given, investigation made or representations, warranties or statements made by either of the Joint Bookrunners or the Company or any of their respective affiliates or any of their respective Representatives or any person acting on their

behalf and neither the Joint Bookrunners nor the Company nor any of their respective affiliates nor any of their respective Representatives nor any person acting on its or their behalf will be liable for any Placee's decision to accept an invitation to participate in the Placing based on any other information, representation, warranty or statement;

10. it has not relied on any information relating to the Company contained in any research reports prepared by the Joint Bookrunners or any of their respective affiliates or any of their respective Representatives or any person acting on their behalf and understands that (i) none of the Joint Bookrunners or any of their respective affiliates or any of their respective Representatives or any person acting on their behalf has or shall have any liability for public information or any representation; (ii) none of the Joint Bookrunners or any of their respective affiliates or any of their respective Representatives or any person acting on their behalf has or shall have any liability for any additional information that has otherwise been made available to such Placee, whether at the date of publication, the date of this Announcement or otherwise; and (iii) none of the Joint Bookrunners or any of their respective affiliates or any of their respective Representatives or any person acting on their behalf makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of such information, whether at the date of publication, the date of this Announcement or otherwise;
11. in making any decision to acquire Placing Shares, (i) it has such knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of taking up the Placing Shares; (ii) it is experienced in investing in securities of a similar nature to the Ordinary Shares and in the sector in which the Company operates and is aware that it may be required to bear, and is able to bear, the economic risk of participating in, and is able to sustain a complete loss in connection with, the Placing; (iii) it has relied on its own examination, due diligence and analysis of the Company and its affiliates taken as a whole, including the markets in which the Company and its affiliates operate, and the terms of the Placing, including the merits and risks involved, and not upon any view expressed or information provided by or on behalf of either of the Joint Bookrunners; (iv) it has had sufficient time and access to information to consider and conduct its own investigation with respect to the offer and purchase of the Placing Shares, including the legal, regulatory, tax, business, currency and other economic and financial considerations relevant to such investment and has so conducted its own investigation to the extent it deems necessary for the purposes of its investigation, and (v) it will not look to the Company, the Joint Bookrunners, any of their respective affiliates, any of their respective Representatives or any person acting on their behalf for all or part of any such loss or losses it or they may suffer;
12. it satisfies any and all standards for investors in the Placing Shares imposed by the jurisdiction of its residence or otherwise;
13. (i) unless otherwise specifically agreed with the Joint Bookrunners, it and each account it represents is not and, at the time the Placing Shares are acquired, will not be, a resident of Australia (unless it is (i) a "sophisticated investor" within the meaning of section 708(8) of the Corporations Act or a "professional investor" within the meaning of section 708(11) of the Corporations Act and a wholesale client under section 761G(7) of the Corporations Act), Canada, the Republic of South Africa, Japan or any other jurisdiction in which it is unlawful to make or accept an offer to acquire the Placing Shares; (ii) it and each account it represents is either (1)(a) outside the United States and will be outside the United States at the time the Placing Shares are acquired by it and (b) acquiring the Placing Shares in an "offshore transaction" within the meaning of Regulation S; or (2) a QIB who has executed and delivered to the Company and the Joint Bookrunners a US investor letter substantially in the form provided to it; and (iii) it is not acquiring any of the Placing Shares as a result of any form of "directed selling efforts" within the meaning of Regulation S or as a result of any form of "general solicitation" or "general advertising" within the meaning of Rule 502(c) under the Securities Act;
14. (i) it and each account it represents is acquiring the Placing Shares for investment purposes, and is not acquiring the Placing Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly of any such Placing Shares in or into the United States, Australia, Canada, the Republic of South Africa, Japan or any other jurisdiction in which the same would be unlawful; and (ii) it understands, and each account it represents has been advised, that the Placing Shares have not been and will not be registered or qualified for distribution by way of a prospectus under the securities legislation of the United States, Australia, Canada, the Republic of South Africa, Japan and, subject to certain exceptions, may not be offered, sold, acquired, renounced, distributed or delivered or transferred, directly or indirectly, within or into those jurisdictions or in any country or jurisdiction where any such action for that purpose is required;
15. it understands, and each account it represents has been advised that, (i) the Placing Shares have not been and will not be registered under the Securities Act or with any regulatory authority of any state or other jurisdiction of the United States; (ii) the Placing Shares are being offered and sold only (a) to persons reasonably believed to be QIBs

in transactions exempt from, or not subject to, the registration requirements of the Securities Act or (b) in an "offshore transaction" within the meaning of and pursuant to Regulation S under the Securities Act; and (iii) the Placing Shares may only be reoffered or resold in transactions exempt from, or not subject to, the registration requirements of the Securities Act and no representation has been made as to the availability of any exemption under the Securities Act or any relevant state or other jurisdiction's securities laws for the reoffer, resale, pledge or transfer of the Placing Shares;

16. it will not distribute, forward, transfer or otherwise transmit this Announcement or any other materials concerning the Placing (including any electronic copies thereof), directly or indirectly, whether in whole or in part, in or into the United States, Australia, Canada, the Republic of South Africa or Japan;
17. if it is a pension fund or investment company, its acquisition of Placing Shares is in full compliance with applicable laws and regulations;
18. neither it, nor the person specified by it for registration as holder of Placing Shares is, or is acting as nominee or agent for, and the Placing Shares will not be allotted to, a person who is or may be liable to stamp duty or stamp duty reserve tax under any of sections 67, 70, 93 and 96 of the Finance Act 1986 (depository receipts and clearance services), it is not participating in the Placing as nominee or agent for any person to whom the allocation, allotment, issue or delivery of the Placing Shares would give rise to such a liability and the Placing Shares are not being acquired in connection with arrangements to issue depository receipts or to issue or transfer Placing Shares into a clearance service;
19. it has complied and will continue to comply with its obligations under the Criminal Justice Act 1993, MAR, UK MAR, any delegating acts, implementing acts, technical standards and guidelines and Section 118 of FSMA thereunder, and in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000 (as amended), the Terrorism Act 2006, and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended) and any related or similar rules, regulations or guidelines issued, administered or enforced by any government agency having jurisdiction in respect thereof (the "Regulations") and the Money Laundering Sourcebook of the FCA and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations. If within a reasonable time after a request for verification of identity, the Joint Bookrunners have not received such satisfactory evidence, the Joint Bookrunners may, at their absolute discretion, terminate the Placee's Placing participation in which event all funds delivered by the Placee to the Joint Bookrunners will be returned without interest to the account of the drawee bank or CREST account from which they were originally debited;
20. if it is a financial intermediary, as that term is used in Article 5(1) of the Prospectus Regulation and Article 5(1) of the UK Prospectus Regulation, that the Placing Shares subscribed for by it in the Placing will not be subscribed for on a non-discretionary basis on behalf of, nor will they be subscribed for with a view to their offer or resale to, persons in a member state of the EEA other than Qualified Investors or persons in the UK other than Relevant Persons, or in circumstances in which the prior consent of the Joint Bookrunners has been given to the proposed offer or resales;
21. if it is in the United Kingdom it is a Relevant Person and if it is in a member state of the EEA it is a Qualified Investor and undertakes that it will subscribe for, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
22. it understands that any investment or investment activity to which this Announcement relates is available only to Relevant Persons in the United Kingdom and Qualified Investors in a member state of the EEA and will be engaged in only with Relevant Persons in the United Kingdom and Qualified Investors in a member state of the EEA, and further understands that this Announcement must not be acted on or relied on by persons who are not Relevant Persons in the United Kingdom and Qualified Investors in a member state of the EEA;
23. that it has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom, except to Relevant Persons or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of the FSMA;
24. that any offer of Placing Shares may only be directed at persons in member states of the EEA who are Qualified Investors and represents, warrants and undertakes that it has not offered or sold and will not offer or sell any Placing Shares to persons in the EEA prior to Admission except to Qualified Investors or otherwise in circumstances which

have not resulted in and which will not result in an offer to the public in any member state of the EEA within the meaning of the Prospectus Regulation;

25. it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Placing Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person;
26. it has complied and will comply with all applicable laws (including all relevant provisions of FSMA in the United Kingdom) with respect to anything done by it in relation to the Placing Shares;
27. if in the United Kingdom, it is a Qualified Investor within the meaning of Article 2(e) of the UK Prospectus Regulation and is also a person (i) having professional experience in matters relating to investments and who falls within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order"); or (ii) who falls within Article 49(2)(a) to (d) of the Order; or (iii) to whom this Announcement may otherwise lawfully be communicated;
28. if it is in a member state of the EEA, it is a Qualified Investor;
29. if in the United Kingdom, unless otherwise agreed by the Joint Bookrunners, it is a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook and it is purchasing Placing Shares for investment only and not with a view to resale or distribution;
30. if it is in Australia, it is (i) a "sophisticated investor" within the meaning of section 708(8) of the Corporations Act or a "professional investor" within the meaning of section 708(11) of the Corporations Act and a wholesale client under section 761G(7) of the Corporations Act and the issue of the Placing Shares to it under the Placing does not require a prospectus or other form of disclosure document under the Corporations Act, and no Placing Shares may be offered for sale (or transferred, assigned or otherwise alienated) to investors in Australia for at least 12 months after their issue, except in circumstances where disclosure to investors is not required under Part 6D.2 of the Corporations Act;
31. no action has been or will be taken by either the Company or the Joint Bookrunners or any person acting on behalf of the Company or the Joint Bookrunners that would, or is intended to, permit a public offer of the Placing Shares in any country or jurisdiction where any such action for that purpose is required;
32. it is acting as principal only in respect of the Placing or, if it is acting for any other person: (i) it is duly authorised to do so and has full power to make the acknowledgments, undertakings, representations and agreements and give the indemnities herein on behalf of each such person; and (ii) it is and will remain liable to the Company and/or the Joint Bookrunners for the performance of all its obligations as a Placee in respect of the Placing (regardless of the fact that it is acting for another person). Each Placee agrees that the provisions of this paragraph shall survive the resale of the Placing Shares by or on behalf of any person for whom it is acting;
33. (i) it and any person acting on its behalf is entitled to acquire the Placing Shares under the laws of all relevant jurisdictions which apply to it; (ii) it has paid any issue, transfer or other taxes due in connection with its participation in any territory; (iii) it has fully observed such laws and obtained all such governmental and other guarantees, permits, authorisations, approvals and consents which may be required thereunder and complied with all necessary formalities and that it has not taken any action or omitted to take any action which will or may result in the Joint Bookrunners, the Company or any of their respective affiliates or any of their respective Representatives acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Placing; and (iv) the acquisition of the Placing Shares by it or any person acting on its behalf will be in compliance with applicable laws and regulations in the jurisdiction of its residence, the residence of the Company, or otherwise;
34. it has all necessary capacity and has obtained all necessary consents and authorities to enable it to commit to its participation in the Placing and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this Announcement) and will honour such obligations;
35. it (and any person acting on its behalf) has the funds available to pay for the Placing Shares it has agreed to acquire and acknowledges, agrees and undertakes that it (and any person acting on its behalf) will make payment for the Placing Shares allocated to it in accordance with the terms and conditions of this Announcement (including this Appendix) on the due time and date set out herein, failing which the relevant Placing Shares may be placed with

other persons or sold as the Joint Bookrunners may in their absolute discretion determine and without liability to such Placee, and it will remain liable for any amount by which the net proceeds of such sale falls short of the product of the Placing Price and the number of Placing Shares allocated to it and may be required to bear any stamp duty or stamp duty reserve tax or other similar taxes (together with any interest or penalties due pursuant to the terms set out or referred to in this Announcement) which may arise upon the sale of such Placee's Placing Shares on its behalf;

36. its allocation (if any) of Placing Shares will represent a maximum number of Placing Shares which it will be entitled, and required, to acquire, and that the Joint Bookrunners or the Company may call upon it to acquire a lower number of Placing Shares (if any), but in no event in aggregate more than the aforementioned maximum;
37. neither the Joint Bookrunners nor any of their respective affiliates nor any of their respective Representatives nor any person acting on behalf of any of them, are making any recommendations to it or advising it regarding the suitability or merits of any transactions it may enter into in connection with the Placing and participation in the Placing is on the basis that it is not and will not be a client of either of the Joint Bookrunners and the Joint Bookrunners have no duties or responsibilities to it for providing the protections afforded to their respective clients or customers or for giving advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of their rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
38. the person whom it specifies for registration as holder of the Placing Shares will be (i) itself; or (ii) its nominee, as the case may be. Neither the Joint Bookrunners nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax or other similar taxes resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to indemnify on an after-tax basis and hold harmless the Company, each of the Joint Bookrunners and their respective affiliates and each of their respective Representatives in respect of the same on an after-tax basis on the basis that the Placing Shares will be allotted to the CREST stock account of the Joint Bookrunners (or either one of them) who will hold them as nominee on behalf of such Placee until settlement in accordance with its standing settlement instructions;
39. it will indemnify, on an after-tax basis, and hold harmless the Company, each of the Joint Bookrunners and their respective affiliates and their respective Representatives from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising, directly or indirectly, out of or in connection with any breach by it of the representations, warranties, acknowledgements, agreements and undertakings in this Appendix and further agrees that the provisions of this Appendix shall survive after completion of the Placing;
40. it acknowledges that it irrevocably appoints any director or authorised signatories of the Joint Bookrunners as its agent for the purposes of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares agreed to be taken up by it under the Placing;
41. in connection with the Placing, either of the Joint Bookrunners and any of their respective affiliates acting as an investor for their own account may acquire Placing Shares and in that capacity may acquire, retain, purchase or sell for their own account such Ordinary Shares in the Company and any other securities of the Company or related investments and may offer or sell such securities or other investments otherwise than in connection with the Placing. Accordingly, references in this Announcement to shares being issued, offered or placed should be read as including any issue, offering or placement of such shares in the Company to the Joint Bookrunners or their respective affiliates in such capacity. In addition, the Joint Bookrunners may enter into financing arrangements and swaps with investors in connection with which the Joint Bookrunners may from time to time acquire, hold or dispose of such securities of the Company, including the Placing Shares. Neither the Joint Bookrunners nor their respective affiliates intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so;
42. a communication that the transaction or the book is "covered" (i.e. indicated demand from investors in the book equals or exceeds the amount of the securities being offered) is not any indication or assurance that the book will remain covered or that the transaction and securities will be fully distributed by the Joint Bookrunners. The Joint Bookrunners reserve the right to take up a portion of the securities in the Placing as a principal position at any stage at their sole discretion, inter alia, to take account of the Company's objectives, MiFID II requirements and/or their allocation policies;
43. its commitment to acquire Placing Shares on the terms set out in this Announcement (including this Appendix) and in the contract note or trade confirmation will continue notwithstanding any amendment that may in the future be

made to the terms and conditions of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or the Joint Bookrunners' conduct of the Placing;

44. neither the Company nor the Joint Bookrunners owes any fiduciary or other duties to any Placee in respect of any acknowledgements, confirmations, representations, warranties, undertakings or indemnities in the Placing Agreement;
45. it may not rely on any investigation that any of the Joint Bookrunners or any person acting on its behalf may or may not have conducted with respect to the Company and its affiliates, the Placing Shares or the Placing and the Joint Bookrunners have not made any representation or warranty to it, express or implied, with respect to the suitability or merits of any transactions it may enter into in connection with the Placing, or as to the condition, financial or otherwise, of the Company and its affiliates, or as to any other matter relating thereto, and no information has been prepared by, or is the responsibility of, the Joint Bookrunners for the purposes of the Placing;
46. these terms and conditions and any agreements entered into by it pursuant to these terms and conditions (including any non-contractual obligations arising out of or in connection with such agreements) shall be governed by and construed in accordance with the laws of England and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such agreements and such non-contractual obligations, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by the Joint Bookrunners in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange; and
47. if it is resident in Canada:
 - (a) it understands that the offering of the Placing Shares is being made on a private placement basis only in the provinces of British Columbia, Alberta, Ontario and Quebec (the "Canadian Private Placement Provinces") on a basis exempt from the requirement that the Company prepare and file a prospectus with the relevant securities regulatory authorities in Canada and as such, any resale of the Placing Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws;
 - (b) it is resident in one of the Canadian Private Placement Provinces;
 - (c) it is purchasing the Placing Shares as principal, or is deemed to be purchasing as principal in accordance with applicable Canadian securities laws, for investment only and not with a view to resale or redistribution;
 - (d) it is not an individual;
 - (e) it is an "accredited investor" as such term is defined in section 1.1 of NI 45-106 or, in Ontario, as such term is defined in section 73.3(1) of the Securities Act (Ontario), as applicable;
 - (f) it is a "permitted client" as such term is defined in section 1.1 of NI 31-103;
 - (g) it understand that any resale of the Placing Shares acquired by it in the Placing must be made in accordance with applicable Canadian securities laws, which may vary depending on the relevant jurisdiction, and which may require resales to be made in accordance with Canadian prospectus requirements, a statutory exemption from the prospectus requirements, in a transaction exempt from the prospectus requirements or otherwise under a discretionary exemption from the prospectus requirements granted by the applicable local Canadian securities regulatory authority and that these resale restrictions may under certain circumstances apply to resales of the Placing Shares outside of Canada; and
 - (h) no person has made any written or oral representations to such Placee (i) that any person will resell or repurchase the Instruments, (ii) that any person will refund the purchase price of the Placing Shares, or (iii) as to the future price or value of the Placing Shares; and
48. the Company, the Joint Bookrunners and their respective affiliates and their respective Representatives and others will rely upon the truth and accuracy of the acknowledgements, representations, warranties, indemnities, undertakings and agreements set forth herein and which are given to each of the Joint Bookrunners on its own behalf and on behalf of the Company and are irrevocable and it irrevocably authorises the Company and the Joint

Bookrunners to produce this Announcement, pursuant to, in connection with, or as may be required by any applicable law or regulation, administrative or legal proceeding or official inquiry with respect to the matters set forth herein. It agrees that if any of the acknowledgements, representations, warranties, undertakings and agreements made in connection with its subscribing and/or acquiring of Placing Shares is no longer true or accurate, it shall promptly notify the Company and the Joint Bookrunners.

The agreement to allot and issue Placing Shares to Placees (or the persons for whom Placees are contracting as nominee or agent) free of stamp duty and stamp duty reserve tax relates only to their allotment and issue to Placees, or such persons as they nominate as their agents, direct from the Company for the Placing Shares in question. Such agreement is subject to the representations, warranties and further terms above and assumes, and is based on the warranty and representation from each Placee, that the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to issue or transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement relates to any other dealing in the Placing Shares, stamp duty or stamp duty reserve tax or other similar taxes may be payable, for which neither the Company nor the Joint Bookrunners will be responsible and each Placee shall indemnify on an after-tax basis and hold harmless the Company, the Joint Bookrunners and their respective affiliates and their respective Representatives for any stamp duty or stamp duty reserve tax or other similar tax paid or otherwise payable by them in respect of any such arrangements or dealings. If this is the case, each Placee should seek its own advice and notify the Joint Bookrunners accordingly.

Neither the Company nor the Joint Bookrunners is liable to bear any capital duty, stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable in or outside the United Kingdom by any Placee or any other person on a Placee's acquisition of any Placing Shares or the agreement by a Placee to acquire any Placing Shares. Each Placee agrees to indemnify on an after-tax basis and hold harmless the Company, each of the Joint Bookrunners and their respective affiliates and their respective Representatives from any and all interest, fines or penalties in relation to any such duties or taxes.

