

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in your jurisdiction.

If you have sold or transferred all of your Existing Ordinary Shares in Journeo plc (the “**Company**”), please send this document, as soon as possible, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, these documents should not be forwarded or transmitted into any jurisdiction where such act would constitute a violation of the relevant laws of such jurisdiction. If you have sold or transferred only part of your holding of Existing Ordinary Shares, you should retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

The Directors, whose names and functions appear on page 7 of this Circular, accept responsibility (both individually and collectively) for the information contained in this Circular. To the best of the knowledge and belief of the Directors (each of which has taken reasonable care to ensure that such is the case), the information contained in this Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

Journeo plc

(Incorporated in England and Wales under the Companies Act 2006 with registered number 02974642)

Proposed acquisition of IGL Limited

Proposed Placing and Subscription of 6,666,666 new Ordinary Shares to raise £7 million

Proposed Retail Offer of up to 333,333 new Ordinary Shares to raise up to £0.35 million

Repayment of Loan Notes and

Notice of General Meeting

***Nominated Adviser and Sole Broker* Cenkos Securities plc**

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company set out in Part I of this Circular explaining the background to, and reasons for, the Fundraising and the Acquisition and the recommendation by the Directors to the Shareholders to vote in favour of the Resolutions to be proposed at the General Meeting, referred to below.

The Existing Ordinary Shares are admitted to trading on AIM. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the FCA. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Subject to certain conditions being satisfied, application will be made for the New Ordinary Shares to be admitted to trading on AIM, a market operated by the London Stock Exchange. It is expected that First Admission will become effective and that dealings will commence in the Placing Shares, the Subscription Shares and the Retail Offer Shares on 16 January 2023 and that Second Admission will become effective and that dealings will commence in the Consideration Shares on 18 January 2023. The New Ordinary Shares will be issued free of expenses and will, on issue, rank *pari passu* in all respects with the Existing Ordinary Shares in issue, including the right to receive all dividends and distributions declared, made or paid after the date of issue.

Notice of a General Meeting of the Company, to be held at the offices of Cenkos Securities plc (“Cenkos”), 6.7.8. Tokenhouse Yard, London EC2R 7AS, at 11.00 a.m. on 13 January 2023, is set out at the end of this document. To be valid, please submit your vote electronically using the link www.signalshares.com by no later than 11.00 a.m. on 11 January 2023 (or, in the case of an adjourned meeting, no later than 48 hours

before the time of such meeting, excluding any part of a day that is not a working day). Shareholders can use this service to vote or appoint a proxy online. You will need to log into your Signal shares account, or register if you have not previously done so, to register you will need your Investor Code, this is detailed on your share certificate or available from Link Group.

The distribution of this Circular in or into jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any other jurisdiction should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the laws of such jurisdiction. This document does not constitute an offer or invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities pursuant to this document or otherwise in any jurisdiction in which such offer or solicitation is unlawful. For the avoidance of doubt, such restricted jurisdictions include, but are not limited to, the United States, Australia, Canada, Japan, New Zealand and the Republic of South Africa. This document has been prepared to comply with English law and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside the United Kingdom. No person should construe the contents of this document as legal, tax or financial advice and recipients of this document should consult their own advisers as to the matters described in this document.

The New Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or with any securities regulatory authority of any state or other jurisdiction of the US and may not be offered or sold within the US or to, or for the account or benefit of, any US Person as that term is defined in Regulation S under the US Securities Act. The Company has not been registered and will not be registered under the United States Investment Company Act of 1940, as amended. The relevant clearances have not been, and will not be, obtained from the securities commission of any province or territory of Canada and no registration statement has been, or will be, filed with the Japanese Ministry of Finance in relation to the Placing. Accordingly, subject to certain exceptions, the New Ordinary Shares may not, directly or indirectly, be offered or sold in or into the US, Canada, Australia, the Republic of South Africa or Japan or to any resident of Canada, Australia, the Republic of South Africa or Japan. Any prospective purchaser of New Ordinary Shares is recommended to seek their own independent professional advice.

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

Cenkos, which is authorised and regulated in the United Kingdom by the FCA and is a member of the London Stock Exchange, is acting as nominated adviser and broker to the Company and for no one else in connection with the Fundraising and Admission and accordingly will not be responsible to any person other than the Company for providing the protections afforded to customers of Cenkos or for providing advice in relation to such matters. Cenkos’ responsibilities as the Company’s nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any director of the Company (existing or proposed) or to any other person. No representation or warranty, expressed or implied, is made or deemed to be made by Cenkos or any of its directors as to any of the contents of this document and Cenkos has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by Cenkos for the accuracy of any information or opinions contained in this document or for the omission of any information.

Forward looking statements

This document contains statements about the Company that may be deemed to be “forward-looking statements”. All statements, other than statements of historical facts, included in this document may be forward-looking statements. Without limitation, any statements preceded or followed by, or that include, the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “should”, “anticipates”, “estimates”, “projects”, or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements may include, without limitation, statements relating to future capital expenditures, expenses, revenues, earnings, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects, etc. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors which may cause the actual result, performance or achievements of any person, or industry, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. Investors should not place undue reliance on such forward-looking statements and, save as is required by law or regulation (including to meet the requirements of the AIM Rules, the City Code on Takeovers and Mergers, the Prospectus Regulation Rules and/or FSMA), the Company does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to the Company or any persons acting on its behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements contained in this document are based on information available to the Directors at the date of this document, unless some other time is specified in relation to them, and the posting or receipt of this document shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

Information to Distributors

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, each as they form part of the law of England

and Wales by virtue of EUWA (together, the “**Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the New Ordinary Shares have been subject to a product approval process, which has determined that the New Ordinary 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 New Ordinary Shares may decline and investors could lose all or part of their investment; the New Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the New Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Fundraising. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Cenkos 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 Company of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Ordinary Shares.

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

TABLE OF CONTENTS

EXPECTED TIMETABLE OF PRINCIPAL EVENTS	5
FUNDRAISING STATISTICS	6
DIRECTORS, COMPANY SECRETARY AND ADVISERS	7
DEFINITIONS	8
PART I – LETTER FROM THE CHAIRMAN OF JOURNEO PLC	12
NOTICE OF GENERAL MEETING	24

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of the Fundraising and Acquisition and posting of this Circular	22 December 2022
Announcement of the Retail Offer	22 December 2022
Announcement of the result of the Retail Offer	5 January 2023
Latest time and date for receipt of electronic Forms of Proxy or CREST proxy appointment for the General Meeting	11.00 a.m. on 11 January 2023
General Meeting	11.00 a.m. on 13 January 2023
Results of General Meeting announced	13 January 2023
First Admission effective and dealings in the Placing Shares, Subscription Shares and Retail Offer Shares expected to commence on AIM	8.00 a.m. on 16 January 2023
CREST accounts credited in respect of the Placing Shares, Subscription Shares and Retail Offer Shares to be held in uncertificated form (subject to First Admission)	8.00 a.m. on 16 January 2023
Where applicable, expected date for dispatch of definitive share certificates for Placing Shares, Subscription Shares and Retail Offer Shares to be held in certificated form	within 10 Business Days following First Admission
Second Admission effective and dealings in the Consideration Shares expected to commence on AIM	8.00 a.m. on 18 January 2023
Completion of the Acquisition	18 January 2023
Expected date for dispatch of definitive share certificate for Consideration Shares to be held in certificated form	Within 10 Business Days following Second Admission

Each of the times and dates refer to London (UK) time and are subject to change by the Company (with the agreement of Cenkos), in which case details of the new times and dates will be notified to the London Stock Exchange and the Company will, if appropriate, make an announcement through a Regulatory Information Service. Certain of the events in the above timetable are conditional upon, inter alia, the approval of the Resolutions to be proposed at the General Meeting.

References to times in this document are to London (UK) time.

FUNDRAISING STATISTICS

Number of Existing Ordinary Shares in issue as at the date of this document	8,741,250
Number of Placing Shares	6,142,860
Gross proceeds of the Placing	£6.45 million
Maximum number of Retail Offer Shares	333,333
Gross proceeds of the Retail Offer ¹	£0.35 million
Number of Subscription Shares	523,806
Gross proceeds of the Fundraising ¹	£7.35 million
Number of Consideration Shares	476,190
Total number of New Ordinary Shares	7,476,189
Placing Price	105 pence
Enlarged Share Capital on First Admission if no take up under the Retail Offer ²	15,407,916
Enlarged Share Capital on First Admission if full take up under the Retail Offer ¹	15,741,249
Placing Shares as a percentage of the Enlarged Share Capital on First Admission ¹	39.02 per cent.
Retail Offer Shares as a percentage of the Enlarged Share Capital on First Admission ¹	2.12 per cent.
Subscription Shares as a percentage of the Enlarged Share Capital on First Admission ¹	3.33 per cent.
Enlarged Share Capital on Second Admission if full take up under the Retail Offer ¹	16,217,439
Consideration Shares as a percentage of the Enlarged Share Capital on Second Admission ¹	2.94 per cent.
Total gross proceeds of the Fundraising ¹	£7.35 million
Net proceeds of the Fundraising after expenses ¹	£6.77 million
ISIN of the Ordinary Shares	GB00BKP51V79
SEDOL of the Ordinary Shares	BKP51V7

¹ assumes full take up of the Retail Offer

² assumes that no outstanding Share Options are exercised between the date of this Circular and First Admission

DIRECTORS, COMPANY SECRETARY AND ADVISERS

Directors	Mark Elliott (<i>Non-executive Chairman</i>) Russ Singleton (<i>Chief Executive Officer</i>) Nick Lowe (<i>Chief Financial Officer</i>) James Cumming (<i>Non-executive Director</i>)
Registered Office	Journeo plc 12 Charter Point Way Ashby-de-la-Zouch LE65 1NF United Kingdom
Nominated Adviser and Broker	Cenkos Securities Plc 6.7.8 Tokenhouse Yard London EC2R 7AS
Solicitors to the Company	Knights Two St Peter's Square Manchester M2 3AA
Solicitors to the Nominated Adviser and Broker	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU
Registrar	Link Group 10th Floor Central Square 29 Wellington Street Leeds LS1 4DL