Each Placee should seek its own advice as to whether any of the above tax liabilities arise and notify the Joint Bookrunners accordingly.

Each Placee, and any person acting on behalf of each Placee, acknowledges and agrees that the Joint Bookrunners and/or any of their respective affiliates may, at their absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares. Each Placee acknowledges and is aware that the Joint Bookrunners are receiving a fee in connection with their role in respect of the Placing as detailed in the Placing Agreement. When a Placee or person acting on behalf of the Placee is dealing with either of the Joint Bookrunners any money held in an account with the relevant Joint Bookrunner on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the rules and regulations of the FCA made under FSMA. The Placee acknowledges that the money will not be subject to the protections conferred by the client money rules; as a consequence, this money will not be segregated from the relevant Joint Bookrunner's money in accordance with the client money rules and will be used by the relevant Joint Bookrunner in the course of its own business; and the Placee will rank only as a general creditor of the relevant Joint Bookrunner.

The rights and remedies of the Joint Bookrunners and the Company under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

All times and dates in this Announcement may be subject to amendment by the Joint Bookrunners (in their absolute discretion). The Joint Bookrunners shall notify the Placees and any persons acting on behalf of the Placees of any changes.

In this Announcement, "after-tax basis" means in relation to any payment made to the Company, the Joint Bookrunners or their respective affiliates or their respective Representatives pursuant to this Announcement where the payment (or any part thereof) is chargeable to any tax, a basis such that the amount so payable shall be increased so as to ensure that after taking into account any tax chargeable (or which would be chargeable but for the availability of any relief unrelated to the loss, damage, cost, charge, expense or liability against which the indemnity is given on such amount (including on the increased amount)) there shall remain a sum equal to the amount that would otherwise have been so payable.

APPENDIX II - Risk Factors

Any investment in the Capital Raising Shares is subject to a number of risks. Prior to investing in the Capital Raising Shares, you should carefully consider risks associated with any investment in securities and, in particular, the Capital Raising Shares, as well as each of the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's business, its industry and the macroeconomic environment in which it operates, together with all other information contained in this announcement and its appendices including, in particular, the risk factors described below.

The risk factors described below represent the risks that the Directors believe to be material to the Company, the Existing Group, the LiveAuctioneers Group and (subject to Completion) the Combined Group and/or the industry and macroeconomic environment in which any of them operates as at the date of this announcement. However, these risk factors are not the only ones facing the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group. Other risks and uncertainties relating to an investment in the Capital Raising Shares and to each of the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's business, its industry and the macroeconomic environment in which it operates, that are not currently known to the Existing Group or the LiveAuctioneers Group, or that the Directors currently deem immaterial, may individually or cumulatively also have a material adverse effect on each of the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's business, results of operations, financial condition and/or prospects. If any such risks occur, the price of the Capital Raising Shares may decline, and you could lose all or part of your investment. An investment in the Capital Raising Shares involves complex financial risks and is suitable only for investors 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. You should consider carefully whether an investment in the Capital Raising Shares is suitable for you in light of the information in this announcement and its appendices and your personal circumstances.

RISKS RELATING TO THE COMPANY

A. RISKS RELATING TO THE ACQUISITION

A.1 Completion is subject to the satisfaction or waiver of a number of conditions which, if not satisfied or waived, could result in the Acquisition not proceeding and in which case the Platinum Parent, Inc. Purchaser may be liable to pay a break fee to Platinum Parent, Inc..

Completion is subject to the satisfaction or waiver of a number of conditions, some of which are outside of the control of the parties, including:

- approval of the Resolutions by a requisite percentage of the Shareholders;
approval of the Acquisition by the relevant antitrust authorities in the US and UK (including the expiration or termination of any applicable waiting periods under US antitrust laws) (the "**Regulatory Conditions**"); and
- the Placing Agreement not having been terminated and having become wholly unconditional save in respect of any conditions relating to the Acquisition.

In relation to the conditions related to antitrust laws and approval, such consents and/or expiry of any waiting periods may take a longer time than expected to obtain, may not be granted and/or the relevant authorities may consider, as a condition to granting their approval or confirmation, requiring divestitures or restrictions on the conduct of the Combined Group's business. This could delay and/or prevent Completion, reduce the expected benefits of the Acquisition or result in a material adverse effect on the business, results of operations, financial condition and prospects of the Combined Group.

If Completion does not occur, the Existing Group may experience a delay in the achievement of its strategic objectives and could suffer a significant impact on its reputation. Additionally (i) subject to the approval of the Reverse Termination Fee Resolution, in the event that the Regulatory Conditions are not satisfied or otherwise waived by the Platinum Parent, Inc. Purchaser by 5pm on 20 July 2022, (ii) if Shareholders do not approve the Resolutions and (iii) and in certain other circumstances, and a party elects to terminate the Acquisition Agreement, the Platinum Parent, Inc. Purchaser has agreed to pay a reverse termination fee of \$25 million to LiveAuctioneers (the "**Reverse Termination Fee**"). If Shareholders do not approve the agreement to pay the Reverse Termination Fee, the amount of such fee payable by the Platinum Parent, Inc. Purchaser shall be capped at £12.5 million (inclusive of VAT), which is equal to one per cent. of the market capitalisation of the Company at the close of business on the day prior to the announcement of the Acquisition. If Completion does not

occur, this could have a material adverse effect on the business, financial condition, results of operation and prospects of the Existing Group.

A.2 Completion may occur even if there is an adverse change in the business, financial condition, results of operations and prospects of the Existing Group or the LiveAuctioneers Group.

The Acquisition Agreement contains very limited rights for the Existing Group to terminate it prior to Completion if a breach of warranty or conduct undertaking occurs. In particular, the Platinum Parent, Inc. Purchaser may only terminate the Acquisition Agreement (i) with the prior written consent of Platinum Parent, Inc.; (ii) in the event of a material breach of the Acquisition Agreement by Platinum Parent, Inc. or the Sellers which remains unremedied 30 days after the Platinum Parent, Inc. Purchaser notifies Platinum Parent, Inc. of such breach; (iii) if the Capital Raising does not complete; (iv) if the Regulatory Conditions are not satisfied or otherwise waived by the Purchaser by 5pm on 20 July 2022; (v) if the Platinum Parent, Inc. Purchaser or the Company are enjoined from consummating the Acquisition; or (vi) if Shareholders do not approve the Resolutions. Accordingly, the Platinum Parent, Inc. Purchaser has no right to terminate the Acquisition Agreement if either the LiveAuctioneers Group or the Existing Group suffers a material adverse change.

As a result, Completion may occur even if there is a material adverse change in relation to the LiveAuctioneers Group or the Existing Group. If a material adverse change occurs and Completion proceeds, the commercial benefits of the Acquisition identified by the Directors may cease to exist or may be materially reduced, and the Combined Group may be unable to integrate the LiveAuctioneers Group into the Group more widely or it may no longer be commercially beneficial to so do. Any of the above could have a detrimental effect on the Combined Group's business, results of operations, financial condition and/or prospects.

A.3 The Combined Group may fail to realise anticipated benefits of the Acquisition or the total cost of the Acquisition may exceed the Combined Group's cost expectations.

Realising the benefits of the Acquisition will depend partly on the efficient management and coordination of the activities of the Existing Group and the LiveAuctioneers Group. This is likely to require a significant amount of management time and, as a result, may affect or impair the ability of the management team of the Combined Group to run the business effectively during the period of integration. There is a risk that the anticipated benefits of the Acquisition may fail to materialise, or that they may not meet management or shareholder expectations. If the Acquisition takes place, the LiveAuctioneers Group will need to be integrated into the internal management and other reporting requirements of the Existing Group. The Combined Group may encounter difficulties when seeking so to integrate the LiveAuctioneers Group, as a result of differences in organisational structure, IT systems, operating cultures, internal controls and financial reporting and management and operational issues. In particular, certain remedial actions relating to the LiveAuctioneers Group's data protection, IT systems security infrastructure and cybersecurity processes following a data breach in 2020 will need to be implemented as part of the integration process. See the risk factor entitled "*The LiveAuctioneers Group may suffer losses as a result of a data breach attack in June 2020*" below. If the integration process takes longer, or proves more costly, than expected, or difficulties relating to the integration, of which the Directors are not yet aware, arise, there is a risk that the operations of the Combined Group may be negatively affected.

The Combined Group may also incur higher than expected integration, transaction and costs relating to the Acquisition. In the short to medium term following Completion, the Directors intend to maintain the LiveAuctioneers Marketplace on the LiveAuctioneers Group's technology platform and integrate relevant features on a modular basis between this platform and the Existing Group's Platform. However, integrating aspects of these differing tech stacks may be impractical, or may be delayed or cost more to implement than the Directors had anticipated. Additionally, elements of the LiveAuctioneers Group's technology platform may not be sufficiently scalable and/or secure to enable a quick and efficient integration with the Platform. In particular, the Directors believe that the LiveAuctioneers Group's payments solution will be integrated into the Combined Group's other North American Marketplaces within six months of Completion, with integration across the UK and DACH region Marketplaces within 12-15 months of Completion, but such integration may be delayed (which would impede the Combined Group's ability to realise anticipated benefits of the Acquisition) and/or more expensive to implement than the Directors had anticipated.

Similarly, the Combined Group may experience difficulties in retention and integration of employees from the LiveAuctioneers Group, including difficulties relating to differing corporate cultures and internal control and financial reporting environments. The Directors value the LiveAuctioneers Group employees and the loss of key personnel may have a short-term impact on the LiveAuctioneers Group's relationships with certain of its auctioneer customers. Additionally, if any senior employee of the LiveAuctioneers Group were to leave, this could require additional direct

input and oversight by the Existing Group's management team, which could distract them from pursuing the Existing Group's (and, from Completion, the Combined Group's) growth strategy.

In addition, the Existing Group will incur legal, accounting and transaction fees and other costs related to the Acquisition. Some of these costs are payable regardless of whether Completion occurs and such costs may be higher than anticipated, which may reduce the net benefits of the Acquisition and have a detrimental effect on the Combined Group's business, results of operations, financial condition and/or prospects.

A.4 Increased indebtedness of the Group in connection with the New Senior Facilities Agreement and the Acquisition may affect the Combined Group's flexibility in the longer term.

Following Completion, as a result of the draw down of the New Senior Facilities Agreement the Combined Group will have increased debt relative to the Existing Group's historical level of debt. As at 31 March 2021, the Existing Group had borrowings of £38.6 million and a net cash position of £6.1 million.

Assuming satisfaction of the relevant conditions relating to the New Senior Facilities Agreement, in order to pay the Cash Consideration under the Acquisition Agreement the Company intends to draw the New Senior Term Facility of \$183 million in full, together with up to \$21 million of the revolving credit facility which has been re-designated as part of the New Senior Term Facility. Under the terms of the New Senior Facilities Agreement, the Existing Group and (subject to Completion) the Combined Group must comply with the terms of various covenants for so long as it continues to have outstanding indebtedness. Such covenants include maximum adjusted net leverage ratios and a minimum interest cover ratio. Additionally, the New Senior Facilities Agreement will limit the ability in certain circumstances of the Company and its subsidiaries to pay dividends, make certain restricted payments and investments (including acquisitions), enter into certain transactions, transfer or otherwise sell or dispose of assets, grant certain security and/or provide guarantees and incur additional debt.

This increase in indebtedness will increase the Group's finance costs. In the longer term, this increased level of debt could have the effect of, amongst other things, reducing the Combined Group's flexibility to respond to changing business and economic conditions and/or reduce funds available for the Combined Group's investments in capital expenditure and other activities and may create competitive disadvantages for the Combined Group relative to other companies with lower debt levels, which could have a material adverse effect on the business, financial condition, results of operation and prospects of the Combined Group.

A.5 The LiveAuctioneers Group may suffer losses as a result of a data breach attack in June 2020.

The LiveAuctioneers Group contracts with a third-party supplier to provide a development analytics tool in relation to the LiveAuctioneers Group's IT infrastructure and systems. In June 2020, an unauthorised third party was able to access certain of that supplier's systems and thereby was able to access that supplier's IT systems and a number of that supplier's partners' IT systems, including the LiveAuctioneers Group's systems, and was able to access personal information from the LiveAuctioneers Group's bidder database. The data breach compromised the personal information of 3.4 million users of the LiveAuctioneers Group's platform. The data that was exposed as a result of this unauthorised access included user account information such as names, email addresses, mailing addresses, phone numbers, and encrypted passwords. The unauthorised third party was able to decrypt the passwords following the unauthorised access to the LiveAuctioneers Group's systems. The LiveAuctioneers Group took steps to mitigate the results of this unauthorised access upon becoming aware of it, including resetting bidder account passwords, notifying bidders and recommending that they change the password to any other online account which had used the same password. As part of its regulatory obligations, the LiveAuctioneers Group notified relevant regulatory authorities, including various data protection regulators in the US, the UK, Canada, the EU and elsewhere. The LiveAuctioneers Group has received confirmation from some of these regulators that no regulatory action will be taken, however there remains a risk that the LiveAuctioneers Group could face regulatory action in the future in relation to the attack. The LiveAuctioneers Group has also engaged a number of third parties to perform penetration tests and vulnerability assessments of the LiveAuctioneers Group's IT systems to assist with recommendations to improve the LiveAuctioneers Group's IT systems security infrastructure and cybersecurity processes. Whilst the LiveAuctioneers Group has implemented a number of the actions recommended by such third parties, some of these recommendations remain to be implemented. There can be no assurance that the steps taken by the LiveAuctioneers Group since the attached will be successful in addressing all of the risks arising from this unauthorised access including any risk of litigation, regulatory action or unauthorised access to the LiveAuctioneers Group's systems in the future.

Additionally, and particularly given the extensive press coverage of the attack, the LiveAuctioneers Group's reputation could be adversely impacted as a result of the data breach if auctioneers, bidders or other potential users of the platform were to view the LiveAuctioneers Group's platform as being less secure as a result, as further detailed in the risk factors entitled "*An inability to maintain a consistently high-quality and secure experience for each of the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's auctioneers and bidders across its respective Marketplaces or the Platform or the LiveAuctioneers Group's platform or to keep pace with innovation and*

changes in technology could result in fewer auctioneers and/or bidders using the Marketplaces, the Platform and/or the LiveAuctioneers Group's platform" and "Each of the Existing Group and the LiveAuctioneers Group relies, and (following Completion) the Combined Group will rely, on its brand and reputation, which could be impaired."

As a result of this data breach incident, the LiveAuctioneers Group is currently subject to individual claims against it and litigation and is potentially exposed to regulatory action and/or further individual claims and litigation, which could have a material adverse effect on the LiveAuctioneers Group's and (subject to Completion) the Combined Group's business, financial condition, results of operations and prospects.

A.6 The Capital Raising is not conditional on Completion and if Completion does not occur, the net proceeds of the Capital Raising will be retained by the Company.

The Capital Raising is not conditional on Completion and may therefore complete while the Acquisition does not. In such circumstances, the Directors' current intention is that the net proceeds of the Capital Raising will be invested by the Company on a short term basis in high quality, highly liquid assets and/or in pursuing other M&A opportunities.

If the Group is unable to identify uses for the net proceeds of the Capital Raising which the Directors consider to be appropriate then the Company may seek to return some of the net proceeds of the Capital Raising to Shareholders, at which point the Directors will evaluate how best, in their view, to execute such return of capital. However, there can be no guarantee that such proceeds will be returned to Shareholders in a timely manner or at all. Additionally, the Company has incurred and will incur costs and expenses in connection with the Capital Raising and the Acquisition, which will diminish the available proceeds to return to Shareholders. In particular, if Completion does not occur, in certain circumstances the Platinum Parent, Inc. Purchaser may be required to pay the Reverse Termination Fee to Platinum Parent, Inc., as detailed in the risk factor entitled "*Completion is subject to the satisfaction or waiver of a number of conditions which, if not satisfied or waived, could result in the Acquisition not proceeding and in which case the Platinum Parent, Inc. Purchaser may be liable to pay a break fee to Platinum Parent, Inc.*"

A.7 The Combined Group may not be able to recover damages for any losses suffered as a result of a breach of a business warranty by the Sellers under the Acquisition Agreement.

Under the Acquisition Agreement, each of the Management Sellers has given certain business representations and warranties to the Platinum Parent, Inc. Purchaser that are customary for an acquisition of this nature, certain of which will be repeated on Completion. The Platinum Parent, Inc. Purchaser has obtained a representations and warranty insurance policy (the "**R&W Policy**") that will become effective on Completion pursuant to which the Platinum Parent, Inc. Purchaser will be able to seek to recover from third-party insurers for losses incurred as a result of a breach, prior to signing the Acquisition Agreement, of any of the representations and warranties given by the Sellers or Platinum Parent, Inc. under the Acquisition Agreement, subject to the terms thereof and certain exemptions and exclusions. The liability of the insurers under the R&W Policy is subject to customary limitations and a coverage limit of \$25 million.

Certain claims under the business warranties given by the Management Sellers are subject to limitations, including financial and timing limitations. In certain circumstances therefore, there may be no recourse for any breaches of such business warranties, and so the Combined Group may not have contractual recourse against, or otherwise be able to recover from, the Sellers, Platinum Parent, Inc. or any other party, in respect of any losses which it may suffer in respect of a breach of such business warranties in the Acquisition Agreement. In particular, if a breach of warranty or representation occurs between the date of signing the Acquisition Agreement and the date of Completion, the Platinum Parent, Inc. Purchaser will not be able to bring a claim under the R&W Policy in respect of such breach. Even if the Platinum Parent, Inc. Purchaser is able to successfully claim for a breach of representation or warranty under the R&W Policy, if the insurers under the R&W Policy dispute any claim under the policy then the Platinum Parent, Inc. Purchaser will be delayed in recovering such sums and may incur costs (including legal expenses) in so doing, which it may not recover in full.

As a result, any such losses resulting from the breach of any such business warranties may not be recoverable (either in full or in part) under the terms of the Acquisition Agreement and/or the R&W Policy and such losses could have a material adverse effect on the business, financial condition, results of operation and prospects of the Combined Group.

A.8 Uncertainties associated with the Acquisition may have a destabilising effect on employees and/or auctioneer customers of the Combined Group.

The Acquisition and any uncertainty regarding the effect of the Acquisition could cause disruptions to the businesses of the Combined Group. Uncertainty about the effect of the Acquisition on employees and/or auctioneer customers of the

Existing Group and/or the LiveAuctioneers Group may have an adverse effect on the respective groups and, consequently, on the Combined Group following Completion.

These uncertainties may also impair the Combined Group's ability to attract, retain and motivate key personnel for a period of time after Completion. If, despite retention efforts, key employees and/or auctioneer customers depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain, this may adversely affect the financial position of the Combined Group, and ultimately the trading price of the Shares.

A.9 The Existing Group and, following Completion, the Combined Group will have greater exposure to foreign exchange rate risk.

The Cash Consideration payable by the Platinum Parent, Inc. Purchaser in relation to the Acquisition is payable in US dollars and has been set in the Acquisition Agreement. Whilst the New Senior Term Facility is US dollar denominated, the net proceeds receivable by the Company in connection with the Capital Raising will be denominated in pounds sterling and the amount of the net proceeds will be set on the date of the Capital Raising. However, the Company will not receive the proceeds of the Capital Raising until the day following Capital Raising Shares Admission, at which point the Directors intend to convert the net proceeds into US dollars. If there is a weakening of the value of the pound sterling relative to the US dollar between the date of this document and the conversion of the net proceeds by the Company into US dollars, this would affect the amount of US dollars received by the Company on conversion.