DEFINITIONS

The following definitions apply throughout this document (including the Notice of General Meeting) and the electronic Form of Proxy unless the context requires otherwise:

“2006 Act”	the Companies Act 2006, as amended from time to time;
“Acquisition”	the conditional acquisition by Journeo plc of IGL Limited pursuant to the Acquisition Agreement;
“Acquisition Agreement”	means the conditional agreement dated 21 December 2022 made between the Company and the Seller for the acquisition by the Company of the entire issued share capital of IGL Limited;
“Admission”	means First Admission and Second Admission;
“AIM”	the AIM market of the London Stock Exchange;
“AIM Rules”	the AIM Rules for Companies or, as applicable, the AIM Rules for Nominated Advisers, published by the London Stock Exchange, as amended from time to time;
“Australia”	the Commonwealth of Australia, its states, territories and possessions;
“Bookbuild”	B2B retail capital raising platform for investment banks and intermediaries;
“BSIP”	the bus service improvement plan, comprising recommendations to help English local transport authorities (LTAs) and local bus operators work together to develop an ambitious bus service improvement plan, as set out in the National Bus Strategy;
“Business Day”	any day on which banks are generally open in England and Wales for the transaction of business, other than a Saturday, Sunday or public holiday;
“Canada”	Canada, its provinces, territories and all areas subject to its jurisdiction and any political sub-division thereof;
“Carbon Net Zero”	an environmental initiative seeking to ensure that the UK's greenhouse gas emissions would be equal to or less than the emissions the UK removed from the environment. This can be achieved by a combination of emission reduction and emission removal;
“Cenkos”	Cenkos Securities plc, nominated adviser and broker to the Company, whose registered office is at 6.7.8 Tokenhouse Yard, London, EC2R 7AS;
“certificated form” or “in certificated form”	an ordinary share recorded on a company's share register as being held in certificated form (namely, not in CREST);
“Circular” or “this document”	this document, posted to Shareholders on 22 December 2022;
“Company” or “Journeo”	Journeo plc, a company registered in England and Wales with registered number 02974642;
“Consideration Shares”	476,190 new Ordinary Shares to be issued and allotted to the Seller pursuant to the Acquisition Agreement;

“CREST”	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and holding shares in uncertificated form, in respect of which Euroclear UK & International is the operator (as defined in the CREST Regulations);
“CREST Manual”	the rules governing the operation of CREST as published by Euroclear;
“CREST member”	a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations);
“CRSTS”	City Region Sustainable Transport Settlements – letters from the Secretary of State for Transport to metro mayors confirming the allocated funding they will receive from the City Region Sustainable Transport Settlement (CRSTS) programme;
“Directors” or “Board”	the directors of the Company as at the date of this document;
“Disclosure, Guidance and Transparency Rules”	the disclosure, guidance and transparency rules made by the FCA under Part V of the FSMA from time to time;
“Enlarged Group”	the Group and Infotec, following completion of the Acquisition;
“Enlarged Share Capital”	the expected issued ordinary share capital of the Company immediately following completion of the Fundraising, the Acquisition and Second Admission, being the Existing Ordinary Shares, the Placing Shares, the Retail Offer Shares, the Subscription Shares and the Consideration Shares;
“EU”	the Member States of the European Union;
“Euroclear”	Euroclear UK and International Limited, the operator of CREST;
“EUWA”	European Union (Withdrawal) Act 2018 (as amended);
“Existing Ordinary Shares”	the 8,741,250 Ordinary Shares in issue in the capital of the Company as at the date of this document, all of which are admitted to trading on AIM;
“FCA”	the UK Financial Conduct Authority;
“First Admission”	admission of the Placing Shares, the Subscription Shares and the Retail Offer Shares to trading on AIM;
“Form of Proxy”	the electronic form of proxy for use in connection with the General Meeting;
“FSMA”	Financial Services and Markets Act 2000, as amended;
“Fundraising”	together, the Placing, Subscription and Retail Offer;
“FY2019”	the financial year ended 31 December 2019 of the Company;
“FY2020”	the financial year ended 31 December 2020 of the Company;
“FY2021”	the financial year ended 31 December 2021 of the Company;
“FY2022”	the financial year ended 31 December 2022 of the Company;
“General Meeting”	the general meeting of the Company to be held at 11.00 a.m. on 13 January 2023 at the offices of Cenkos, 6.7.8 Tokenhouse Yard,