If Completion does not occur and the Company elects to convert the net proceeds back to pounds sterling in order to pursue other M&A opportunities or return some proceeds to Shareholders, if there is a weakening of the US dollar relative to the pound sterling, this would affect the amount of pounds sterling received by the Company on conversion.

In addition, the Existing Group and (following Completion) the Combined Group are also exposed to currency translation risk. The Existing Group's financial statements are reported in pounds sterling, which is the Group's (and will (following Completion) be the Combined Group's) presentation currency, while the functional currencies of the Existing Group's subsidiaries in the US and Germany are US dollars and the Euro (respectively) and the functional currency of the LiveAuctioneers Group is US dollars. The LiveAuctioneers Group generates most of its revenue in US dollars and pays its supplier in US dollars. The Existing Group translates, for the purposes of financial reporting, revenue and expenses from other currencies into pounds sterling using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured, while assets and liabilities are translated at period-end exchange rates, with the effect of such translation being recognised in the Existing Group's cumulative translation reserve.

The Existing Group's exposure to this risk was significantly increased as a result of the Proxibid Acquisition and this risk will be exacerbated as a result of the Acquisition because, following Completion, it is expected that approximately 80 per cent. of the revenue of the Combined Group will be generated in US dollars. Any decline in the value of the US dollar against the pound sterling, could have a material adverse effect on the Combined Group's reported results of operations.

The Marketplaces which target the US markets (Proxibid, BidSpotter US and, following Completion, LiveAuctioneers) generate their revenue in US dollars. The revenues generated in US dollars account for a significant proportion of the Existing Group's and, following Completion and together with the revenues attributable to the LiveAuctioneers Marketplace, the Combined Group's revenue (in H1 FY21, approximately 60 per cent. of the Existing Group's revenue, in its FY20, 36 per cent. of the Standalone ATG Group's revenue, 100 per cent. of the Standalone Proxibid Group's revenue and in the LiveAuctioneers Group's FY20 100 per cent. of the LiveAuctioneers Group's revenue) and therefore the exchange rate of the US dollar against the pound sterling is particularly material to the Existing Group and (subject to Completion) the Combined Group.

Any decline in the value of foreign currencies, particularly the US dollar and, to a lesser extent, the Euro, against the pound sterling, could have a material adverse effect on the Existing Group's and/or (following Completion) the Combined Group's reported results of operations. The Directors expect that the Existing Group and (following Completion) Combined Group will continue to report their financial results in pounds sterling and, consequently, their reported earnings could fluctuate materially as a result of foreign exchange translation gains or losses.

A.10 Existing Shareholders will have a reduced ownership and voting interest in the Combined Group than they currently do in the Existing Group.

Due to the issue of the Capital Raising Shares, Shareholders holding Existing Shares will experience an estimated 20 per cent. dilution as a result of the issue of the Capital Raising Shares. Shareholders holding will experience a further dilution following the issue of the Consideration Shares and Management RSU Shares. The number of Consideration Shares and

Management RSU Shares is not fixed and will depend on, amongst other things, (i) how many options over Platinum Parent, Inc. shares are exchanged at Completion pursuant to the terms of the Rollover, (ii) the per share Acquisition value of a Platinum Parent, Inc. share, (iii) the closing share price of the Shares on the date of Completion and (iv) the US \$ to pound sterling exchange rate at Completion. The interests of the Rollover Management Sellers may not always be aligned with those of other Shareholders. In exercising their voting rights, the Rollover Management Sellers may be motivated by interests that differ from those of the other Shareholders.

A.11 The Combined Group will have greater exposure to concentration risk.

In H1 FY21, the Existing Group generated 67 per cent. of its revenue and in its FY20, the LiveAuctioneers Group generated 89 per cent. of its revenue from North America. Subject to Completion, the Directors expect that approximately 80 per cent. of the revenues of the Combined Group will be generated from lots sold via the Marketplaces, the Platform or the LiveAuctioneers Group platform which originate in North America.

As a result of an increased percentage of the Combined Group's revenue being attributable to North America, (subject to Completion) the Combined Group will have a greater exposure to events in North America, and therefore a greater concentration risk, including increased risks relating to natural catastrophic events (as detailed in the risk factor entitled "*Factors outside of the Existing Group's, the LiveAuctioneers Group's or (following Completion) the Combined Group's control, such as fires, floods and other natural catastrophic events, any epidemics or pandemics, or man-made events such as terrorism, protests or other harassment could have a material adverse effect on its business, results of operations, financial condition and prospects*") and macroeconomic factors (as detailed in the risk factor entitled "*General economic factors, including a decline in consumer spending, may adversely affect the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's business, financial performance and results of operations, including impacting the willingness of bidders to purchase goods or reducing the prices at which they are willing to make such purchases*") in North America.

RISKS RELATING TO THE GROUP, THE LIVEAUCTIONEERS GROUP AND (SUBJECT TO COMPLETION) THE COMBINED GROUP

B. RISKS RELATING TO THE GROUP'S, THE LIVEAUCTIONEERS GROUP'S AND (SUBJECT TO COMPLETION) THE COMBINED GROUP'S BUSINESS ACTIVITIES AND INDUSTRY

B.1 The Existing Group and the LiveAuctioneers Group face and (subject to Completion) the Combined Group will face competition on a number of fronts and may fail to compete effectively.

The industry in which the Existing Group and the LiveAuctioneers Group operate, and (subject to Completion) the Combined Group will operate, is competitive and rapidly changing. The Existing Group and the LiveAuctioneers Group face, and (subject to Completion) the Combined Group will face, competition in a number of respects.

Some of the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's existing competitors may have greater brand recognition, as well as financial, distribution, advertising and marketing resources than the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group, and may be able to secure better terms with auctioneers and bidders, adopt more aggressive pricing and maintain more capacity to absorb costs. Further, new competitors with greater financial and other resources and/or different business models or strategies may enter the markets in which any of the Existing Group and/or the LiveAuctioneers Group operates presently or in which either of them (subject to Completion) the Combined Group operates in the future, which could intensify competition. These may include competitors who currently operate in different segments or markets within the wider online marketplace industry, some of whom may already enjoy strong name and brand recognition and have access to large user bases, and who may be able to provide users with certain products and services that the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group do not offer, should they enter the markets of the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group. Competitive pressures that each of the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group experiences may intensify if its competitors consolidate or enter into business combinations or alliances.

The Directors believe that eBay, Etsy and Ritchie Bros., among others, compete directly with A&A, A&A and I&C auctioneers (respectively) who use the Marketplaces and/or Platform in relation to acquiring consignments of items for sale and attracting prospective bidders, and the Existing Group and LiveAuctioneers Group compete (and, following Completion, the Combined Group will compete) with eBay, Etsy and Ritchie Bros., among others, in relation to the provision of a secure and user-friendly end-to-end buying experience. In this way, the Existing Group and the LiveAuctioneers Group compete, and (subject to Completion) the Combined Group will also compete, with eBay and Etsy in the A&A vertical and Ritchie Bros. in the I&C vertical.

The Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group may experience competitive pressure relating to its respective take rate. For example, the Existing Group's, the LiveAuctioneers Group's

and/or (subject to Completion) the Combined Group's competitors may seek to undercut the Group by offering a lower (and therefore more attractive) take rate.

Additionally, existing or future competitors may succeed in entering and establishing successful operations in new geographic markets (where the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group is not yet active but has intent to expand) prior to the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's entry into those markets. This may make it more difficult for any of the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group to establish itself in those markets. Similarly, take rates in any new markets that the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group may seek to penetrate may have pre-existing competitors who charge lower take rates, and the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group may need to reduce its own respective take rate to enhance its competitive position in such markets.

Commission on lots sold represents the majority of the Existing Group's annual revenue (in its FY20, 61 per cent. of the Standalone ATG Group's revenue and 75 per cent. of the Standalone Proxibid Group's revenue) and the LiveAuctioneers Group's annual revenue and (subject to Completion) will represent the majority of the Combined Group's revenue. Since the Existing Group, the LiveAuctioneers Group and (subject to Completion) the Combined Group only earn commission on winning bids which are placed online via its respective Marketplaces or Platform, the Existing Group's and the LiveAuctioneers Group's respective business faces, and (subject to Completion) the Combined Group's business will face, competition from in-person and telephone bidders at physical auction houses, as further detailed in the risk factor entitled "*A decrease in successful online bids and/or a decline in the value of inventory listed by auctioneers on its Marketplaces or Platform would reduce the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's commissions, which are the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's primary revenue stream.*"

Additionally, the Existing Group and the LiveAuctioneers Group compete, and (subject to Completion) the Combined Group will compete, to attract and retain potential auctioneers and bidders with platforms operated by other auction marketplaces and white/private label providers in what is a fragmented market, and the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's success in competing with these competitors depends upon a number of factors, including those detailed in the risk factor entitled "*The Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group may be unable to retain existing, or attract new, bidders and auctioneers, who are the principal drivers of the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's respective revenue.*"

If the Existing Group and the LiveAuctioneers Group is not able to maintain its respective market position and effectively compete in the markets in which it operates, or in which either of them and/or (subject to Completion) the Combined Group will operate, or into which it or they seek to expand, its respective business, financial condition, results of operations and prospects may be materially adversely affected.

B.2 The Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group may be unable to retain existing, or attract new, bidders and auctioneers, who are the principal drivers of the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's respective revenue.

The Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's revenues and performance are driven primarily by the volume and price of goods sold through its respective Marketplaces and the Platform, which in turn depend significantly upon the number of bidders and auctioneers using the Marketplaces and the Platform.

The Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's strategy relies on bidders and auctioneers returning to use its Marketplaces or the Platform on a regular basis as one of the drivers of revenue stability and growth for the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group. Revenue attributable to existing auctioneer customers typically represents a substantial portion of the Existing Group's and the LiveAuctioneers Group's respective revenues in each financial period, and (subject to Completion) is expected to represent a substantial portion of the Combined Group's revenues. For example, net revenue retention (representing revenue from the pool of auctioneers from whom revenue was generated in the prior financial period, expressed as a percentage of the revenue generated by these auctioneers in the prior financial period) was 117 per cent. for the Existing Group's Aggregated Operations in its FY20 and 119 per cent. for the LiveAuctioneers Group in its FY20. Additionally, part of the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's growth strategy is to increase its revenues by attracting new bidders and auctioneers to its Marketplaces or Platform.

The Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's ability to retain existing bidders and auctioneers and to attract new bidders and auctioneers to utilise its Marketplaces or the Platform will depend on a number of factors, including:

- the uptake of online auctions across the auction landscape more generally by moving bidders from offline channels (such as in-room and phone-based bidding) to online channels;
- the volume of bidders and auctioneers that will return to physical auction rooms once the COVID-19 pandemic and the mitigation responses thereto have substantially passed;
- the overall volume of active users of its Marketplaces or the Platform;
- the strength of the markets and customer demand for the goods sold via its Marketplaces or the Platform;

- the competition from other auction or e-commerce platforms for the types of goods sold on the Marketplaces or the Platform;
- the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's fee structure and payment terms in comparison to its competitors;
- the maintenance and enhancement of the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's Marketplaces and the Platform as well as auction management solutions and other ancillary services to keep pace with auctioneer and bidder demands;
- the strength of the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's brands;
- the strength of the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's white label offerings for auctioneers;
- the level and effectiveness of the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's sales and marketing activities directed towards attracting auctioneers and bidders, including marketing opportunities that the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group offers, such as within the Existing Group's trade magazine, the *Antiques Trade Gazette*;
- the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's search engine optimisation ("SEO") strategy, which influences the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's domain authority and ranking within internet search results;
- the effect of exclusivity clauses in certain of the Existing Group's and (subject to Completion) the Combined Group's agreements with auctioneers in the US which restrict the Existing Group's and/or (subject to Completion) the Combined Group's ability to do business with specific competitors of such auctioneers; and
- the amount and effectiveness of the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's customer relationship management ("CRM") expenditure directed towards retaining auctioneers and bidders.

Moreover, each of the Existing Group and the LiveAuctioneers Group relies, and (subject to Completion) the Combined Group will rely, on the value it delivers to auctioneers rather than on contracts to retain auctioneers' business. The Existing Group's agreements with auctioneers do not require auctioneers to continue to use its Marketplaces or the Platform for ongoing sales of goods. Even with those auctioneers who pay monthly subscription-style event fees to host auctions on the Existing Group's or the LiveAuctioneers Group's Marketplaces or Platform, auctioneers (other than certain auctioneers in North America) are free to use other auction platforms (including their own websites or platforms) or other venues to sell their goods, concurrently or otherwise. Some of the Existing Group's and some of the LiveAuctioneers Group's auctioneer customers have in the past ceased using its Marketplaces and/or the Platform and have set up their own platform(s). Accordingly, there is no guarantee that auctioneers or bidders will use, or continue to use, any of the Marketplaces or the Platform for the sale or purchase of goods or that the proportion of these goods sold on the Existing Group's, the LiveAuctioneers Group's or, (subject to Completion) the Combined Group's Marketplaces or the Platform rather than via other platforms or venues will not decrease.

If a significant number of the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's existing bidders or auctioneers were to stop using one or more of its Marketplaces or the Platform the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group (as the case may be) would, over time, lose the benefit of the "network effect" (i.e. the virtuous circle which the Directors believe is generated by a steadily growing number of new and returning bidders choosing to place more bids through the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's Marketplaces, thus encouraging more items to be listed by more auctioneers and vice versa), potentially leading to a decline in the number of bidders and/or auctioneers and, consequently, revenue. If any of the Existing Group, the LiveAuctioneers Group or (subject to Completion) the Combined Group is unable to attract or maintain sufficient numbers of auctioneers to or on its Marketplaces or the Platform, it may need to reduce its take rate (including commissions) in order to incentivise auctioneers to hold more auctions on its Marketplaces or the Platform and to incentivise bidders (both new and existing) to use its Marketplaces or the Platform.

Any of the foregoing could have a material adverse effect on the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's business, financial condition, results of operations and prospects.

B.3 A decrease in successful online bids and/or a decline in the value of inventory listed by auctioneers on its Marketplaces or Platform would reduce the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's commissions, which are the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's primary revenue stream.

The Existing Group's and the LiveAuctioneers Group's primary revenue stream is, and (subject to Completion) the Combined Group's primary revenue stream will be, from commissions paid by successful (i.e. winning) bidders, which are only payable to the Existing Group, the LiveAuctioneers Group or (subject to Completion) the Combined Group when a winning bid is made by an online bidder using its Marketplaces or Platform. Such commissions comprise the majority of the Existing Group's and the LiveAuctioneers Group's revenue (in H1 FY21, 66 per cent. of the Existing Group's revenue, in its FY20, 61 per cent. of the Standalone ATG Group's revenue and 75 per cent. of the Standalone Proxibid Group's revenue) and, subject to Completion, will constitute the majority of the Combined Group's revenue. In order to maintain and grow its respective revenues from commissions on online sales, the Existing Group, the LiveAuctioneers Group and (subject to Completion) the Combined Group must not only attract bidders to its Marketplaces and Platform, but a significant

proportion of those bidders must also make successful bids on auctions on those Marketplaces or the Platform. To the extent the auctions taking place on any of the Marketplaces or Platform are simultaneously taking place in physical auction houses or on other internet platforms not owned by the Existing Group, the LiveAuctioneers Group or (subject to Completion) the Combined Group, winning bidders not using its Marketplaces or Platform would not generate any commission for the Existing Group, the LiveAuctioneers Group or (subject to Completion) the Combined Group.

In addition, as the Existing Group's and the LiveAuctioneers Group's commissions are calculated, and (subject to Completion) the Combined Group's commissions will be calculated, as a percentage of the winning bid price, the amount of commissions that the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group is able to generate also depends on the prices achieved on the inventory sold in the auction. Various factors may affect the proportion of bidders on the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's Marketplaces or the Platform who make successful bids (the "conversion rate") and the price achieved on the inventory, including:

- the number of potential bidders who are signed up to its Marketplaces or Platform but do not place a bid, for example if the range of inventory available is not adequate, does not meet their needs or is not priced competitively enough, to entice them to bid at all;
- the quality of the inventory, including the market perceptions of the quality and value of such inventory, and the number of bidders bidding on particular inventory;
- the effectiveness of the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's conversion rate optimisation efforts to encourage bidders on its Marketplaces or the Platform to place bids;
- auctioneers' ability to respond to changing consumer tastes and supply inventory that is attractive to bidders, in a timely manner and at competitive prices;
- the level of disposable income or financing available to the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's bidder base as compared with bidders not using the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's Marketplaces or the Platform;
- the availability of the Marketplaces and Platform, including any IT failures or outages, even if such failures are only brief, given the time-sensitive nature of auctions;
- the number of auctions held as online-only (where all winning bids will contribute positively to the conversion rate) rather than live auctions with in-room and telephone bidders; and
- whether the auction is conducted only on the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's Marketplaces and/or the Platform or whether it is simultaneously conducted on multiple platforms.

If any of these factors, among others, were to cause the conversion rate or commission levels to decline, it could cause the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's revenue to decline or to grow less quickly, which could have a material adverse effect on its business, financial condition, results of operations and prospects.

B.4 The Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's business models may come under significant pressure should a significant number of auctioneers choose to take bidder generation, technology development and customer service (amongst other things) in-house and so bypass the Marketplaces or Platform, including as a result of auctioneers who use the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's white label offering attempting to maintain their own platforms rather than use the Existing Group's Platform.

The Existing Group's and the LiveAuctioneers Group's business models include, and (subject to Completion) the Combined Group's business model will include, a white label offering, which enables auctioneers to maintain their own brands whilst using the Existing Group's Platform or the LiveAuctioneers Group's platform on their own websites. The Existing Group's white label offering represented a small proportion of revenue in FY20 (one per cent. of the Standalone ATG Group's revenue and zero per cent. of the Standalone Proxibid Group's revenue) but this grew for the Existing Group in its H1 FY21, following the Auction Mobility Acquisition in October 2020 (10 per cent. of the Existing Group's revenue in H1 FY21). The LiveAuctioneers Group does not generate revenue directly via its white label offering, which is included at no additional cost to auctioneers other than the event fee for the auction. The Existing Group and (subject to Completion) the Combined Group intends to enhance its white label offering with a premium and fully customisable white label service through Auction Mobility, capitalising in particular on its reputation within the North American A&A vertical / geography but expanding it to other verticals / geographies as well in due course. However, the white label offering inherently gives rise to certain risks as auctioneers using this offering are not utilising the Existing Group's, the LiveAuctioneers Group's or (subject to Completion) the Combined Group's, branded Marketplaces to the same extent and may therefore find it easier to change to alternative platforms. Auctioneers may choose to use a white label solution provided by one of the Existing Group's, the LiveAuctioneers Group's or (subject to Completion) the Combined Group's, competitors. Alternatively, use of the Existing Group's, the LiveAuctioneers Group's or (subject to Completion) the Combined Group's, white label offering could, in time, result in auctioneers attempting to replicate the power and size of the Marketplaces for bidder generation, technology development, customer support and conversion tools so as to enable them to bypass the Existing Group's, or (subject to Completion) the Combined Group Platform, or the LiveAuctioneers Group's platform entirely and maintain their own platform. If a sufficient number of auctioneers were to choose not to continue to use the Existing Group's, the

LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's offering as a result, this could have a material adverse effect on the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's business, financial condition, results of operations and prospects.

B.5 An inability to maintain a consistently high-quality and secure experience for each of the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's auctioneers and bidders across its respective Marketplaces or the Platform or the LiveAuctioneers Group's platform or to keep pace with innovation and changes in technology could result in fewer auctioneers and/or bidders using the Marketplaces, the Platform and/or the LiveAuctioneers Group's platform.

The Existing Group's and the LiveAuctioneers Group's and (subject to Completion) the Combined Group's success and ability to compete depends (or (subject to Completion) in the case of the Combined Group will depend) on its ongoing ability to maintain a consistent, convenient, high quality and secure experience for auctioneers and bidders across its Marketplaces, the Platform and/or the LiveAuctioneers Group's platform, through well-trained and skilled personnel as well as effective technology and digital tools that have the right features and are reliable, secure and easy to use.

Each of the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's ability to deliver such an experience depends and will depend on its ability to adapt to changing technologies, including changing consumer trends in relation to technologies and adapting to new technologies that the Existing Group, the LiveAuctioneers Group, (subject to Completion) the Combined Group and/or the market have not yet encountered, as well as adapting to evolving industry standards. In particular, it is necessary for the Marketplaces, the Platform and the LiveAuctioneers Group's platform to evolve and innovate through regular improvements and enhancements to functionality, performance, conversion rate optimisation (i.e. features that help to increase the proportion of bidders that make successful bids), reliability, design, security and scalability of its technology. The Existing Group, the LiveAuctioneers Group and (subject to Completion) the Combined Group may be unable to attract and retain sufficient technical personnel required to deliver such improvements and enhancements. An inability to keep pace with innovation and changes in technology could result in a deterioration in the user experience and, consequently, fewer auctioneers and/or bidders using the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's Marketplaces, the Platform and/or the LiveAuctioneers Group's platform.

Each of the Existing Group, the LiveAuctioneers Group and (subject to Completion) the Combined Group needs to continually update, test and enhance its respective software, to seek to ensure that its respective technology operates effectively across multiple devices, operating systems and internet browsers. Software development involves significant amounts of time and financial resources to update, code and test new and upgraded solutions and integrate them into the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's existing technology infrastructure.

Additionally, whilst some of the Existing Group's technologies are developed and maintained in-house, the Existing Group contracts with third-party developers in relation to development and maintenance. In particular, the Existing Group relies on a third-party developer, Objectivity Limited ("**Objectivity**"), with respect to certain software development. The Existing Group has had an agreement in place with Objectivity since 2017 and Objectivity has assisted the Existing Group in the development of software through a number of "work packages" which each governs the specific software development services to be provided by Objectivity. Objectivity represented the Existing Group's highest expenditure of any supplier in FY20. Similarly, the LiveAuctioneers Group also contracts with third-party developers in relation to development and maintenance of its IT infrastructure and has in the past experienced disruptions in its operations due to a third-party, as detailed in the risk factor entitled "*The LiveAuctioneers Group may suffer losses as a result of a data breach attack in June 2020*". If the Existing Group or (subject to Completion) the Combined Group is unable to secure ongoing "work packages" with Objectivity on a favourable basis, or if either of them or the LiveAuctioneers Group is unable to secure contracts with other third-party developers on a favourable basis, or if the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group or third parties on whom such party relies, in particular Objectivity, experience difficulties in developing key software in a timely manner, within anticipated cost parameters, effectively, or at all, this could delay or prevent the development, introduction or implementation of new solutions and enhancements to its technology infrastructure.

As access to the internet via desktop and laptop computers declines due to the increased use and functionality of mobile devices, voice-assisted speakers, wearables and automobile in-dash systems, the functionality and user experiences associated with the use of devices other than a desktop computer, such as a smaller screen size or lack of a screen, may make the use of the Marketplaces, the Platform and/or the LiveAuctioneers Group's platform through such devices more difficult than through a desktop computer, lower the use of the Marketplaces, the Platform and/or the LiveAuctioneers Group platform and/or require additional technological innovation by the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group to keep pace with changing device preferences. In addition, consumer purchasing patterns can differ on alternative devices, and it is uncertain how the proliferation of mobile devices will impact the use of the Marketplaces, the Platform and/or the LiveAuctioneers Group's platform. Each of the Existing Group, the LiveAuctioneers Group and (subject to Completion) the Combined Group will need to ensure that its online offering remains attractive as consumers shift to these alternative means of accessing the internet.

If any of the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group is unable to consistently meet customer expectations or to develop or improve customer-facing technology in a timely manner that responds to its own or auctioneers' or bidders' evolving needs, its business, financial condition, results of operations and prospects will be adversely affected.

B.6 The Existing Group and (subject to Completion) the Combined Group may be unable to successfully manage its future growth.

The Existing Group has grown rapidly since FY16 and the Directors believe future growth is important to the ongoing success of the Existing Group and (subject to Completion) the Combined Group. The Existing Group and (subject to Completion) the Combined Group may fail to achieve further growth, may encounter setbacks in its ongoing expansion, or may be unable to successfully manage its expanding operations, any of which could have a material adverse effect on its business, financial condition, results of operations and prospects. Additionally, the Existing Group incurred losses for the year of £3.5 million, £8.8 million and £16.0 million for FY18, FY19 and FY20, respectively, and losses of £24 million for the six-months of H1 FY21, and the Existing Group and/or (following Completion) the Combined Group may not be able to achieve profitability.

Each of the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's growth strategy contemplates significant investments and initiatives designed to continue the growth of its revenue and market share, particularly through acquisitions and the ongoing development of the Platform and/or the LiveAuctioneers Group's platform.

In implementing its growth strategy, the Existing Group, the LiveAuctioneers Group and (subject to Completion) the Combined Group must effectively manage an increasing number of distinct business divisions and revenue streams, as well as new business opportunities, whilst maintaining operational service quality and increasing capacity and Marketplace traffic to meet the expectations of existing and prospective auctioneers and bidders. The Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's respective growth strategy also entails developing new offerings with which it has less experience. For example, the Existing Group and (subject to Completion) the Combined Group intends to expand its service offerings to auctioneers and bidders in the future, including developing an ecosystem on its Marketplaces which would support bidders and auctioneers in accessing financing, logistics, maintenance and repair, restoration and inventory storage via third parties. However, each of the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's efforts and investments may be unsuccessful in growing its business as planned. The Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group may incur higher than expected capital expenditures and other costs, and may be unable to realise the anticipated benefits of the capital expenditure and other investments, within the anticipated timelines or at all. The Existing Group, the LiveAuctioneers Group and (subject to Completion) the Combined Group may also have reduced amounts of cash available for use towards other initiatives.

The implementation of the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's respective growth strategy, including the Acquisition, is also expected to expose each of the Existing Group, the LiveAuctioneers Group and (subject to Completion) the Combined Group to additional competitive and operational complexities, and may place additional requirements and strain on the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's respective infrastructure and systems, controls, procedures and management, including the need to invest in recruiting and training incremental personnel with relevant expertise, and to expand the scope of the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's current technology systems beyond current expectations. In addition, the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's investments in new technology may not provide anticipated benefits or may expose any or all of them to additional risks, for example, due to poor implementation or due to unexpected outcomes of new functionalities. Some of the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's systems are interdependent and a failure of one of these systems may result in dependent systems failing. Any updates to the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's systems and infrastructure to support its operations and growth and/or respond to changes in regulations and markets, create risks associated with implementing new systems and integrating them with existing ones, including as a result of the Acquisition, as detailed in the risk factors entitled "*The Combined Group may fail to realise anticipated benefits of the Acquisition or the total cost of the Acquisition may exceed the Combined Group's cost expectations*" and "*The Existing Group has in the past made, and in the future it and/or (subject to Completion) the Combined Group may make, acquisitions and investments, which may prove unsuccessful or divert its resources, result in operating difficulties and otherwise disrupt the Existing Group's or the Combined Group's operations*".

The Directors believe the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's innovation and collaboration-driven cultures are core to their success and such culture may fail to be maintained or adequately adapted to meet the needs of future and evolving operations, in particular as the Existing Group, the LiveAuctioneers Group and (subject to Completion) the Combined Group grow internationally. Each of the Existing Group, the LiveAuctioneers Group and (subject to Completion) the Combined Group may also fail to apply best practices in marketing, CRM, IT processes and systems as it expands into new businesses or into new markets.

If the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's fails to implement its growth strategy and manage the related risks and costs successfully, its business, financial condition, results of operations and prospects may be materially adversely affected.

B.7 The Existing Group has in the past made, and in the future it and/or (subject to Completion) the Combined Group may make, acquisitions and investments, which may prove unsuccessful or divert its resources, result in operating difficulties and otherwise disrupt the Existing Group's and/or the Combined Group's operations.

Acquisitions and investments, such as the Acquisition, are a significant component of the Existing Group's and (subject to Completion) Combined Group's growth strategy. The Existing Group has in the past made, and in the future it or (subject

to Completion) the Combined Group may make, acquisitions and investments which are material to its financial condition and results of operations. For example, in February 2020 the Existing Group acquired Proxibid which has had a material effect on the Existing Group's financial condition and results of operations, with the Existing Group's THV (Total Hammer Value, representing the total final sale value of all lots listed on the Existing Group's Marketplaces or Platform) growing from £1,500 million in FY19 to £4,900 million in FY20 (with the Standalone Proxibid Group accounting for £3,200 million of that sum and the Standalone ATG Group accounting for £1,700 million). Similarly, in October 2020, the Existing Group completed the Auction Mobility Acquisition, with the Existing Group's revenue from its white label offering growing from a small proportion of its revenue in FY20 (one per cent. of the Standalone ATG Group's revenue and zero per cent. of the Standalone Proxibid Group's revenue) to 10 per cent. of the Existing Group's revenue in H1 FY21. Please also refer to the risk factors in Section A (*Risks relating to the Acquisition*) of this **Error! Reference source not found.**

The Existing Group and/or (subject to Completion) the Combined Group may make additional significant acquisitions in the future and, subject to the provisions of the Listing Rules or other applicable law, Shareholders may not have the opportunity to vote on or approve future acquisitions.

The process of acquiring and integrating another company or technology could create unforeseen operating difficulties and expenditures and involves a number of risks, such as:

- diversion of management time and focus from operating the business;
- use of resources as part of the initial target scoping, due diligence and integration processes that are needed in other areas of the business;
- implementation or remediation of controls, procedures and policies of the acquired company in order to bring them up to the standards of, and achieve uniformity with, those applied by the Existing Group or the Combined Group more widely;
- difficulties integrating the systems of the acquired operations with those of the Existing Group or the Combined Group, potential delays and difficulties associated with incrementally migrating the operations to the Platform and the potential diversion of technology resource from the ongoing development of the Platform and the existing Marketplaces in addition to the opportunity cost of trying to achieve certain technical synergies from integrating an acquisition which may result in the diversion of key employees from the achievement of other synergies;
- difficulties in co-ordination of product, engineering and selling and marketing functions, including difficulties and additional expenses associated with supporting legacy services and products and hosting infrastructure of the acquired company and difficulty converting the auctioneer clients of the acquired company onto the Existing Group's or the Combined Group's contract terms;
- disparities in the revenues, licensing, support or professional services model of the acquired company;
- difficulties in retention and integration of employees from the acquired company including difficulties relating to differing corporate cultures as well as integration and re-structuring costs, both one-off and ongoing;
- failures in due diligence prior to acquisition, leading to unforeseen costs or liabilities;
- adverse effects on the Existing Group's or the Combined Group's existing business relationships with auctioneers and bidders;
- adverse tax consequences;
- regulatory risks, including the risk that such acquisition or investment attracts scrutiny from competition authorities, as further detailed in the risk factor entitled "*The Group is subject to regulatory oversight by competition authorities, including the Competition and Markets Authority in the UK*";
- litigation or other claims arising out of the acquisitions;
- the need to integrate operations across different cultures and languages and to address the particular economic, currency, political and regulatory risks associated with specific countries; and
- a failure to generate expected margins or cash flows, or to realise the anticipated benefits of any acquisitions, including expected operational, revenue, technical and other synergies or other benefits within anticipated timeframes or at all.

In addition, the Existing Group's and/or the Combined Group's assessments of, and assumptions regarding acquisition targets may prove to be incorrect, and actual results may differ significantly from expectations. A significant portion of the purchase price of acquisitions may be allocated to acquired goodwill and other intangible assets, which must be assessed for impairment at least annually and could therefore have a material effect on the Existing Group's or the Combined Group's financial position. If the Existing Group's or the Combined Group's acquisitions or investments do not yield expected returns, it may be required to take charges or impairments to its operating results based on this impairment assessment process, which could adversely affect the Existing Group's or the Combined Group's business, financial condition, results of operations and prospects.

Moreover, acquisitions or investments in jurisdictions other than the ones the Existing Group currently operates in, or (subject to Completion) the Combined Group will operate in, would subject it to market practices, as well as other regulatory and tax requirements, that differ from those it is currently familiar with, which may in turn expose the Existing Group and/or the Combined Group to unanticipated risks.

Any of the above risks associated with acquisitions could have a material adverse effect on the Existing Group's and/or the Combined Group's business, financial condition, results of operations and prospects.

B.10 The loss of senior executives or one or more of the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's key employees could adversely affect its business, results of operations and financial condition.

Each of the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's success depends to a large extent on the experience and knowledge of its key executive officers and other key employees, and loss of the services of one or more of such persons could adversely affect its business.

Each of the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's success also depends on its ability to attract, motivate and retain skilled development, technical, operating and sales and marketing personnel, and it may not be able to continue attracting similarly qualified and skilled individuals to join its staff and senior management or to retain its current personnel. For example, the Existing Group is currently in the process of recruiting a new Chief Marketing Officer. Competition for qualified employees (particularly in the technology field) is intense and changes in labour or tax laws could require the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group to incur higher labour costs. The specialised skills the Existing Group, the LiveAuctioneers Group and (subject to Completion) the Combined Group require are difficult and time consuming to acquire and, as a result, such skills are in short supply and may be more expensive to employ (particularly in concentrated tech hubs such as London). Further, the effects of the United Kingdom's withdrawal from the European Union (commonly referred to as "Brexit") have resulted in a reduction in freedom of movement between the United Kingdom and Europe, which could impair in particular the Existing Group's, and (subject to Completion) the Combined Group's, ability to hire new personnel from the European Union.

If the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group loses a number of qualified employees to its competitors, new entrants or otherwise, is unable to attract, retain and motivate the additional highly skilled employees required for the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's activities, or is required to pay substantially higher wages in order to attract and retain the highly qualified and skilled personnel it needs, this could delay or curtail the successful implementation of the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's strategic objectives and result in significant costs being incurred, which could have a material adverse effect on its business, financial condition, results of operations and prospects.

B.11 Each of the Existing Group and the LiveAuctioneers Group relies, and (following Completion) the Combined Group will rely, on its brand and reputation, which could be impaired.

Any failure to maintain the Marketplaces, Platform or the LiveAuctioneers Group's platform, or perception that the Marketplaces, the Platform or the LiveAuctioneers Group's platform are not maintained, at the level expected by the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's auctioneers or bidders, or any failure to maintain high quality customer service, could adversely affect the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's reputation and undermine the strength of its brands. Any negative information or commentary relating to the Existing Group, the LiveAuctioneers Group, (following Completion) the Combined Group, the Marketplaces, the Platform, or the LiveAuctioneers Group's platform, whether accurate or not, may be widely disseminated on social networking platforms, which could amplify any adverse effect on the reputation of the Existing Group, the LiveAuctioneers Group, (following Completion) the Combined Group, the Marketplaces, the Platform, and/or the LiveAuctioneers Group's platform. Each of the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group may also suffer reputational harm or suffer negative publicity as a result of the actions of auctioneers using its Marketplaces, the Platform, or the LiveAuctioneers Group platform for example listing items that are defective or incorrectly described, or items which give rise to controversy, including firearms and offensive items, as further detailed in the risk factor entitled "*The Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group could incur liability by reason of the actions of auctioneers on its Marketplaces, the Platform or the LiveAuctioneers Group's platform*". Similarly, none of the Existing Group nor the LiveAuctioneers Group tests, nor (following Completion) will the Combined Group test, any products which are sold on its Marketplaces, the Platform or the LiveAuctioneers platform prior to their sale, including electrical products and industrial equipment, and so there is a risk that such products could be defective and potentially dangerous if they have not been properly tested, or tested at all, by auctioneers, in which case the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group could suffer reputational harm.

In addition, the Existing Group has an editorial team that publishes editorial reviews and opinionated comments relating to auction items and the state of the market for certain categories of goods in the Existing Group's trade magazine, the *Antiques Trade Gazette*. This editorial content, whilst controlled by the Existing Group, could have a negative effect on consumer sentiment relating to the A&A market and/or any of the Marketplaces, or could be perceived unfavourably by auctioneers and/or bidders, which could have a material adverse effect on the Existing Group's or (following Completion) the Combined Group's reputation.

Any negative publicity associated with the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group or its Marketplaces, or any deterioration in the strength of the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's or their Marketplaces' brands or reputation could adversely affect the volume of traffic through the Marketplaces and therefore have a material adverse effect on the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's business, financial condition, results of operations and prospects.

B.12 The Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group may be unable to adequately promote its services through digital marketing, social media, e-mails or other marketing efforts and would be adversely affected by any adverse fluctuations in search engine search result rankings.

Each of the Existing Group and the LiveAuctioneers Group relies and (subject to Completion) the Combined Group will rely on its ability to attract auctioneers and bidders to the Marketplaces through internet search results on search platforms such as Google, as well as advertising through digital marketing and social media (including via Facebook, Twitter and Instagram). Each of the Existing Group and the LiveAuctioneers Group views these as an important means of promoting its services and reaching auctioneers and bidders. The Existing Group and the LiveAuctioneers Group also provide, and (following Completion) the Combined Group will provide, e-mails and “push” communications to existing bidders and other visitors informing them of what is currently, or will be, available for purchase via its Marketplaces. The Directors believe these platforms help (in the case of the Existing Group and the LiveAuctioneers Group) and will help ((subject to Completion) in the case of the Combined Group) generate a substantial portion of its revenue and form an important part of the customer experience.

An important factor in attracting bidders to the Marketplaces is how prominently listings are displayed in response to search queries for key search terms. Search engines typically rely on algorithms to determine which websites are included in search results and at what ranking. The Existing Group's, the LiveAuctioneers Group's and (following Completion) the Combined Group's domain name ranking may change from time to time, due to factors that may be outside the control of the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group, such as a change in a search engine's ranking algorithm or methodology. Historically, the Existing Group has been able to maintain a stable, targeted and efficient level of marketing spend due to its high ranking in search results. If the Marketplaces are ranked lower or fail to appear in search results for any reason, visits to the Marketplaces could decline, and the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group may not be able to replace this traffic. The Marketplaces have experienced fluctuations in search result rankings in the past and the Directors anticipate that such fluctuations will occur from time to time in the future. Adverse changes in search engine rankings may have an adverse effect on the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's business, financial condition, results of operations and prospects. Additionally, to further grow online presence, the Existing Group is currently executing a revised and enhanced SEO strategy but there is no guarantee that it will be effective or, if it is initially effective, that it will remain effective.

If the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's domain name authority decreases, or the price of marketing the Marketplaces via search engines or on social media platforms increases, the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's marketing spend may need to be increased, or a larger portion may need to be allocated to search engine marketing which will increase the Existing Group's, the LiveAuctioneers Group's and/or the Combined Group's direct marketing costs.

The Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's growth strategy contemplates, among other things, an increase in digital marketing activities, social media engagement and customer support (including enhanced CRM) across the online channel. If any of the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group is unable to successfully implement these initiatives, its business and results of operations could be materially adversely affected.