	London, EC2R 7AS (or any adjournment of it), notice of which is set out in the Notice of General Meeting at the end of this document;
“Group”	the Company and its wholly owned subsidiaries;
“IGL” or “Infotec”	IGL Limited (being a company registered in England and Wales with registered number 11369886) together with its subsidiaries, Infotec Holdings Limited and Infotec Limited;
“Japan”	Japan, its cities and prefectures, territories and possessions;
“Link Group”	a trading name of Link Market Services Limited, whose registered office is at Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL;
“Loan Notes”	in aggregate, £0.55 million loan notes of the Company in issue carrying a 10 per cent. coupon comprising: £0.3 million of loan notes issued on 8 December 2016 and £0.25 million of loan notes issued on 24 December 2018;
“Loan Note Holders”	the holders of the Loan Notes;
“London Stock Exchange”	London Stock Exchange Group plc;
“National Bus Strategy”	The National Bus Strategy for England describes the Government’s vision for bus services in England outside of London;
“New Ordinary Shares”	together, the Placing Shares, Retail Offer Shares, Subscription Shares and Consideration Shares;
“Notice of General Meeting”	the notice convening the General Meeting which is set out at the end of this document;
“Ordinary Shares”	ordinary shares of 6.5 pence each in the capital of the Company;
“Overseas Shareholders”	Shareholders resident in, or citizens of, jurisdictions outside the United Kingdom;
“PDMR”	a person discharging managerial responsibilities as defined in Article 3(25) of UK MAR;
“Placees”	the placees subscribing for Placing Shares pursuant to the Placing;
“Placing”	the conditional placing of the Placing Shares at the Placing Price by Cenkos as described in this document;
“Placing Agreement”	the conditional placing agreement dated 21 December 2022 between Cenkos and the Company, details of which are set out in paragraph 4 of Part I of this document;
“Placing Price”	105 pence per New Ordinary Share;
“Placing Shares”	the 6,142,860 new Ordinary Shares that are the subject of the Placing;
“Prospectus Regulation Rules”	the prospectus regulation rules of the Financial Conduct Authority made under Part VI of FSMA;
“Registrar”	Link Group 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL;

“Regulatory Information Service”	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA’s website;
“Republic of South Africa”	the Republic of South Africa, its territories and possessions;
“Resolutions”	the resolutions to be proposed at the General Meeting, details of which are set out in the Notice of General Meeting, and each being a “Resolution”;
“Retail Offer”	proposed conditional retail offer to existing shareholders via the Bookbuild platform to raise up to £0.35 million (before expenses) at the Placing Price;
“Retail Offer Shares”	the Ordinary Shares to be issued and allotted pursuant to the Retail Offer;
“SaaS”	software as a service, a software licensing and delivery model in which software is licensed on a subscription basis and is centrally hosted;
“Second Admission”	admission of the Consideration Shares to trading on AIM;
“Seller”	Timothy Court;
“Shareholders”	the holders of Ordinary Shares from time to time;
“Share Options”	share options granted under the Company’s 2013 and 2020 EMI Share Option Plan, to subscribe for new Ordinary Shares;
“Subscription”	the subscription by the Loan Note Holders for the Subscription Shares at the Placing Price;
“Subscription Shares”	the 523,806 new Ordinary Shares to be issued and allotted to the Loan Note Holders;
“uncertificated” or “in uncertificated form”	an ordinary share recorded on a company’s share register as being held in uncertificated form in CREST and title to which, by virtue of the Uncertificated Securities Regulations 2001, may be transferred by means of CREST;
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland;
“United States” or “US”	the United States of America, each State thereof, its territories and possessions (including the District of Columbia) and all other areas subject to its jurisdiction;
“USE”	Unmatched Stock Event;
“USE Instructions”	an Unmatched Stock Event instruction in CREST;
“ZEBRA”	Zero Emission Bus Regional Areas, a UK Government backed initiative to help local transport authorities, outside London, to introduce zero-emission buses and the infrastructure needed to support them;
“£”, “pounds sterling”, “sterling” “pence” or “p”	the lawful currency of the United Kingdom; and
“US dollar” or “US\$”	the lawful currency of the United States.

PART I

LETTER FROM THE CHAIRMAN OF JOURNEO PLC

(Registered in England and Wales with company number 02974642)

Directors:

Mark Elliott (*Non-executive Chairman*)
Russ Singleton (*Chief Executive Officer*)
Nick Lowe (*Chief Financial Officer*)
James Cumming (*Non-executive Director*)

Registered Office:

Journeo plc
12 Charter Point Way
Ashby-de-la-Zouch
LE65 1NF
United Kingdom

22 December 2022

To Shareholders and, for information purposes only, holders of Share Options

Proposed acquisition of IGL Limited

Proposed Placing and Subscription of 6,666,666 New Ordinary Shares at 105 pence per New Ordinary Share to raise £7 million

Retail Offer of up to 333,333 Retail Offer Shares at 105 pence to raise up to £0.35 million

Repayment of Loan Notes

and

Notice of General Meeting

Dear Shareholders,

1. Introduction

The Company today announced that it had entered into a conditional agreement to acquire the entire issued share capital of IGL Limited, for an aggregate consideration of approximately £8.7 million (the “**Acquisition**”).

The Company also announced that it has conditionally raised gross proceeds of £7 million (before expenses) through the Placing of 6,142,860 Placing Shares to new and existing institutional and other investors at the Placing Price of 105 pence.