Each of the Existing Group and the LiveAuctioneers Group is also exposed, and (subject to Completion) the Combined Group will also be exposed, to the risk that search engines, e-mail, current major social media platforms or other messaging services are replaced with more popular services to which the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group is slow to adapt. Additionally, changes in how webmail applications organise and prioritise e-mail may reduce the number of subscribers opening the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's e-mails. Actions by third parties to block, impose restrictions on, or charge for, the delivery of e-mails, social media posts or other messages could also adversely affect the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's business.

Each of the Existing Group and the LiveAuctioneers Group uses the placement and use of “cookies” (text files stored on an auctioneer's or user's web browser or device) to support tailored marketing to consumers. The Existing Group's, the LiveAuctioneers Group's and (following Completion) the Combined Group's marketing activities, including its use of cookies, are (or, in the case of the Combined Group, will be) subject to data protection regulation as further detailed in the risk factor entitled “*The Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group's may incur additional costs in implementing and complying with new regulations, or any changes to existing regulations, such as the GDPR*”.

In addition, any disruption or downtime experienced by search engines, e-mail providers or social networking services, or a decline in the use or engagement with such platforms and services by customers and potential customers, could have a material adverse effect on the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's business, financial condition and results of operations.

B.13 The Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group could incur liability by reason of the actions of auctioneers on its Marketplaces, the Platform or the LiveAuctioneers Group's platform.

The law relating to the liability of online services companies for information carried on, hosted by or disseminated through websites operated by such companies is currently unclear, and there is a risk that any of the Existing Group, the

LiveAuctioneers Group and/or (following Completion) the Combined Group could be held liable for information posted on its websites by third parties, such as auctioneers. Although none of the Existing Group nor the LiveAuctioneers Group creates, nor (following Completion) will the Combined Group create, the listings or take possession of the items offered for auction on its Marketplaces, the Platform or the LiveAuctioneers Group's platform, since it does not verify the authenticity of the items listed it may be subject to allegations that items listed are counterfeit, defective or illegal. Although each of the Existing Group and the LiveAuctioneers Group has processes in place in order to reduce the risk of fraudulent items being sold via its Marketplaces, the Platform or the LiveAuctioneers Group platform, there can be no assurance that such policies and procedures will be effective in preventing them from materialising in the future.

In particular, a number of auctioneers using the Proxibid Marketplace and/or the LiveAuctioneers Marketplace in the United States sell firearms, which is subject to both US federal and state law and regulation. Whilst the Existing Group and the LiveAuctioneers Group have systems in place to confirm that any auctioneer which indicates at sign-up it is intending to sell firearms via the Proxibid Marketplace and/or the LiveAuctioneers Marketplace has the required US Federal Firearms Licence, neither the Existing Group nor the LiveAuctioneers Group then verifies or monitors that any subsequent sales by such auctioneers are compliant with the terms of that licence, and the Existing Group and the LiveAuctioneers Group rely on the relevant auctioneer to ensure compliance with this as well as other federal and state laws and regulations. Additionally, pursuant to the International Traffic in Arms Regulations (“**ITAR**”), the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group could incur liability in relation to any sale of military-grade weaponry on the Marketplaces, the Platform and/or the LiveAuctioneers Group's platform. ITAR restricts not only the sale of relevant items for export but also the brokering of such a sale. The definition of brokering under ITAR is broad and, although the Existing Group has been advised that it is unlikely to be deemed to be brokering the sale by an auctioneer of an item, there can be no assurance that relevant regulators will not take a contrary view. The Existing Group has banned the sale of items restricted under ITAR with effect from 4 January 2021. The most likely impact of an auction being found to be non-compliant with ITAR would be for the US Department of Defense Trade Controls to require the auction to be closed or for an ITAR-registered broker to be present at the auction but in extreme cases the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group could face criminal penalties of not more than a \$1,000,000 fine and/or imprisonment for culpable individuals of not more than 20 years and civil penalties of a fine of up to approximately \$1,200,000, if the Existing Group, the LiveAuctioneers Group or (following Completion) the Combined Group were found to have committed a wilful violation of ITAR, including providing wilful untrue statements regarding material facts and making wilful omission of material facts.

Some auctioneers, particularly in Germany and the UK, may also sell offensive or “hate” items, which are subject to additional local restrictions with which the Existing Group, the LiveAuctioneers Group and (following Completion) the Combined Group must comply—for example Paragraph 86 of the German Criminal Code which outlaws the use of symbols of unconstitutional organisations including the Nazi regime. Although the law is currently unclear as to whether the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group or the relevant auctioneer would be liable for non-compliance with this legislation, if the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group were to be found liable, it could be subject to a fine, the quantum of which is subject to the discretion of the relevant German court but could, in an extreme scenario, be in the region of approximately €10 million. In order to comply with this legislation, with limited exceptions, the Existing Group and the LiveAuctioneers Group prohibit auctioneers from listing offensive items on any of its Marketplaces. This includes items that promote or glorify hatred or violence toward people on the basis of race, ethnicity, religion, gender, identity, disability or sexual orientation, or that promote organisations with such views. However, the Existing Group and the LiveAuctioneers Group recognise that there may be legitimate reasons for preserving antique items that represent historical injustices or antiquated social norms. The Existing Group's policies relating to “hate” items requires auctioneers to include information about historical context when such items are listed and expressly forbids the sale of all such items except in accordance with those requirements and, in particular, expressly forbids the sale of all items promoting or linked to white supremacist groups including the Ku Klux Klan; Nazi items unless established as legitimate historical artefacts produced before 1945; items that support or imply support of terrorist groups; items that convey racist, homophobic or otherwise offensive portrayals of their subjects; and items of an explicit or offensive sexual nature. Additionally, the Existing Group's terms and conditions with its auctioneers prohibit the sale of any lot which is ‘harmful’ or ‘questionable’, which includes (amongst other things) any items which may cause the auctioneer or the Existing Group to suffer civil or criminal liability of any kind. The Existing Group employs a compliance team to monitor compliance with the above restrictions and remove listings if issues are identified. Similarly, the LiveAuctioneers Group's terms and conditions with its auctioneers prohibit the sale of any lot which would violate any applicable laws or regulations or which would subject the LiveAuctioneers Group or its suppliers to potential harm, damages or liability. However, there can be no assurance the Existing Group, the LiveAuctioneers Group or (following Completion) the Combined Group will always be effective in identifying listings in breach of its policies.

Particularly given recent events in the United States, as well as the change in US administration and in control of the US Senate, laws and regulations in the United States governing the sale of firearms could change, as could laws and regulations governing liability of online service companies for information carried on, hosted by or disseminated through websites operated by such companies. See also the risk factor entitled “*The Existing Group and the LiveAuctioneers Group are, and (following Completion) the Combined Group will be, subject to a range of laws and regulations of general applicability, as well as evolving laws and regulations affecting the use of the internet and e-commerce*”. Future restrictions on online sales of firearms could reduce or eliminate the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's revenue associated with auctions of firearms, and changes more broadly to the liability regime that would apply to the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group could have a material adverse effect on its business, financial condition, results of operations and prospects. Changes in consumer sentiment with respect to the availability for bidding of firearms or items associated with extremist groups could also lead

to reputational damage for the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group were such items to remain available for auction on Marketplaces, the Platform or the LiveAuctioneers Group platform, and would also require greater compliance resources to be dedicated to monitoring of listings. Similarly, firearms acquired through a Marketplace that are used in the commission of crimes or terrorist incidents could also give rise to reputational damage, as detailed in the risk factor entitled “*Each of the Existing Group and the LiveAuctioneers Group relies, and (following Completion) the Combined Group will rely, on its brand and reputation, which could be impaired*”.

Additionally, the Existing Group and the LiveAuctioneers Group allow, and (following Completion) the Combined Group will allow, third-party auctioneers to advertise their products and auctions, including links to their websites, on the Existing Group's, the LiveAuctioneers Group's or (following Completion) the Combined Group's websites (respectively). These third-party websites are outside of the Existing Group's, the LiveAuctioneers Group's and the Combined Group's control and may contain information or content which may be subject to copyright or trademark infringement claims or other claims (based on the nature and content of the information disseminated) under the laws of the UK, US or other relevant jurisdictions. While the Existing Group and the LiveAuctioneers Group review, and (following Completion) the Combined Group will review, advertisements before they are placed on the Existing Group's, the LiveAuctioneers Group's or (following Completion) the Combined Group's websites (respectively) in order to mitigate this risk, it does not audit the website of each third-party seeking to advertise on its websites. Further, while the Existing Group's and the LiveAuctioneers Group's contracts with auctioneers confirm that the Existing Group acts only as a conduit of products on its Marketplaces and its Platform and that the LiveAuctioneers Group acts only as a conduit of products on the LiveAuctioneers Marketplace and its platform, and that it is the responsibility of the relevant auctioneer to ensure that all sales are compliant with applicable law, the laws in this area are evolving and could evolve in such a way as to create greater liability for the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group.

B.14 The Marketplaces', the Platform's and LiveAuctioneers Group's platform's systems and processes may be subject to undetected errors, defects or bugs which could adversely affect the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's business.

Each of the Existing Group's, the LiveAuctioneers Group's and (following Completion) the Combined Group's business is dependent on the suitability, reliability, durability and performance of its Marketplaces', the Platform's and the LiveAuctioneers Group's platform's systems and processes, including third-party components and systems that support its business. The software underlying the Marketplaces, the Platform and the LiveAuctioneers Group's platform is complex and may contain undetected errors, defects or bugs. In the past, the Existing Group and the LiveAuctioneers Group have experienced instances where defects have been released onto the Platform despite its engineering and quality assurance processes. Although these defects have usually been discovered and resolved quickly and there has been no material adverse effect on the Existing Group's or the LiveAuctioneers Group's business as a result of any such instances to date, the Existing Group, the LiveAuctioneers Group or (following Completion) the Combined Group may discover significant errors, defects or bugs in the future that it may not be able to correct in a timely, cost-effective manner, or at all. In addition, the Existing Group's and LiveAuctioneers Group's services are, and (subject to Completion) the Combined Group's services will be, integrated with products and systems developed by third parties. Such third-party software programs may contain undetected errors, defects or bugs when they are first introduced or when subsequent updates are released.

Additionally, the Existing Group and the LiveAuctioneers Group provide white label auction products (via GAP White Label and Auction Mobility in the case of the Existing Group and via its own white label offering in the case of the LiveAuctioneers Group) which auctioneers can use to run auctions via their own websites, and the back-office systems (via GAP Office and Wavebid in the case of the Existing Group and via its payments processing service in the case of the LiveAuctioneers Group) which auctioneers can use to support the administrative aspects of running an auction house. If the software supplied by the Existing Group, the LiveAuctioneers Group or (following Completion) the Combined Group is defective, including if such software contains a virus or other forms of malware, this software could cause loss or damage to an auctioneer which may result in claims being brought against the Existing Group, the LiveAuctioneers Group and/or the Combined Group. If such a claim were successfully brought against the Existing Group, the LiveAuctioneers Group or the Combined Group, its insurance may not cover such claim fully or at all and its reputation, business, results of operations, financial condition and prospects may be materially adversely affected.

Errors, defects or bugs could be found in the Existing Group's or the LiveAuctioneers Group's existing, or any of their or (following Completion) the Combined Group's future, services or third-party products upon which its services are dependent. This could cause, among other things, delays in, or loss of market acceptance of, its services, loss of key internal systems, diversion of resources and injury to its reputation, which could have a material adverse effect on the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's business, financial condition, results of operations and prospects.

Any security intrusion, virus or other breach may also compromise information held by the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group (see further the risk factor below entitled “*Security breaches and other disruptions to, or failures in, the Group's IT infrastructure and networks, or those of third parties, could disrupt the Group's business, comprise sensitive and confidential information, affect the Group's reputation, increase its operational costs, and cause losses.*”).

B.15 Disruptions in third-party systems and processes that the Existing Group and the LiveAuctioneers Group rely on, and/or that (following Completion) the Combined Group will rely on, could result in lower sales and increased costs.

The Marketplaces, the Platform and the LiveAuctioneers Group's platform are designed to work in conjunction with hardware, software and data hosted and maintained by third parties, including Microsoft and Amazon Web Services. Any significant disruption in the supply or maintenance of such third-party hardware, software and data could impair the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's ability to offer its services until the functionality offered by the third-party providers is rectified or replaced. In addition, the Existing Group and the LiveAuctioneers Group utilise, and (subject to Completion) the Combined Group will utilise, services provided by third parties to enhance its current service offering and respond to emerging industry standards and other technological changes in a timely and cost-effective manner.

The Existing Group and the LiveAuctioneers Group also rely, and (subject to Completion) the Combined Group will also rely, on third parties to provide payment processing services, as the Marketplaces, the Platform and the LiveAuctioneers Group's platform are integrated with such processing systems, which are offered to auctioneers if they do not wish to arrange payment themselves. If these companies become unwilling or unable to provide these payment services, if such services are disrupted, or if the cost of providing such services increases, the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's operations may be disrupted and the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group may lose revenue from referral and transaction fees that it generates from such services. Any significant failure of payment processing systems, including third-party systems such as those maintained by banks, could have a material adverse effect on the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's revenue and undermine confidence in the Marketplaces, the Platform and/or the LiveAuctioneers Group's platform. The Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group may be unable to source alternative providers of such services in a timely manner, or at all.

Any failure by the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group or its third-party service providers to maintain and improve the relevant technology systems and infrastructure may result in system interruptions. Like many technology-based businesses, each of the Existing Group and the LiveAuctioneers Group and its respective third-party service suppliers have experienced, and may experience, material system interruptions, which could be caused by any number of factors, including fires, floods, power loss, telecommunications failures, physical or electronic break-ins, earthquakes, acts of war or terrorism or other events or disruptions. Additionally, in the event of such interruptions the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group may need, for commercial reasons, to compensate its auctioneers for income lost as a result of being unable to host auctions on the Marketplaces, the Platform and/or the LiveAuctioneers Group's platform during those interruptions, or may otherwise result in auctioneers reducing their use of the Marketplaces, Platform and/or the LiveAuctioneers Group's platform. The Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group may fail to replace the functionality or data provided by the third-party vendors that is presently incorporated into the Existing Group's and/or LiveAuctioneers Group's, or (following Completion) is at a point in time incorporated into the Combined Group's, technology infrastructure in the event that the hardware, software or data provided by the third parties becomes obsolete or incompatible with its services, or is not adequately maintained or updated.

If any of the factors noted above were to occur, it could impair the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's ability to process bidder traffic and transactions which, in turn, might materially adversely affect its business, financial condition, results of operations and prospects.

B.16 Security breaches and other disruptions to, or failures in, the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's IT infrastructure and networks, or those of third parties, could disrupt its business, compromise sensitive and confidential information, affect its reputation, increase its operational costs and cause losses.

The Existing Group and the LiveAuctioneers Group rely, and (subject to Completion) the Combined Group will rely, on information technology networks and systems, some of which are managed by third parties, to process, encrypt, transmit and store electronic information and sensitive or confidential data, and to manage or support a variety of business processes and activities, including user registration and payments. The Existing Group and the LiveAuctioneers Group also collect and store, and (subject to Completion) the Combined Group will collect and store, sensitive data in information technology networks (including third-party servers or applications by means of "cloud computing"), including intellectual property, proprietary business information (including proprietary business information on the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's bidders and auctioneers), personally identifiable information of the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's employees, bidders and auctioneers and other confidential information.

The Existing Group's and the LiveAuctioneers Group's systems, data (wherever stored), software or networks, and those of third parties, are, and (subject to Completion) the Combined Group's will be, vulnerable to security breaches, including unauthorised access from within the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group or by third parties, computer viruses or other malicious code and other cyber threats that could have an adverse security impact. The Existing Group, the LiveAuctioneers Group, (following Completion) the Combined Group and third parties may be unable to anticipate evolving technologies used to effect security breaches or prevent attacks by hackers or breaches due to employee error or malfeasance, in a timely manner, or at all. Cyber-attacks in particular have become far more prevalent in the past few years, leading potentially to the manipulation and/or theft of confidential and proprietary business and personal information, or loss of access to, or destruction of, data on the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's systems, as well as interruptions or malfunctions in its or third parties' operations.

The Existing Group and the LiveAuctioneers Group are regularly subject to attempted attacks on its information technology networks. The LiveAuctioneers Group suffered a data breach attack on its network in June 2020, as further detailed in the risk factor entitled "*The LiveAuctioneers Group may suffer losses as a result of a data breach attack in June 2020*". Although to date no such attack on the Existing Group has been successful, if one were to be successful, or if a further attack on the LiveAuctioneers Group were successful, the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group, auctioneers, bidders, vendor partners, employees or other individuals are at risk of suffering materially from such attacks and breaches, including as a result of public disclosure, loss or misuse of confidential, proprietary or personal information. As a result, the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group could be exposed to related litigation, liability and/or regulatory intervention, fines and sanctions (particularly as a result of the increasing regulatory focus on promoting the protection of customer/client information and the integrity of information technology systems) that are either not insured against or not fully covered through the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's insurance policies. The Existing Group and the LiveAuctioneers Group are, and (subject to Completion) the Combined Group will be, also subject to risks related to compliance with the GDPR, as detailed in the risk factor entitled "*The Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group may incur additional costs in implementing and complying with new regulations, or any changes to existing regulations, such as the GDPR*".

The Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group may also experience losses in auctioneers, bidders or vendor partners, as well as reputational harm, competitive disadvantage and sometimes physical damage. Any such attacks and breaches could also adversely affect the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's ability to process transactions, which could result in the Existing Group, the LiveAuctioneers Group's and/or (following Completion) the Combined Group incurring significant losses of revenue, as well as significant additional costs to modify its protective measures or to investigate and remediate vulnerabilities.

B.17 The Existing Group and the LiveAuctioneers Group use, and (subject to Completion) the Combined Group will use, open source software, which may pose particular risks to its proprietary software and services including additional security risks and claims relating to breach of licence.

Each of the Existing Group and the LiveAuctioneers Group use, and (subject to Completion) the Combined Group will use, open source software in the Marketplaces, the Platform and/or the LiveAuctioneers Group's platform and expects to continue to do so in the future. Open source licence terms may be ambiguous, and many of the risks associated with open source software cannot be eliminated. Use of certain open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties or controls on the origin of their software. Whilst each of the Existing Group and the LiveAuctioneers Group considers that it complies with the terms of the open source licences and it takes steps to monitor such compliance, the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group could potentially face claims from third parties claiming ownership of, or demanding release of, the open source software or derivative works developed using such software (which could include its proprietary source code), or otherwise seeking to enforce the terms of the applicable open source licence. These claims could result in litigation and could require the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group to enter into or purchase a costly licence or stop offering the implicated services unless and until the Existing Group, the LiveAuctioneers Group and/or the Combined Group can re-engineer them to avoid infringement. This re-engineering process could require significant additional research and development resources.

Additionally, use of certain open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties, indemnities or other contractual protections with respect to the functionality of the open source software. Use of open source software by the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group may also present additional security risks because the source code for such software is publicly available, which may make it easier for third parties to analyse it and determine how to breach systems that rely on open source software.

Any of these risks could be difficult to eliminate or manage, and, if not addressed successfully, could have a material adverse effect on the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's business, financial condition, results of operations and prospects.

B.18 Failure to adequately protect, maintain or enforce the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's intellectual property rights could substantially harm its business and results of operations.

The Existing Group and the LiveAuctioneers Group rely, and (subject to Completion) the Combined Group will rely, on a combination of trademark, copyright, confidential information, trade secrets and contractual restrictions to protect its intellectual property. The Existing Group owns a large number of domain names relating to its business and considers its key domain names to be the-saleroom.com, proxibid.com, lot-tissimo.com, i-bidder.com, BidSpotter.com, BidSpotter.co.uk and lofty.com and it takes steps to maintain these registrations by activating auto-renewal of these domain names. The LiveAuctioneers Group also owns a large number of domain names relating to its business and considers its key domain names to be LiveAuctioneers.com, auctioncentralnews.com and Jasper52.com. The Existing Group also owns 36 registered trademarks in the territories of the EU, UK and US relating to the Marketplaces and the ATG brand. The LiveAuctioneers Group owns two registered trademarks in the territories of the EU and US relating to the LiveAuctioneers brand. However, there is no guarantee that any or all of these measures will provide complete protection to the Existing Group, the LiveAuctioneers Group or (following Completion) the Combined Group. In particular, the domain names listed above are

of significant value to the Existing Group's and the LiveAuctioneers Group's operations, and (following Completion) will be of significant value to the Combined Group's operations, and any loss of rights in or damage to the value of those intellectual property would adversely affect the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's business.

Neither the Existing Group nor the LiveAuctioneers Group has comprehensive registered protection for all of its intellectual property in all jurisdictions of the world. For example, the Existing Group does not hold registered trademarks in respect of the trade names "The Saleroom", "GAP Office" or "Antiques Trade Gazette" and the LiveAuctioneers Group does not hold registered trademarks in respect of the trade name "Jasper52". Additionally, the Existing Group does not have exclusive rights to its trade names in every country, and others may use the same or similar trade names in other, non-competing industries. In Germany, the Existing Group has entered into a co-existence agreement with a third-party in relation to use of the name "ATG". The contemporaneous usage by third parties of the "ATG" trade name, or any of the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's other trade names, could result in confusion among consumers between the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's brand and other brands, which may undermine the its reputation and brand image and reduce the value of its trade names. Each of the Existing Group, the LiveAuctioneers Group and (following Completion) the Combined Group also faces the risk that it is unable to use unregistered intellectual property or that it becomes subject to ownership or infringement claims brought by owners of other rights, including registered trademarks, which are similar to the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's intellectual property.

Litigation or similar proceedings may be necessary in the future, as they have on occasion been in the past (in respect of the Existing Group), to protect, register and enforce the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's intellectual property rights, to protect its trade secrets and domain names and determine the validity and scope of the proprietary rights of others. Any litigation or other adverse proceedings could result in substantial costs and diversion of resources and could have a material adverse effect on the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's business, financial condition, results of operations and prospects.

Monitoring the unauthorised use of each of the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's intellectual property rights is difficult and any measures it takes to protect its intellectual property rights may prove inadequate to prevent misappropriation of its intellectual property, which may result in:

- the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's trademarks becoming generic and losing the protection of intellectual property laws;
- substantial costs and diversion of resources; and/or
- counterclaims or other claims against the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group,

and could significantly harm its results of operations. Changes in law, rule, or regulation, or the interpretation thereof, particularly intellectual property laws, may affect the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's ability to protect, register or enforce its intellectual property rights. Domain names generally are regulated by internet regulatory bodies, and the regulation of domain names is subject to change. Regulatory bodies have established and may continue to establish top-level domains, appoint additional domain name registrars or modify the requirements for holding domain names. The Existing Group and/or, the LiveAuctioneers Group may not be able to, or it may no longer be cost effective to, maintain all domain names which are currently owned or maintained by either of them. The loss of use of a domain name may result in the incurring of additional expenses, including requiring the development of new branding. This could have a material adverse effect on the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's business, financial condition, results of operations and prospects.

B.19 The Existing Group and/or (following Completion) the Combined Group may have difficulty finding suitable acquisition targets.

Selective acquisitions and other investments play an important part in the Existing Group's growth strategy, and, from time to time, the Existing Group, or (following Completion) the Combined Group, may evaluate potential strategic acquisition or investment opportunities. The Existing Group or (following Completion) the Combined Group may not be able to identify acquisition or investment opportunities that meet its strategic objectives, or, to the extent such opportunities are identified, may not be able to negotiate terms with respect to the acquisition or investment that are acceptable to it or on terms that are commercially favourable including as a result of competition from other companies in relation to such opportunities. The Existing Group and/or (following Completion) the Combined Group may incur substantial expenses and devote significant management time and resources in seeking to complete acquisitions which may not come to fruition.

In addition, the Existing Group's or (following Completion) the Combined Group's cash generation from its trading activities may be insufficient to finance the pursuit or realisation of acquisitions. In this instance, the Existing Group or (following Completion) the Combined Group would need to access external sources of finance in order to execute its growth strategy, increasing its leverage. There can be no assurance given that financing would be available to the Existing Group or (following Completion) the Combined Group in order for it to pursue acquisition opportunities on acceptable terms or at

all. Limitations on the Existing Group's or (following Completion) the Combined Group's access to capital could arise from events or causes beyond the Existing Group's or (following Completion) the Combined Group's control, including a reduction in its creditworthiness, decreases in the availability of credit or the tightening of terms required by lenders. Any limitation on the Existing Group's or (following Completion) the Combined Group's ability to access capital could limit the Existing Group's and/or (following Completion) the Combined Group's liquidity and ability to pursue acquisitions opportunities which would limit its growth and could have a material adverse effect on its business and prospects.

B.20 Provisions of the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's current or future debt instruments could restrict its ability to pursue its business strategies.

Each of the Existing Group and the LiveAuctioneers Group utilise debt as part of its finance strategy. The Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's level of indebtedness may increase in the future, including as a result of undertaking acquisitions and investments. In particular, the Existing Group's level of indebtedness is expected to increase in connection with the utilisation of the New Senior Term Facility in connection with the payment of the Cash Consideration payable to the Sellers in connection with the Acquisition, as detailed in the risk factor entitled "*Increased indebtedness of the Group in connection with the New Senior Facilities Agreement and the Acquisition may affect the Combined Group's flexibility in the longer term.*"

Under the terms of the New Senior Facilities Agreement, the Existing Senior Facilities Agreement and other of its debt instruments (in respect of the Existing Group) and the LiveAuctioneers Group's facilities agreement] (in respect of the LiveAuctioneers Group), the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group must comply with the terms of various covenants for so long as the relevant agreements are outstanding. Such covenants include maximum adjusted net leverage ratios and a minimum interest cover ratio.

The provisions of the New Senior Facilities Agreement, the Existing Senior Facilities Agreement, the LiveAuctioneers Group's facilities agreement or the provisions of any of the Existing Group's or the LiveAuctioneers Group's other debt instruments or any debt instruments which the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group may enter into in the future, may limit its ability or the ability of any of its subsidiaries to, amongst other things:

- pay dividends or make other distributions to Shareholders;
- make acquisitions, investments, loans or advances;
- transfer or otherwise sell or dispose of assets;
- grant certain security and/or provide guarantees; and
- incur additional indebtedness.

Although the Existing Group does not anticipate a default under the New Senior Facilities Agreement, the Existing Senior Facilities Agreement, or any of its other debt instruments, if the Existing Group, or (following Completion) the Combined Group defaults under any of its debt instruments and such event of default is not cured or waived, this could result in an acceleration of indebtedness then outstanding under the New Senior Facilities Agreement, the Existing Senior Facilities Agreement, and/or the relevant debt instrument. Similarly, although the LiveAuctioneers Group does not anticipate a default under any of its other debt instruments, if the LiveAuctioneers Group defaults under any of its debt instruments and such event of default is not cured or waived, this could result in an acceleration of indebtedness then outstanding under the relevant debt instrument.

The Existing Group is repaying its existing debt facilities using cash on its balance sheet and obtaining new financing in connection with the New Senior Facilities Agreement. Whilst it has no requirement or plans to further refinance its existing debt instruments or obtain new financing in the medium term, the Existing Group and/or (following Completion) the Combined Group may seek to refinance its existing debt instruments or to obtain new financing (for example, to fund its acquisition strategy). Should the Existing Group and/or (following Completion) the Combined Group seek to enter into debt instruments in the future, whether in replacement of or in addition to its existing debt instruments, it cannot be sure that additional financing will be available to it on reasonable terms or at all. In addition, the terms of future debt agreements could include more restrictive covenants, which could further restrict the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group business operations.

Interest rates under the Existing Senior Facilities Agreement are based partly on US dollar and sterling LIBOR, the London interbank offered rate, which is the basic rate of interest used in lending between banks on the London interbank market and is widely used as a reference for setting the interest rate on loans globally. Sterling LIBOR will cease to be widely available by the end of 2021 and US dollar libor by June 2023. Interest rates under the New Senior Facilities Agreement are based on US dollar LIBOR; (to the extent pound sterling drawings are made on the revolving credit facility) will be based partly on SONIA (the Sterling Overnight Index Average); and (to the extent Euro drawings are made on the revolving credit facility) partly on EURIBOR. The New Senior Facilities Agreement includes provisions to enable the facilities to transition from LIBOR and EURIBOR to be based on new risk-free rates in due course.

Additionally, as a function of the interest rates under the Existing and New Senior Facilities Agreement being partly based on LIBOR or EURIBOR (the Euro interbank offered rate), and under the New Senior Facilities Agreement being partly based on SONIA, the Existing Group is exposed to risks resulting from increases to interest rates, including as a result of general economic factors, as further detailed in the risk factor entitled "*General economic factors, including a decline in consumer spending, may adversely affect the Group's business, financial performance and results of operations, including*

impacting the willingness of bidders to purchase goods or reducing the prices at which they are willing to make such purchases.” The Group’s debt service obligations will reduce cash available for other purposes.

B.21 Goodwill reported in the Existing Group’s consolidated statement of financial position may be written down as a result of impairment testing, which may result in a loss in the Existing Group’s or (subject to Completion) the Combined Group’s statement of comprehensive income.

As of 31 March 2021, the goodwill recognised in the Existing Group’s consolidated statement of financial position amounted to £140 million, of which 19 per cent. was attributable to the Proxibid Acquisition and 14 per cent. to the Auction Mobility Acquisition. The Company expects to recognise additional goodwill in relation to the LiveAuctioneers Group following Completion. In accordance with IFRS, goodwill is tested for impairment at least annually. Impairment may result from, among other things, a deterioration in the Existing Group’s (or a specific cash-generating unit’s or, (subject to Completion) the Combined Group’s) performance, a decline in expected future cash flows, adverse market conditions, adverse changes in applicable laws and regulations and a variety of other factors. For the preparation of its consolidated financial statements, the Existing Group estimates the recoverable amount of cash-generating units to which goodwill has been allocated. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. If the Existing Group or (following Completion, the Combined Group) has to recognise any impairment in its goodwill (including, in particular, any deterioration in the goodwill attributable to the Proxibid Acquisition, but also other acquisitions in the future), it would have an adverse (non-cash) impact on its consolidated statement of comprehensive income and consolidated statement of financial position.

B.22 The Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group could be adversely affected if it is unable to grow its revenue in the medium term through offering incremental ancillary services to auctioneers.

The Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group may be unable to develop and provide the additional ancillary services that the Directors believe will enable the Existing Group, the LiveAuctioneers Group and (subject to Completion) the Combined Group to earn additional revenues from such incremental services in the medium term or, to the extent the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group does launch such services, there may be insufficient demand in the market to support ongoing provision of such services. For example, the LiveAuctioneers Group has recently launched a payments processing service and there is no guarantee of demand from auctioneers for such a service. Further, auctioneers may not value any additional services as anticipated by the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group.

Additionally, it is expected that such services will be provided by third-parties. Any significant failure by such third parties could have a material adverse effect on the Existing Group’s, the LiveAuctioneers Group’s and/or (following Completion) the Combined Group’s revenue and undermine confidence in the Marketplaces, the Platform and/or the LiveAuctioneers Group’s platform, or in the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group as a facilitator of access to such third parties. The Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group may also be unable to source alternative providers of such services in a timely manner, or at all.

If the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group is unable to increase its take rate through the provision of incremental ancillary services in the medium term, this could have a material adverse effect on its growth strategy, financial condition, results of operations and prospects.

B.23 Factors outside of the Existing Group’s, the LiveAuctioneers Group’s or (following Completion) the Combined Group’s control, such as fires, floods and other natural catastrophic events, any epidemics or pandemics, or man-made events such as terrorism, protests or other harassment could have a material adverse effect on its business, results of operations, financial condition and prospects.

The Existing Group’s, the LiveAuctioneers Group’s and (following Completion) the Combined Group’s systems and operations are vulnerable to damage or interruption from fires, floods, pandemics, power losses, telecommunications failures, terrorist attacks, civil unrest, human error, break-ins and similar events. The Existing Group operates from three locations across the UK, Germany and the United States, and the LiveAuctioneers Group operates primarily from three locations across the United States, meaning that there is some concentration risk. A significant natural disaster, such as a fire or flood, could have a material adverse effect on the Existing Group’s, the LiveAuctioneers Group’s and/or (following Completion) the Combined Group’s business, financial condition, results of operations and prospects if it affected any of the Existing Group’s, the LiveAuctioneers Group’s or (following Completion) the Combined Group’s offices or cloud data centres, and the Group’s insurance coverage may be insufficient to compensate it for losses that may occur. For example, in the spring of 2019, the Proxibid Group’s revenue was adversely affected by floods in the Midwest of the United States, which contributed to lower-than-expected revenue growth in FY19 compared to FY18. Mitigation efforts associated with the COVID-19 pandemic affected access to physical premises, and such restrictions could again be implemented. See further the risk factor below entitled “*The consequences of the COVID-19 pandemic, the associated ongoing mitigation restrictions, or the lifting of those restrictions, including any related economic deterioration, may have an adverse impact on auctioneers*”

and/or potential bidders, which could have a material adverse effect on the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group”.

In addition, acts of terrorism, which may be targeted at metropolitan areas that have higher population density than rural areas, could cause disruptions in its businesses or the economy as a whole. The Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's servers may also be vulnerable to computer viruses, break-ins, denial-of-service attacks and similar disruptions from unauthorised tampering with its computer systems, which could lead to interruptions, delays, loss of critical data or the unauthorised disclosure of confidential client data, as described in the risk factor entitled "*The LiveAuctioneers Group may suffer losses as a result of a data breach attack in June 2020*". The Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group may not have sufficient protection or recovery plans in certain circumstances. As the Existing Group and the LiveAuctioneers Group rely, and (following Completion) the Combined Group will rely, heavily on its servers, computer and communications systems and the internet to conduct its business and provide high-quality customer service, such disruptions could negatively impact its ability to run its business and either directly or indirectly disrupt its business, which could have a material adverse effect on the Existing Group's, the LiveAuctioneers Group's and (following Completion) the Combined Group's business, financial condition, results of operations and prospects.

C. RISKS RELATING TO THE GENERAL ECONOMIC CLIMATE

C.1 The consequences of the COVID-19 pandemic, the associated ongoing mitigation restrictions, or the lifting of those restrictions, including any related economic deterioration, may have an adverse impact on auctioneers and/or potential bidders, which could have a material adverse effect on the Existing Group, the LiveAuctioneers Group and (following Completion) the Combined Group.

The COVID-19 pandemic has caused widespread disruption to normal business activity across the globe, including the imposition of restrictions on movement and social distancing measures in the US, UK and elsewhere. In the US, gross domestic product (“GDP”) contracted by 31.4 per cent. during the three month period to 30 June 2020 and 3.5 per cent. in the calendar year 2020 and, in the UK, GDP contracted by 20.4 per cent. during the three month period to 30 June 2020, 9.9 per cent. in the calendar year 2020 and 1.5 per cent. during the three month period to 31 March 2021, which was generally attributable to the COVID-19 pandemic. The effects of the COVID-19 pandemic have had an adverse impact on many of the Existing Group's and the LiveAuctioneers Group's auctioneers, particularly those trading on The Saleroom and LiveAuctioneers Marketplaces, with many auctioneers experiencing significant operational disruption (including in some cases temporary closure), severely depressed financial performance and increased risk of insolvency in the early part of the COVID-19 pandemic. The Saleroom and LiveAuctioneers Marketplaces were particularly impacted by this impact on auctioneers during March, April and May 2020. Additionally, The Saleroom waived many of its monthly event fees with auctioneers during this period to assist auctioneers with dealing with the impact of the COVID-19 pandemic, waiving fees of £460,000 in total between 1 April and 30 June 2020. Similarly, the LiveAuctioneers Group reduced many of its event fees with auctioneers and provided some temporary commission discounts during this period, as well as helping auctioneers to reschedule auctions to a later date, in order to assist auctioneers with dealing with the impact of the COVID-19 pandemic. Whilst the Directors believe this was the right step to take in order to support auctioneers on The Saleroom, the LiveAuctioneers Marketplace and the market more generally, this had an impact on the Existing Group's and the LiveAuctioneers Group's profitability for the period.

Revenue generated by the Existing Group's trade magazine, the *Antiques Trade Gazette*, also fell during the second half of FY20 (recovering slightly in H1 FY21 but remaining below levels prior to the COVID-19 pandemic) as a result of a reduction in advertising spend within the publication compared to the first half of FY20 due to the impact of the COVID-19 pandemic. The further tightening of restrictions in relation to the COVID-19 pandemic in the first few months of 2021, in particular in the UK, continued to have an impact on the Existing Group and the LiveAuctioneers Group, auctioneers and bidders. Despite the gradual easing of COVID-19-related restrictions in the UK and US in the spring/summer of 2021, the Group has not seen significant further changes in auctioneer or bidder behaviour to date.

Whilst the direct impact of the COVID-19 pandemic on the Existing Group and the LiveAuctioneers Group to date has been largely accretive to revenue (notwithstanding the initial impact on The Saleroom and LiveAuctioneers Marketplaces in particular), due to the closure of many physical auction rooms as a result of COVID-19 restrictions resulting in more auctions being held online, this trend may not continue following the easing of those restrictions and therefore the Existing Group's FY20 or H1 FY21 results and/or the LiveAuctioneers Group's FY20 results may not be indicative of the trend in future periods. Moreover, new auctioneers and bidders acquired during the COVID-19 pandemic may return to the use of physical auction rooms following the easing of such restrictions. These risks could have the effect of reducing the number of auctioneers and/or bidders using the Marketplaces or Platform, or reducing projected growth, either of which could have a material adverse effect on the Existing Group's, the LiveAuctioneers Group's and/or (following Completion) the Combined Group's business, financial condition, results of operations and prospects.

C.2 The medium- and long-term impacts of Brexit are not yet known.

The Existing Group's operations span a number of jurisdictions, including the DACH Region in the EU and the UK. In time, Brexit could lead to legal uncertainty and potentially divergent national laws and regulations as the United Kingdom determines which European Union laws to replace or replicate. For example, the laws and regulations that impact the Existing Group's and/or (subject to Completion) the Combined Group's UK and EU operations, including privacy and data protection, legal protection for platforms, workers' rights, and intellectual property, may now be modified, as further detailed in the risks entitled "*The Existing Group and the LiveAuctioneers Group are and, (following Completion) the*

Combined Group will be, subject to a range of laws and regulations of general applicability, as well as evolving laws and regulations affecting the use of the internet and e-commerce” and “The Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group may incur additional costs in implementing and complying with new regulations, or any changes to existing regulations, such as the GDPR.” No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice, whether as a result of the United Kingdom’s departure from the European Union or otherwise.