In addition to the Placing, it is proposed that there will be a separate conditional retail offer to existing Shareholders via the Bookbuild platform to raise up to £0.35 million (before expenses) at the Placing Price (the “**Retail Offer**”), to provide existing retail Shareholders in the Company an opportunity to participate in the Fundraising. A separate announcement was made by the Company regarding the Retail Offer and its terms. Those investors who subscribe for new Ordinary Shares pursuant to the Retail Offer (the “**Retail Offer Shares**”), will do so pursuant to the terms and conditions of the Retail Offer contained in that announcement.

The Company proposes to use part of the proceeds of the Fundraising to redeem and repay the Loan Notes. All Loan Note Holders, including certain of the Directors (as detailed in paragraph 6 below), intend to use some or all of the proceeds of the redemption to subscribe for 523,806 new Ordinary Shares in aggregate at the Placing Price (the “**Subscription Shares**”).

The Placing Price of 105 pence per New Ordinary Share represents a discount of 6.25 per cent. to the 1-month volume weighted average price of 112 pence per Ordinary Share on 21 December 2022 (being the last practicable date prior to the date of the announcement of the Fundraising).

The Fundraising is conditional on, *inter alia*, the passing of the Resolutions by Shareholders at the General Meeting, notice of which is set out at the end of this document, and completion of the Acquisition (“**Completion**”).

The net proceeds of the Fundraising will be used to:

- primarily fund the Acquisition;
- redeem and repay the Loan Notes;
- support development of the Enlarged Group; and
- strengthen the Company's balance sheet.

Pursuant to the Acquisition Agreement, the Seller will receive initial cash consideration of approximately £6.2 million and £0.5 million payable in 476,190 new Ordinary Shares at the Placing Price (the "**Consideration Shares**") on Completion, plus deferred cash consideration of £2.0 million, payable in two tranches prior to the date that is 24-months following Completion.

Further details on the Acquisition and rationale for the Fundraising are set out in paragraph 2 of this Part I and further details of the Acquisition Agreement are set out in paragraph 5 of this Part I.

It is expected that First Admission of the Placing Shares, the Subscription Shares and the Retail Offer Shares to trading on AIM is expected to occur no later than 8.00 a.m. on 16 January 2023. It is expected that Second Admission of the Consideration Shares to trading on AIM is expected to occur no later than 8.00 a.m. on 18 January 2023.

The purpose of this letter is to outline the reasons for, and to explain the terms of, the Fundraising and the Acquisition, to explain why the Board considers the Fundraising and the Acquisition to be in the best interests of the Company and Shareholders as a whole and to seek your approval to the Resolutions at the forthcoming General Meeting, to be held at the offices of Cenkos, 6.7.8 Tokenhouse Yard, London, EC2R 7AS on 13 January 2023 at 11.00 a.m.

2. Background to and reasons for the Fundraising and the Acquisition

Journeo business overview

Journeo provides information systems and technical services to the UK public transportation sector and supplies a range of products and services to its customers which include fleet managers, transport operators, airports, local councils and other transport authorities. Journeo's solutions assist public transport authorities to improve their services, help operators to improve efficiencies and ensure that public transport passengers can enjoy safe, secure and well-informed journeys. The Group has 110 dedicated team members.

Over the past three years, the Company has seen strong revenue growth from £11.4 million in FY2019 to £15.6 million in FY2021, equating to a compound annual growth rate of 16 per cent. This growth has been supported following the launch of the Company's SaaS platform in 2019. Connections from the SaaS platform are on track for a year-on-year increase of approximately 150 per cent. in FY2022 and are becoming an increasingly core component of the Group's operations and strategic focus.

As reported in the Company's interim results for the six months ended 30 June 2022, Journeo achieved a record order intake of £12.9 million during the period. This run-rate has continued throughout the year and the order intake now stands at approximately £26 million. During the period, Journeo invested over £0.5 million in research and development ("**R&D**") to support its next phase of growth. The Group is increasingly winning higher value contracts and, in April 2022, the Group announced that it had secured its largest ever framework contract with a major customer, First Bus, valued at £9 million. The Group has continued to invest in R&D and sales and marketing activities, whilst it continues to roll out its SaaS-based connections which have more than doubled to 10,000 vehicles. Other recent announcements include:

- £3.4 million from Transdev Airport Services to provide bussing and telematics services for Heathrow Airport;
- £1.3 million from Arriva for a fleetwide SaaS framework;
- £9.0 million from First Bus for a fleetwide SaaS framework;
- £2.3 million to improve transport infrastructure across Nottingham and Derby; and
- £1.2 million from Network Rail for ScotRail for software and associated services.

Since the date of Company's interim results, trading has been robust and the Directors believe that trading continues in line with market expectations.

Journeo's products and services

Journeo addresses the market through its two operating companies; a) Journeo Fleet Systems Limited ("**Fleet Systems**"), and b) Journeo Passenger Systems Limited ("**Passenger Systems**"). The Group's revenue is generated from a combination of hardware sales, provision of cloud-SaaS management applications, service and maintenance fees and content management services.

Fleet Systems provides, *inter-alia*, CCTV products, SaaS, passenger counting systems, telematics systems to monitor vehicle performance and efficiency, and safety systems for bus, coach and train operators. Fleet Systems' customers include First Group, Arriva, Stagecoach, National Express and Go-Ahead. The Directors believe that approximately 25 per cent. of the UK's buses will be connected to Journeo's cloud management platform by the end of 2022.

Passenger Systems provides, *inter-alia*, passenger display systems, software, real-time information for bus stations and shelters for local authorities & network infrastructure. Passenger Systems' customers include Transport for West Midlands, City of Edinburgh Council and D2N2. The Group manages, supports and maintains approximately 5,000 displays across the UK and the Company's data and/or systems support over 3 million departures per day.

Journeo deploys shared resources across its two operating divisions to support its business and customers. These include a 15-strong R&D team, software development and support, customer support, hardware design, expert project management and marketing, finance, IT and HR teams.

Journeo's growth strategy

The Group's growth strategy is to become, through technology-enabled organic growth and acquisition, a market leader in intelligent transport systems aspiring to generate annual revenues in excess of £70 million in the medium term with double digit operating margins.

Journeo seeks to achieve this through four key drivers:

1. **Organic growth** – through increasing the Group's share in a growing market and further adoption of the Group's 's technologies.
2. **Consolidating existing markets** – through delivery of multiple services through a consolidated user interface, reducing the number of systems that customers need to administer their operations. The Company is in discussions with potential acquisition targets.
3. **Increasing portion of recurring revenue and SaaS** – the Group has a growing pipeline of sales opportunities for its SaaS based services as more passenger transport executives ("PTEs") and local authorities are considering SaaS as an option.
4. **Entry into adjacent markets** – the Company sees opportunities to deploy the Group's products and technologies into adjacent markets outside of fleet and passenger systems, including hazardous goods and fuel distribution.

Market drivers in the transportation sector and competitive landscape

The Directors believe that the Group is well placed to capitalise on the current market drivers within the UK public transport sector. As a result of increased urbanisation, climate change and demographic changes, the UK transport sector is faced with increased congestion and passenger demand. Vehicle production is rising in Asia and there is a continuing globalisation of supply chains, alongside higher adoption of zero emission vehicles. The market trends present a need for greater operational efficiencies across public transport and more intelligent transport solutions.

The UK public transport sector is currently benefiting, or set to benefit, from substantial financial support from UK Government backed initiatives, with a view to making public transport the de-facto choice for passengers. Such initiatives include the William-Schapps Plan to improve rail services, BSIP (Bus Service Improvement Plans) (£1.2 billion), ZEBRA (Zero Emission Bus Regional Areas) (£220 million) and CRSTS (City Region Sustainable Transport Settlements) (£5.7 billion).

BSIP and CRSTS form part of the Government's "Bus Back Better" initiative whereby it intends to make the bus a more attractive transport option, with the aim to reduce reliance on the personal-use car and, in turn, assisting to meet their Carbon Net Zero targets.

CRSTS have been awarded to mayoral authorities to level-up public transport and emulate the success of promoting bus travel that has been seen by TfL (Transport for London) through a range of schemes including new bus transit corridors, transport interchanges, active travel improvements and new electric and hydrogen buses. These are all areas of interest to Journeo, where its technology can be deployed to improve passenger experience and improve monitoring and management of on-board technology for operators. The funding is awarded in tranches to each authority in tranches over five years, starting from 2022/2023 through to 2026/2027.

BSIP serve a similar purpose to CRSTS and have been awarded to local authorities, based upon the ambition and deliverability of their plans. Spread across 31 local authorities, the funding level varies dependent upon the schemes they have applied to deliver. The five year funding period also runs from 2022/2023 to 2026/2027. Funding from BSIPs has started to be received by authorities and conversations about BSIP-funded projects are well underway.

ZEBRA is a funding stream that has been designed to support operators outside of London as they move away from traditional diesel vehicles, to full-electric and hydrogen fuel cell vehicles. Awarded across 17 LTAs to date, the fund is supporting the purchase of over 1,250 zero emission buses.

The Group's products and services are well suited to benefit from these initiatives, some of which are driven by regulatory needs, and assist in delivering improved services within the transportation sector.

The Directors believe that the provision of technical services to the UK transportation sector has high barriers to entry. The requirement to service large fleets of vehicles combined with network complexity creates challenges for new entrants into the market, as does the critical cost of failure.

Within its Passenger Systems division, the Group has established a presence across approximately 44 per cent. of the UK-based authorities which have influence over the transport sector, including English Combined Authorities, English Local Authorities, Scottish Transport Authorities, Welsh Principal Authorities and Northern Ireland. Insofar as the Directors are aware, the main businesses providing competing services to the Group's passenger systems products and services include:

- Trapeze Group UK – a provider of technology to UK public transport;
- Vix Technology Ltd – a provider of automatic fare collection, transit information and transit analytics solutions;
- Trueform Ferrograph – a provider of public transport related products and services;
- R2P – a provider of intelligent technology systems within public transport; and
- JMW Systems – a supplier of passenger information systems, transport information data providers and fuel management systems.