In addition, the macroeconomic effects on the Existing Group and auctioneers and bidders on its Marketplaces and/or Platform are unknown including, in particular, whether auctioneers and/or bidders will reduce international cross-border sales and/or purchases in whole or in part, and whether the UK and/or EU may experience a recession owing, in whole or in part, to the trade deal agreed between the UK and the EU not providing sufficient incentive and/or certainty to businesses, although the Existing Group has not experienced such effects to date. Any changes in law or regulation as a result of Brexit that have a negative impact on the Existing Group, or (following Completion) the Combined Group, or increase the Existing Group’s costs, and/or (following Completion) the Combined Group’s costs, and any adverse economic conditions arising from the effects of Brexit, could have a material adverse effect on the Existing Group’s and/or (following Completion) the Combined Group’s, business, financial condition, results of operations and prospects.

C.3 General economic factors, including a decline in consumer spending, may adversely affect the Existing Group’s, the LiveAuctioneers Group’s and/or (following Completion) the Combined Group’s business, financial performance and results of operations, including impacting the willingness of bidders to purchase goods or reducing the prices at which they are willing to make such purchases.

Whilst the Existing Group’s business model is largely cycle-neutral, the Existing Group’s and the LiveAuctioneers Group’s businesses depends (and, following Completion, the Combined Group’s business will depend) on demand for the goods that auctioneers have available for sale via the Marketplaces or Platform and the price achieved upon the sale of these goods (which has a direct impact on the Group’s commissions). A number of product categories, particularly in the A&A vertical, are discretionary purchases, which are highly dependent on trends in consumer spending and, consequently, are sensitive to a number of factors that are beyond the Group’s control. In particular, auctioneers that focus on rarer, higher value, lower volume goods are often more significantly affected by an economic downturn due to decreases in discretionary spending (particularly in the fine art market). Due to the LiveAuctioneers Marketplace’s focus on the A&A vertical, the Combined Group’s exposure to this risk will increase following Completion.

Adverse changes in factors affecting discretionary consumer spending, including a prolonged slowdown in the UK, US, DACH or global economy, higher interest rates, inflation, rates and levels of taxation, levels of unemployment, consumer debt levels, unsettled financial markets, tightening of credit markets and other economic factors, whether as a result of the COVID-19 pandemic, political uncertainty, or any other reason, could result in a decrease in the supply of, and/or demand for, goods sold through the Marketplaces or the Platform, or in a decrease in prices achieved, any of which could lead to a reduction in the Existing Group’s and/or the LiveAuctioneers Group’s THV and consequently its GMV. Any decrease in the volume or price of goods sold through the Marketplaces or Platform may have a material adverse impact on the Existing Group’s, the LiveAuctioneers Group’s and/or the Combined Group’s business, financial condition, results of operations and prospects as a result of the reduction in its GMV, on which its commissions are based.

Economic or industry downturns may also result in longer payment cycles, increased collection costs and defaults in excess of the Existing Group’s, the LiveAuctioneers Group’s and/or the Combined Group’s expectations, particularly due to auctioneer insolvency. If any of the above circumstances were to arise, it could have a material adverse effect on the Existing Group’s, the LiveAuctioneers Group’s and/or the Combined Group’s business, financial condition, results of operations and prospects.

C.4 The Existing Group and (following Completion) the Combined Group may be affected by changes in currency exchange rates.

The Existing Group’s financial statements are reported in pounds sterling, which is the Group’s (and will (following Completion) be the Combined Group’s) presentation currency. This exposes the Existing Group to currency translation risk and (following Completion) the Group’s exposure to this risk will be increased, as detailed in the risk factor entitled “*The Combined Group will have greater exposure to foreign exchange rate risk*”.

The Existing Group trades internationally and is exposed to transactional foreign exchange rate risk on purchases and sales, primarily in US dollars and, to a lesser extent, in Euros, because it generates revenues and incurs costs in both pounds sterling and a number of different foreign currencies.

Additionally, the Lot-tissimo Marketplace, which focuses on the DACH region, generates its revenue in Euros. The revenue generated by each of the Existing Group’s and/or the Combined Group’s Marketplaces which operates primarily outside of the UK (Proxibid, BidSpotter US, Lot-tissimo and (following Completion) LiveAuctioneers) is therefore particularly at risk to any adverse currency movements as a result of Brexit and its associated impacts.

D. LEGAL AND REGULATORY RISK

D.1 The Existing Group and the LiveAuctioneers Group are, and (subject to Completion) the Combined Group will be, subject to regulatory oversight by competition authorities, including the Competition and Markets Authority in the UK, which may impact its acquisition activity.

The Existing Group's, the LiveAuctioneers Groups and (subject to Completion) the Combined Group's activity, including in particular its acquisition activity, is subject to the jurisdiction of various competition bodies, including the Competition and Markets Authority ("CMA") in the UK, the European Commission in the EU and the Federal Trade Commission and the Department of Justice in the US. Private parties may also pursue legal action against the Group under competition laws in certain circumstances.

On 22 November 2016, the CMA commenced an investigation (the "**Investigation**") into the Existing Group, having determined it had reasonable grounds for suspecting that the Existing Group's practices and the agreements it had entered into with auction house customers may constitute an abuse of a dominant position under UK and EU competition law. The Investigation focused on the following restrictions agreed or required by the Existing Group in its dealings with certain of its auction house customers (the "**Relevant Conduct**"): (i) offering discounts or other incentives to customers in exchange for being appointed as their exclusive supplier of live online bidding auction platform services; (ii) requiring customers to offer "no less favourable terms" to bidders on The Saleroom than those available to bidders using a competing third-party live online bidding auction platform or the customer's own live online bidding auction platform (in particular as regards the bidder commission charged by auction houses); and (iii) restricting auction houses from advertising or promoting offers of competing online auction platforms on landing pages that directly linked to The Saleroom.

The CMA did not address any statement of objections to the Existing Group containing formal allegations in respect of the Existing Group's conduct as, prior to such a statement of objections being issued, the CMA adopted a decision on 29 June 2017 to accept commitments offered by the Existing Group (the "**Commitments**") in order to bring the CMA's Investigation to a close by addressing the concerns raised by the CMA during the Investigation (the "**Decision**"). In the Decision, the CMA set out its preliminary view that the Relevant Conduct may restrict competition by (in broad terms): (i) foreclosing the market to competitors and new entrants and thereby restricting the degree of competition on the market; and (ii) softening price competition between competing platforms, reducing choice for consumers and deterring rival live online bidding auction platforms from competing with the Existing Group on price. As part of the Commitments, the Existing Group agreed for a period of five years commencing on 29 June 2017 not to engage in any conduct or enter into any agreement or arrangement that: (i) restricts any UK auction house from using or contracting with a competing live online auction platform for the provision of live online auction platform services; (ii) restricts any UK auction house from charging fees, commissions or any other forms of remuneration to online bidders using a competing live online auction platform that are lower than those charged to online bidders using a live online auction platform of the Existing Group; or (iii) restricts the freedom of any UK auction house to advertise or promote the services and products of a competing live online auction platform (save on any website or publication owned or operated by the Existing Group).

As a result of the CMA accepting the Commitments offered by the Existing Group, the CMA discontinued the Investigation. As noted in the Commitments, the giving of the Commitments by the Existing Group does not constitute an admission of any wrongdoing by the Group, and the Existing Group has not been the subject of a CMA infringement decision or statement of objections in this regard. Accordingly, no financial penalty or any other sanction was imposed on the Existing Group by the CMA.

The Existing Group is required under the Commitments to inform the CMA of any breach of the Commitments, and provide a statement confirming compliance each year. The CMA has not identified to the Existing Group any breach of the Commitments by the Existing Group during the time period in which the Commitments have been in place, nor is the Existing Group aware of any circumstances that would constitute a breach of the Commitments. If the CMA has reasonable grounds to suspect that the Existing Group has failed to adhere to one or more terms of the Commitments, then the CMA may take action in accordance with its statutory powers, which may include continuing the Investigation.

In the UK and certain other jurisdictions, notifications of acquisitions to the relevant competition authority are voluntary and the Existing Group, or (following Completion) the Combined Group, may decide not to notify, bearing the risk that the competition authority may later open an investigation on its own initiative following completion of an acquisition. The competition authority may request that a notification be filed and may require the Existing Group, or (following Completion) the Combined Group to give certain undertakings, such as disposing of parts of the Existing Group or (following Completion) the Combined Group or parts or all of the acquired business, to satisfy competition concerns.

In the US and certain other jurisdictions, the Existing Group or (following Completion) the Combined Group may be required to notify a potential acquisition before such acquisition has completed, and to obtain clearance from the relevant competition authority in that jurisdiction. It is possible that the Existing Group or (following Completion) the Combined Group may not obtain these clearances, or that they may not be obtainable within a timescale acceptable to the Existing Group or (following Completion) the Combined Group, or that they may only be obtained subject to certain conditions or undertakings, such as the disposal of parts of the Existing Group or (following Completion) the Combined Group or parts or all of the target business, which may not be acceptable to the Existing Group or (following Completion) the Combined Group. In the event that any required clearance is not obtained, such acquisition may not be completed.

D.2 The Existing Group and the LiveAuctioneers Group are, and (subject to Completion) the Combined Group will be subject to a range of laws and regulations of general applicability, as well as evolving laws and regulations affecting the use of the internet and e-commerce.

The Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group could be adversely affected by changes in, or interpretations of, existing laws, rules and regulations or the promulgation of new laws, rules and regulations applicable to the internet and e-commerce, including data protection and privacy, geo-blocking and other geographically based restrictions, internet advertising and price display. The Existing Group and the LiveAuctioneers Group are, and (subject to Completion) the Combined Group could be, also subject to, and could be affected by, existing

and new laws and regulations regulating or otherwise addressing consumer protection, anti-corruption, antitrust and competition, economic and trade sanctions, tax, data security and network and information systems security. Law enforcement or regulatory authorities could prevent or temporarily suspend the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group from carrying on some or all of its activities or otherwise penalise the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group if its practices were found not to comply with applicable regulatory or any binding interpretation of such requirements. Any such changes or interpretations could decrease demand for the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's services, limit marketing methods and capabilities, affect its margins, increase costs or subject the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group to additional liabilities.

There are, and will likely continue to be, an increasing number of laws and regulations pertaining to the internet and e-commerce that may impose liability for information retrieved from, or transmitted over, the internet, display of certain taxes and fees, online editorial and consumer-generated content, user privacy, data security, network and information systems security, behavioural targeting and online advertising, taxation, liability for third-party e-commerce activities and the quality of services. Furthermore, the growth and development of e-commerce may prompt calls for more stringent consumer protection laws and more aggressive enforcement efforts, which may impose additional burdens on online businesses generally, including the Group.

The Existing Group operates, and (subject to Completion) the Combined Group will operate, marketplaces across the UK, US and DACH region and, in its FY20, goods were sold via its Marketplaces or the Platform to bidders in approximately 150 countries. The LiveAuctioneers Group operates a marketplace across the US and, in its FY20, goods were sold via the LiveAuctioneers Marketplace to bidders in approximately 70 countries. The global nature of the Existing Group's, the LiveAuctioneers Group's and (subject to Completion) the Combined Group's business therefore means it may be subject to numerous customs and international trade laws and regulations in addition to the laws and regulations of the UK, US (both federal and state) and DACH region. The Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's failure to comply with local and international trade rules and restrictions, could expose it to fines and penalties. The Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group may be required to make significant expenditure or modify its business practices to comply with existing or future trade laws and regulations, which may affect its business, results of operations, financial condition and business prospects.

Although the Existing Group and the LiveAuctioneers Group have, and (subject to Completion) the Combined Group will have, policies and procedures in place designed to promote compliance with laws and regulations, which are continually reviewed as the Existing Group and/or the LiveAuctioneers Group expands, and (subject to Completion) will be reviewed as the Combined Group expands, its operations in existing and new jurisdictions, the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's employees, partners or agents could take actions in contravention of its policies and procedures, or violate applicable laws or regulations. As regulations continue to develop and regulatory oversight continues to focus on these areas, the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's policies and procedures may not comply at all times with all applicable laws or regulations. In the event the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's controls should fail or the Group is found to not be in compliance for other reasons, the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group could be subject to monetary damages, civil and criminal monetary penalties, litigation and damage to its reputation and the value of its brands. The promulgation of new laws, rules and regulations, or the new interpretation of existing laws, rules and regulations, in each case that restrict or otherwise unfavourably impact the ability or manner in which the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group conducts business, could require the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group to change certain aspects of its business, operations and commercial relationships to ensure compliance, which could decrease demand for services, reduce revenue, increase costs or subject the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group to additional liabilities. A failure to comply with current laws, rules and regulations or changes to such laws, rules and regulations and other legal uncertainties may adversely affect the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's business, results of operations, financial condition and business prospects.

D.3 The Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group may incur additional costs in implementing and complying with new regulations, or any changes to existing regulations, such as the GDPR.

The introduction of new regulations, or changes to existing regulations, could make it more expensive for the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group to conduct its business, require that the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group change the way in which it operates or require that the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group implement time-consuming and costly measures. The reputational and financial penalties associated with any breach of such regulations could also be significant.

For example, the GDPR, which was introduced in May 2018, has increased the regulatory burden on the Existing Group and the LiveAuctioneers Group in processing personal information of employees, auctioneers, bidders and vendor partners, and has also increased the potential sanctions for breaches. The GDPR includes significant financial penalties of up to €20 million or four per cent. of the annual worldwide turnover of the Existing Group, the LiveAuctioneers Group or (subject to Completion) the Combined Group, whichever is greater. Whilst the Existing Group and the LiveAuctioneers Group have implemented policies designed to comply with the GDPR (with such policies being subject to regular review), there can be

no assurance that regulators will conclude that the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group is fully compliant with its respective obligations under the GDPR. The LiveAuctioneers Group's privacy governance framework, in particular, will require certain remediation actions in order to ensure satisfactory compliance of the LiveAuctioneers Group with the GDPR. In addition, the GDPR is a principles-based regulation and does not contain a series of prescriptive rules, and therefore in the event of any breach, the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group could be subject to regulatory action or financial penalties, which could also result in adverse publicity and reputational damage.

In particular, following the ruling of the Court of Justice of the European Union in *Case C-311/18—Data Protection Commissioner v Facebook Ireland Ltd and Maximilian Schrems* in July 2020, which held the EU-US privacy shield to be invalid, the position in relation to international transfers of personal data is unclear and the Existing Group and the LiveAuctioneers Group continue to review their data protection policies in line with changing guidance on the correct practices for international transfers of personal data from UK and EU supervisory authorities. The European Commission is currently conducting a data adequacy assessment of the UK in respect of whether personal data can continue to flow freely from the EU to the UK following the end of the Brexit transition period. Pending completion of that assessment, the legal position in relation to the flow of personal data from the EU to the UK is currently unclear.

In addition, following Brexit, the data collected and processed by the Existing Group or the LiveAuctioneers Group is subject to regulation by a different regulator in the United Kingdom than in the EU. Although following the end of the Brexit transition period the UK's data protection laws and regulations have not changed, it is possible that applicable privacy and data protection laws and regulations may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another or may conflict with other rules or the Existing Group's or the LiveAuctioneers Group's practices. That concern is particularly relevant for the GDPR, given that different Member State regulators may differ as to its interpretation and their approach to enforcement, and for the Privacy and Electronic Communications Regulations (“**PECR**”), which are currently under review.

On 15 December 2020, the European Commission announced a draft legislative package comprising the Digital Services Act (“**DSA**”) and the Digital Markets Act (“**DMA**”). Although all of the likely impacts are not yet fully known, this legislative package is aimed at providers of digital services and online platforms, such as the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group. The draft DSA in particular introduces new and more onerous obligations for such businesses, together with a stricter enforcement regime, including penalties for non-compliance. It is intended to apply to all businesses which offer digital services within the EU (whether or not they are established in the EU). Additional obligations would apply to “very large online platforms”. Alongside this, the draft DMA would allow the European Commission to designate certain consumer-facing online platforms as having “gatekeeper” status, at which point those businesses would be subject to more onerous obligations. Although it is currently unclear whether the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group would constitute a “very large online platform” or a “gatekeeper” under the DSA or DMA, should these measures become law and the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group be so designated, they have the potential to impose additional costs on the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group and/or constrain certain aspects of its commercial strategy in EU markets.

Following the effective date of the GDPR, other jurisdictions, such as the State of California, have promulgated data privacy regulations. Other states in the United States are considering data privacy legislation (and federal legislation might also emerge), and other countries have adopted, or are considering, data privacy laws. Each set of rules could apply different standards and could impose different obligations, and as a global business the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group would need the resources to comply with all of them.

If the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group, or any of its third-party service providers, is unable to effectively implement measures required as a result of new regulations or changes to existing regulations, or ensure compliance by the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group with applicable regulatory requirements (including in relation to privacy and data protection), it could be subject to fines, penalties and reputational damage which could have a material adverse effect on its business, operating results and financial condition.

D.4 The Group is subject to risks associated with violations of business conduct rules.

The Group's activities are subject to laws regarding the prevention of money laundering, the prevention of tax evasion, the financing of terrorism and bribery, although the primary responsibility for compliance with these regimes generally lies with the auctioneers using its Marketplaces or Platform. For example, the 5th Anti-Money Laundering Directive (Directive (EU) 2018/843) (“**5AML**”) came into effect in July 2018 and required EU member states to transpose amendments into national legislation by 10 January 2020. Under 5AML, auctioneers are required to conduct appropriate due diligence on any bidders spending more than €10,000 (or its foreign currency equivalent) in any single transaction or series of linked transactions.

Auctioneers are responsible for compliance with 5AML in relation to the auctions they host on the Group's Marketplaces or Platform. Whilst the Group is not responsible for this compliance, it has developed features to assist auctioneers with 5AML compliance. However, there is a risk that auctioneers may misrepresent their process in relation to their compliance with 5AML or with anti-money laundering laws or regulations more broadly (including laws and regulations relating to anti-corruption, anti-bribery, anti-tax evasion and anti-terrorism financing), in which event the Group could suffer reputational harm. Additionally, the auction industry has in the past been the subject of allegations of money laundering and the Group's reputation may be damaged if auctioneers on its Platform or Marketplaces (or even those not on its Platform

or Marketplaces) are found to be non-compliant with relevant anti-money laundering laws. If the Group's reputation is damaged, this could have a material adverse effect on its business, operating results and financial condition, as described in the risk factor entitled "*The Group relies on its brand and reputation, which could be impaired.*"

Monitoring the Group's own compliance with anti-corruption, anti-tax evasion and anti-bribery rules imposes a financial burden on the Group and requires significant technical capabilities. The Group's compliance policies and procedures may not prevent all instances of money laundering or bribery, or other prohibited transactions or behaviours, including those arising from actions by its employees, for which the Group might be held responsible. Any such events may have severe consequences, including sanctions, fines, penalties and reputational consequences, which could have a material adverse effect on its business, operating results and financial condition.

D.5 The Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group may be subject to general litigation, regulatory disputes and government inquiries.

The Existing Group and the LiveAuctioneers Group have in the past faced and they, or (subject to Completion) the Combined Group, may in the future face the risk of claims, lawsuits, government investigations and other proceedings involving competition and antitrust, intellectual property, privacy, consumer protection, accessibility claims, securities, tax, labour and employment, commercial disputes, services and other matters. The number and significance of these disputes and inquiries have increased as the political and regulatory landscape changes, as the Existing Group and the LiveAuctioneers Group have grown larger and expanded in scope and geographic reach, and as the Existing Group's and the LiveAuctioneers Group's business operations have increased in complexity. In addition, if the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group were to undertake a significant acquisition or the acquisition of a direct competitor, such acquisition could attract regulatory scrutiny from competition authorities and could as a result bear substantial additional costs or fail to gain regulatory approval or require the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group to comply with undertakings set by a regulator.

The Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group cannot predict the outcome of such disputes and inquiries, and such disputes or inquiries could have an adverse impact on the Group because of legal costs, diversion of management resources and other factors. Determining reserves for any litigation or investigation is a complex, fact-intensive process that is subject to judgement calls. For instance, in the case of antitrust claims, the European Commission is under a legal obligation to assess complaints, and unless a complaint is withdrawn, it must reject it by a formal decision where it takes the view that there are no grounds for action. Due to this process, complaints often remain open for several years. It is possible that a resolution of one or more such proceedings could require the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group to make substantial payments to satisfy judgments, fines or penalties or to settle claims or proceedings, any of which could harm the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's business.

Legal proceedings or inquiries could also result in reputational harm, criminal sanctions, consent decrees or orders preventing the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group from offering certain products or services, or requiring a change in the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's business practices in costly ways or requiring development of non-infringing or otherwise altered products or technologies. Litigation and other claims and regulatory proceedings against the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group could result in unexpected expenses and liabilities, which could have a material adverse effect on the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's business, financial condition, results of operations and prospects.

D.6 The Company is a holding company with no business operations of its own and depends on its subsidiaries for cash, including in order to pay dividends.

The Company is a group holding company with no independent operations and is dependent on earnings and distributions of funds from its operating subsidiaries for cash, including in order to pay dividends to Shareholders. The Company currently intends to retain any future earnings to finance the operation and expansion of its business, including additional acquisitions. The Company will review its dividend policy on an ongoing basis but does not expect to declare or pay any dividends for the foreseeable future.

Should the Company decide to declare dividends in the future, as a matter of English law, the Company can pay dividends only to the extent that it has sufficient distributable reserves and cash available for this purpose, which depends upon the Company receiving cash from its operating subsidiaries in a manner which creates distributable reserves. The Company's ability to pay dividends to Shareholders therefore depends on its future Group or (following Completion) Combined Group profitability, the ability to distribute or dividend profits from its operating subsidiaries up the Group structure to the Company, general economic conditions and other factors the Directors deem significant. The Group's distributable reserves can be affected by reductions in profitability as well as by impairment of assets. Similar rules apply in the US and Germany, where certain of the Company's subsidiaries are located. Dividends paid between members of the Group or (following Completion) the Combined Group (including the Company) may be subject to irrecoverable withholding or other taxes, reducing the amounts ultimately available for distribution by the Company.

In addition, the Company may not pay dividends if the Directors believe this would cause the Company to be inadequately capitalised or if, for any other reason, the Directors conclude it would not be in the best interests of the Company.

D.7 The application, interpretation or amendment of tax laws, rules or regulations in relation to the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group are subject to uncertainties and the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group may become the subject of a dispute with a taxation authority.

The tax laws of various jurisdictions to which the Existing Group and/or the LiveAuctioneers Group are subject, and/or to which (subject to Completion) the Combined Group will be subject, are complex and capable of differences in application or interpretation. The application of tax laws in different jurisdictions can be subject to diverging and sometimes conflicting interpretations by taxpayers, tax advisers and taxation authorities, and judgement and estimation are often required in determining tax liabilities. Taxation authorities may challenge the application or interpretation of tax laws, rules and regulations by, or the tax (including transfer pricing) methodologies of, the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group or may seek to determine that the manner in which the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group operates does not achieve the expected or intended tax consequences. Historical tax liabilities of the LiveAuctioneers Group should generally remain with the LiveAuctioneers Group following the Acquisition (and as such will be "inherited" by the Combined Group). Historical tax assets and attributes of a company or group (such as carried forward tax losses) may be subject to restriction or limitation in certain circumstances, including following a change of ownership. Accordingly, the tax assets or attributes of the LiveAuctioneers Group may be subject to restriction or limitation following the Acquisition and therefore may be wholly or partly unavailable.

Taxation authorities have become more assertive in their interpretation and enforcement of tax laws, rules and regulations over time, as tax authorities and governments are increasingly focused on ways to increase tax revenues. This has contributed to an increase in audit activity and more stringent interpretations by taxation authorities. The Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group could be subject to audit, enquiry or investigation by, or involved in a dispute with, a taxation authority.

Taxation authorities may seek to assess additional taxes on the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group and/or impose interest and penalties. Any successful challenge by a taxation authority could increase the worldwide effective tax rates of the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group. Any additional taxes or other assessments may be in excess of the current tax reserves and/or provisions of the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group and the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group may be required to modify its business practices to reduce its exposure to additional taxes going forward. Any of the risks identified above could adversely affect the business, financial condition, results of operations and prospects of the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group.

Additionally, the levels of, and reliefs from, taxation to which the Existing Group and/or the LiveAuctioneers Group are subject, or (subject to Completion) the Combined Group will be subject, or from which it benefits (or, subject to Completion, will benefit), are subject to changes that may adversely affect the business and profitability of the Group. Any change in the Existing Group's, the LiveAuctioneers Group's and/or (subject to Completion) the Combined Group's tax status or in tax laws, rules or regulations (including a change in interpretation by the relevant taxation authorities) in any jurisdictions where the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group operates, is tax resident or has a taxable presence such as a branch or permanent establishment (or in any other jurisdiction, such as where customers, auctioneers or bidders are located) could affect the business, financial condition, results of operations and prospects of the Existing Group, the LiveAuctioneers Group and/or (subject to Completion) the Combined Group. The Directors cannot predict the timing or impact of any such future changes to tax laws, rules or regulations.

E. RISKS RELATING TO THE OFFER AND THE SHARES

E.1 The Shares may be subject to market price volatility and the market price of the Shares may decline disproportionately in response to developments that are unrelated to the Company's operating performance.

The Placing Price is not indicative of the market price of the Shares following Admission. The market price of the Shares may be volatile and subject to wide fluctuations. The market price of the Shares may fluctuate as a result of a variety of factors, including, but not limited to, those referred to in these risk factors, as well as period to period variations in operating results or changes in revenue or profit estimates by the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group, industry participants or financial analysts. The market price could also be adversely affected by developments unrelated to the Group's operating performance, such as the operating and share price performance of other companies that investors may consider comparable to the Group, speculation about the Existing Group, the LiveAuctioneers Group and/or (following Completion) the Combined Group in the press or the investment community, unfavourable press, strategic actions by competitors (including acquisitions and restructurings), changes in market conditions, regulatory changes, broader market volatility and movements and the take up (or lack thereof) of Shares under the Capital Raising. Any or all of these factors could result in material fluctuations in the price of Shares, which could lead to investors getting back less than they invested or a total loss of their investment.

E.2 TA Associates will retain significant interests in, and will continue to exert substantial influence over, the Group following the Capital Raising and the Acquisition and its interests may differ from or conflict with those of other Shareholders.

Immediately following Capital Raising Shares Admission, TA Associates will continue to beneficially own approximately 25.9 per cent. of the Enlarged Share Capital (assuming that no Shares are sold by TA Associates). As a result, whilst the Company and TA Associates will continue to be parties to the Relationship Agreement, TA Associates will continue to possess sufficient voting power to have a significant influence over all matters requiring Shareholder approval, including the election of Directors, approval of significant corporate transactions and delay, deferral or prevention of a change of control. The interests of TA Associates may not always be aligned with those of other Shareholders. In exercising its voting rights, TA Associates may be motivated by interests that differ from those of the other Shareholders and the interests of TA Associates and its affiliates could conflict with or differ from the Company's interests. TA Associates shall also continue to be entitled to appoint a Director to the Board of the Company and to remove or replace that Director pursuant to the terms of the Relationship Agreement.

So long as TA Associates continues to own, whether directly or indirectly, a significant amount of the Group's equity, TA Associates will continue to be able to substantially influence or effectively control the Group's ability to enter into any corporate transactions.

In addition, TA Associates may invest in companies and from time to time acquire and hold interests in businesses that compete, directly, or indirectly, with the Group. TA Associates may also pursue acquisition opportunities that may be complementary to the Group's business and, as a result, those acquisition opportunities may not be available to the Group.

E.3 Further issuances of Shares may result in immediate dilution and depress the price of the Shares.

In the future, the Company may issue additional Shares or other equity or debt securities convertible into Shares in connection with a financing, acquisition, litigation settlement or employee arrangement or otherwise. Any additional capital raised through the sale of equity could dilute existing Shareholders' ownership interest, cause the value of existing Shareholders' investments to decline and cause the trading price of the Shares to decline. Additional capital raised through the issuance of equity or debt may result in creditors or other investors having rights, preferences and privileges that are senior to those of existing Shareholders. As a result of the Capital Raising in connection with the Acquisition, existing Shareholders will suffer an immediate dilution in their ownership interest, and as a result of the issue of the Consideration Shares and the Management RSU Shares, Shareholders will suffer a further dilution in their ownership interest, as detailed in the risk factor entitled "*Existing Shareholders will have a reduced ownership and voting interest in the Combined Group than they currently do in the Existing Group*".

E.4 The market price of the Shares could be negatively affected by sales of substantial amounts of such Shares in the public markets, including following the expiry of the IPO Lock-Up Period or the Acquisition Lock-Up Period, or the perception that these sales could occur.

The Company, TA Associates, ECI Partners, the Directors and the Senior Managers are subject and, following Completion Consideration Shares and Management RSU Shares Admission, the Management Sellers will be subject, to restrictions on the issue, sale and/or transfer, as applicable, of their respective holdings in the Company's issued share capital.

The issue or sale of a substantial number of Shares by the Company, TA Associates, ECI Partners, the Directors or the Senior Managers in the public market after the lock-up restrictions in the IPO Underwriting and Sponsor Agreement, the IPO Senior Manager Lock-Up Agreements and the IPO Deeds of Election expire (24 August 2021 in relation to TA Associates and ECI Partners, 25 February 2022 in relation to the Directors, the Senior Managers and the Other IPO Selling Shareholders) or are waived by the Company or the Joint Global Co-Ordinators (in the case of the Other IPO Selling Shareholders) or by the Joint Global Co-Ordinators (in all other cases), or the perception that these sales may occur, may depress the market price of the Shares and could impair the Company's ability to raise capital through the sale of additional equity securities.

Similarly the sale of a substantial number of Shares by the Rollover Management Sellers in the public market after the lock-up restrictions imposed on them in conjunction with the Acquisition expire (twelve months after the date of Completion) or are waived by the Company, or the issue or sale of any further Shares in connection with financing the Shares, or the perception that any such sales may occur, may depress the market price of the Shares and could impair the Company's ability to raise capital through the sale of additional equity securities.

In addition, certain of the Shares could be granted as security by TA Associates in connection with margin loan facilities, the enforcement of which would reduce TA Associates' shareholdings, may have a significant impact on the Company's shareholding structure and corporate governance, may depress the market price of the Shares and could impair the Group's ability to raise capital through the issue of further Shares.

Other than in connection with the Capital Raising, the Acquisition or pursuant to employee Share Plans, the Company has no current plans for an offer of Shares. It is, however, possible that the Company may decide to offer additional Shares in the future. Any future sales or issuances of Shares, or the perception that such sales or issuances could occur, could dilute the holdings of Shareholders or adversely affect the prevailing market price of Shares. The Company may also issue additional Shares or other securities that are convertible into or exercisable for Shares in future public offerings or private placements for capital raising purposes or for other business purposes, potentially at an offering price, conversion price or exercise price that is below the Offer Price.

E.5 Shareholders in the United States and other jurisdictions outside the United Kingdom may not be able to exercise their pre-emption rights.

The Articles provide for pre-emptive rights to be granted to Shareholders on future equity offerings, unless such rights are disapplied by a Shareholder resolution. However, securities laws of certain jurisdictions outside the United Kingdom may

restrict the Group's ability to allow participation by Shareholders located in such jurisdictions in the Capital Raising and future equity offerings unless the Company decides to comply with applicable local laws and regulations and, in the case of Shareholders in the United States, a registration statement under the US Securities Act is effective with respect to such rights and Shares or an exemption from the registration requirements of the US Securities Act is available. The Company does not intend to file any such registration statement, and the Company cannot assure prospective US investors that any exemption from the registration requirements of the US Securities Act or applicable non-US securities laws is (in relation to the Capital Raising) or would be (in relation to future issues of Shares) available to enable US or other non-UK holders to exercise such pre-emptive rights or, if available, that the Company will utilise any such exemption. The holdings of Shareholders located outside the United Kingdom who are not able to participate in any future equity offerings could be further diluted by any such offerings.

E.6 Changes in taxation laws or regulation or the interpretation of tax laws or regulation could affect the returns received and retained by Shareholders.

Any change in taxation laws or regulations or the interpretation of taxation laws or regulations could affect the returns received and retained by Shareholders. Such changes may include (but are not limited to) the taxation of investment income, dividends received or (in the specific context of withholding tax) dividends paid. Statements in this announcement concerning the taxation of investors in the Shares are based on current tax law and practice in the UK and the United States, which are subject to change. The taxation of an investment in the Group depends on the individual circumstances of the relevant investor. Any Shareholder who is in doubt as to its tax position should consult an appropriate adviser.

E.7 Overseas Shareholders may be subject to exchange rate risk

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

E.8 Overseas Shareholders may have limited ability to bring actions or enforce judgments against the Company or its Directors

The ability of an overseas Shareholder to bring an action against the Company may be limited under law. The Company is a public limited company incorporated in England and Wales, and the rights of the Shareholders are governed by the laws of England and Wales and the Company's articles of association. These rights differ from the rights of shareholders in typical US corporations and some other non-UK corporations. It may not be possible for an overseas Shareholder to enforce any judgments in civil or commercial matters or any judgments in securities laws of countries other than the United Kingdom against some or all of the Directors or executive officers of the Company who are resident in the United Kingdom or countries other than those in which judgment is made.

Service of process upon the Directors and the officers of the Company, most of whom reside outside the United States, may be difficult to obtain within the United States. Furthermore, since a substantial portion of the directly owned assets of the Company and the Directors are located outside the United States, any judgment obtained in the United States against the Company or the Directors may not be enforceable outside of the United States, including without limitation judgments based upon the civil liability provisions of the US federal securities laws or the laws of any state or territory within the US. In addition, an award or awards of punitive damages in actions brought in the US or elsewhere may be unenforceable in the UK. Investors may also have difficulties enforcing, in original actions brought in courts in jurisdictions outside the US, liabilities under US securities laws.

APPENDIX III - Definitions

"**2019 LiveAuctioneers Acquisition**" means the acquisition of LiveAuctioneers, Inc. by Platinum Purchaser Inc., on 21 May 2019.

"**A&A**" means Arts and Antiques.

"**Acquisition**" means the acquisition by the Platinum Parent, Inc. Purchaser, a member of the Group, of all of the outstanding equity securities of Platinum Parent, Inc. pursuant to the Acquisition Agreement.

"**Acquisition Agreement**" means the acquisition agreement dated 17 June 2021 and made between the Company, the Platinum Parent, Inc. Purchaser, Platinum Parent, Inc., a Delaware corporation, Cove Hill Partners, certain other stockholders of Platinum Parent, Inc. (together with Cove Hill Partners, the "Sellers"), and CHP Representative, LLC solely in its capacity of Sellers' representative.

"**Acquisition Lock-Up Period**" means the 12-month period starting on the date of Completion.

"**Adjusted EBITDA**" means profit/(loss) before taxation, finance costs (including non-operating gains and losses in respect of financial instruments), depreciation and amortisation, share-based compensation and exceptional costs. Adjusted EBITDA at segment level is consistently defined with the above but excludes central administration costs including directors' salaries.

"**CAGR**" means compounded annual growth rate.

"**Capital Raising**" means the placing of the Capital Raising Shares.

"**Capital Raising Shares**" means the 19,999,990 new Shares to be issued in connection with the Capital Raising.

"**Capital Raising Shares Admission**" means the admission of the Capital Raising Shares to the premium listing segment of the official list of the FCA and to trading on the London Stock Exchange's main market for listed securities.

"**Circular and Prospectus**" means the circular and prospectus to be published by the Company in due course in connection with the Acquisition.

"**Combined Group**" means the Group following Completion.

"**Completion**" means completion of the Acquisition.

"**Consideration Shares**" means the consideration Shares to be issued to the Rollover Management Sellers in connection with the Rollover Options.

"**Consideration Shares and Management RSU Shares Admission**" means the admission of the Consideration Shares and Management RSU Shares to the premium listing segment of the official list of the FCA and to trading on the London Stock Exchange's main market for listed securities.

"**Cove Hill Partners**" means Cove Hill Partners, L.P. and certain affiliated funds.

"**Enlarged Share Capital**" means the issued share capital of the Company, as enlarged by the Capital Raising Shares.

"**Existing Group**" means the Group prior to Completion.

"**FCA**" means the Financial Conduct Authority of the United Kingdom.

"**Group**" means the Company and its subsidiaries from time to time.

"**I&C**" means Industrial and Commercial.

"**IFRS**" means International Financial Reporting Standards as adopted for use in the European Union.

"**IPO**" means the admission of the existing Shares to the premium listing segment of the official list of the FCA and to trading on the London Stock Exchange's main market for listed securities on 26 February 2021.

"**IPO Prospectus**" means the prospectus dated 17 February 2021 published by the Company in connection with the IPO.

"**LiveAuctioneers Group**" means Platinum Parent, Inc. and its subsidiaries.

"**Management RSU Shares**" means the Shares to be issued in connection with the Management RSUs.

"**Management RSUs**" means the restricted stock units over new Shares to be granted to participants of the Rollover.

"**Management Sellers**" means certain management stockholders in LiveAuctioneers who have agreed to sell their entire ownership interests in LiveAuctioneers to the Platinum Parent, Inc. Purchaser, a member of the Group, pursuant to the Acquisition Agreement.

"**New Shares**" means the Capital Raising Shares, the Consideration Shares and the Management RSU Shares.

"**North America**" means US and Canada.

"**Platinum Parent, Inc. Purchaser**" means ATG Media US, Inc.

"**Regulatory Conditions**" means approval of the Acquisition by the relevant antitrust authorities in the US and UK (including the expiration or termination of any applicable waiting periods under US antitrust laws).

"**Relationship Agreement**" means the relationship agreement made between the Company and TA Associates on 17 February 2021 in connection with the IPO.

"**Reverse Termination Fee**" means the reverse termination fee which may be payable by the Platinum Parent, Inc. Purchaser in connection with the Acquisition.

"**Rollover**" means the exchange by the Rollover Management Sellers of a specified percentage of their outstanding options over equity securities in Platinum Parent, Inc..

"**Rollover Management Sellers**" means those Management Sellers who will receive Rollover Options, including Phil Michaelson, Rob Cummings, Gilad Andorn, Erwin Hungerbuhler, Wyatt Barrett, Suzie Ryu and Jessica Mizrachi and any other Management Seller who elects to become a Rollover Management Seller prior to Completion.

"**Rollover Options**" means options over Shares to be issued to the Rollover Management Sellers in connection with the Rollover.

"**Sellers**" means the existing stockholders of Platinum Parent, Inc. who have agreed to sell their entire ownership interests in Platinum Parent, Inc. to the Platinum Parent, Inc. Purchaser, a member of the Group, pursuant to the Acquisition Agreement.

"**Shareholders**" means holders of Shares.

"**Shares**" means ordinary shares of 0.01 pence each in the share capital of the Company.

"**TAM**" means total addressable market.

"**US**" means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.