Within its Fleet Systems division, the Group's customers are major bus, coach, freight and train operating companies including Network Rail. The Group has a significant market share with its SaaS-based Journeo Portal currently servicing approximately 800 trains out of an estimated 12,000, and 9,000 buses out of an estimated total of 35,000 within the UK. Insofar as the Directors are aware, the main businesses providing competing services to the Group's fleet systems products and services include:

- Synectics plc – a UK-based AIM quoted company focused on security and surveillance;
- SureTransport Ltd – a provider of monitoring systems;
- Petards Group plc – UK-based AIM quoted rail systems business;
- Flowbird Group – European provider of smart mobility, parking, EV Charging, and mobility management solutions; and
- Icomera – provider of integrated connectivity solutions for trains, trams, buses and coaches.

The Directors believe that the Group’s advanced technologies and software, wide range of capabilities and holistic service offering to the transportation industry provide the Company with a competitive advantage.

Overview of Infotec

As detailed above, Journeo has adopted a growth strategy to become a leader in intelligent transport systems through technology enabled organic and acquisitive growth. Through selected acquisitions, the Company seeks to deliver multiple services to customers through a consolidated user interface, reducing the number of systems that customers need to administer their operations. The Company is continually exploring the market for acquisition opportunities and has a pipeline of near and longer-term acquisition opportunities.

The Board has identified Infotec as an attractive business for the Group’s first major acquisition, which will substantially increase Journeo’s share of the rail market and enable a wider range of services to be provided to additional customers.

IGL Limited, together with its subsidiaries (“IGL” or “Infotec”) is a leading provider of innovative display solutions and is the UK’s leading rail passenger information equipment provider, with over 15,000 displays in operation. Infotec services approximately 80 per cent. of the UK’s rail network and is one of the few UK display companies that designs, manufactures, tests and distributes its own products, which include rail information displays for main, hub and small stations. Approximately 2.19 million passenger journeys rely on Infotec’s products every day and the Company’s products are installed in 1,476 stations and vehicles across the UK and worldwide. Infotec has several accreditations and is approved by Network Rail. In addition to Network Rail, Infotec provides services to the following customers:

- Outfront Media – a NYSE quoted outdoor media company;
- Siemens – an ETR quoted technology company focused on industry, infrastructure, transport, and healthcare;
- Transport for Wales – a not-for-profit company owned by the Welsh Government;
- Stella Controls Ltd – a specialist industrial electrical distributor; and
- Telent – technology company specialising in the design, build, operation, and maintenance of the UK’s critical digital infrastructure.

Infotec’s more recent projects include a £1.9 million contract to provide platform door departure displays on the newly opened Elizabeth Line, a £1.2 million contract to supply large LED array displays at London Waterloo and Victoria Stations, and a US\$18 million contract for displays for 535 new Kawasaki R211 subway trains in New York City. Infotec utilises open data and open architecture for flexible integration of its products and technologies with its customers. Infotec has 40 full time employees and has a lease on a 25,000 square foot factory premises in Ashby-de-la-Zouch, Leicestershire, near to the Group’s head office. Infotec has limited customer overlap with Journeo, providing cross selling opportunities following Completion.

Infotec is expecting to grow its revenues from £5.8 million for the year ended 30 September 2021 to approximately £12.0 million for the year ended 30 September 2022. This high revenue growth has been supported by Infotec’s major contract win with a value of US\$18 million with Outfront Media (“OFM”), to supply displays for 535 new Kawasaki R211 subway trains for New York City.

As at 30 September 2021, Infotec had total assets of approximately £12.1 million and generated approximately £0.7 million of profit before tax for the year ended 30 September 2021. Infotec is expecting to report total assets of approximately £18 million as at 30 September 2022 and generate revenues and profit before tax of approximately £12 million and £2 million respectively for the year ended 30 September 2022.

Figure 1: Infotec historical financial information

Year	Revenue (£m)	Profit before tax (£m)
2018	7.26	0.94
2019	7.12	1.03
2020	5.65	0.85
2021	5.53	0.54

Rationale for the Acquisition

The Acquisition is expected to be significantly earnings accretive, and is expected to add approximately £12 million of sales and approximately £2 million of pre-tax profit to the Enlarged Group in the first full year following Completion.

The Acquisition includes free cash from Infotec of approximately £3 million (excluding advanced customer payments) which will strengthen the balance sheet of the Enlarged Group. Infotec also brings to the Enlarged Group a signed order book of approximately £25 million in revenues.

The Directors have identified significant top line and cost synergies which could be achieved through the introduction of SaaS, coupled with field maintenance into Infotec's business mix and providing rail certification and approvals within Journeo's product set. In addition, in the medium term, there is scope for combining the Enlarged Group's two sites in Coventry and two sites in Ashby-de-la-Zouch into a single location.

The Acquisition will enable greater market access for Journeo's existing products and technologies by substantially increasing the Group's market share within the rail sector, where it currently has a relatively small presence. There is minimal current customer overlap between the businesses of Journeo and Infotec, enabling cross selling opportunities within the Enlarged Group, including the sale of Journeo's software to Infotec's customers. For example, Journeo completed trials of a new image processing application running in its cloud-based SaaS platform for Network Rail, which monitors track incursion and subsequently won a £1.2 million contract for software and associated services announced on 19 December 2022. Infotec is one of Network Rail's main providers of CIS displays technology within rail stations. Combining the products and capabilities of both companies could enable the Enlarged Group to provide Network Rail with heuristic systems and services, linking the on-vehicle systems to infrastructure delivered through a consolidated user interface.

Furthermore, the Enlarged Group will have the opportunity to combine Journeo's system design technologies with Infotec's displays hardware to provide end to end communications and security design, installation, management and maintenance services across a wider client base of train operating companies.

The Directors believe that Infotec's business is highly complementary to that of Journeo's and presents growth opportunities within the UK, EU, New Zealand and USA. Infotec's design and manufacturing capability is expected to generate cost efficiencies with the Enlarged Group which will benefit from bringing certain outsourced manufacturing in house. Importantly, the Acquisition also provides an opportunity for Journeo to incorporate Infotec's customer base in rail with Journeo's SaaS platform to increase recurring revenues as Infotec do not currently have a field service and support capability; whereas Journeo has a team of 35 engineers located throughout the UK equipped with vehicles, test equipment and component spares.

Following Completion, Infotec's sole shareholder (Timothy Court) and its chief operating officer (Neil Scott), will remain with the Enlarged Group as senior Journeo employees.

3. Use of Proceeds

The net proceeds of the Fundraising will be used to:

- primarily fund the Acquisition;
- redeem and repay the Loan Notes;
- support development of the Enlarged Group; and
- strengthen the balance sheet.

4. Details of the Fundraising and Placing Agreement

Details of the Placing

The Company has conditionally raised gross proceeds of approximately £6.45 million through a placing of 6,142,860 Placing Shares at the Placing Price with new and existing institutional and other investors. The Placing Price represents a discount of 6.25 per cent. to the 1-month volume weighted average price of

112 pence per Ordinary Share on 21 December 2022 (being the last practicable date prior to the date of the announcement of the Fundraising).

Pursuant to a placing agreement between the Company and Cenkos dated 21 December 2022 (the “**Placing Agreement**”), Cenkos has conditionally agreed to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price. Cenkos has conditionally placed the Placing Shares with certain new and existing institutional and other investors at the Placing Price.

The Placing has not been underwritten by Cenkos or any other party and is conditional, *inter alia*, on:

- the Placing Agreement not having been terminated in accordance with its terms prior to admission of the Placing Shares to trading on AIM;
- the Resolutions being passed which will provide shareholder authority for the issue by the Company of the Placing Shares, Subscription Shares, Retail Offer Shares and the Consideration Shares for cash on a non-pre-emptive basis;
- all conditions of the Acquisition Agreement (other than Second Admission) having been satisfied; and
- First Admission of the Placing Shares, Subscription Shares and the Retail Offer Shares becoming effective by no later than 8.00 a.m. on 16 January 2023 or such later time and/or date as the Company and Cenkos may agree (being no later than 8.00 a.m. on 30 January 2023).

Completion of the Retail Offer is conditional, *inter alia*, upon the completion of the Placing. Completion of the Placing is not conditional on the completion of the Retail Offer.

The Placing Agreement contains customary warranties given by the Company to Cenkos as to matters in relation to, *inter alia*, the accuracy of information in this document and other matters relating to the Group and its business. In addition, the Company has provided a customary indemnity to Cenkos in respect of liabilities arising out of, or in connection with, the Placing.

Cenkos is entitled to terminate the Placing Agreement in certain circumstances prior to First Admission including where any of the warranties are found not to be true or accurate or were misleading in any respect, the failure of the Company to comply in any material respect with any of its obligations under the Placing Agreement, the occurrence of a material adverse change affecting the condition (financial, operational, legal or otherwise), the earnings or business affairs or business prospects of the Group as a whole.

Details of the Retail Offer

The Company values its retail Shareholder base and believes that it is appropriate to provide its existing retail Shareholders resident in the United Kingdom the opportunity to participate in the Retail Offer.

The Company is therefore making the Retail Offer available in the United Kingdom through the financial intermediaries which will be listed, subject to certain access restrictions, on the following website: <https://www.bookbuild.live/deals/KD7MG7/authorised-intermediaries>. Cenkos will be acting as retail offer coordinator in relation to this Retail Offer (the “**Retail Offer Coordinator**”).

Existing retail Shareholders can contact their broker or wealth manager (“**intermediary**”) to participate in the Retail Offer. In order to participate in the Retail Offer, each intermediary must be on-boarded onto the BookBuild platform have an active trading account with the Retail Offer Coordinator and have been approved by the Retail Offer Coordinator as an intermediary in respect the Retail Offer, agree to the final terms and the retail offer terms and conditions, which regulate the conduct of the Retail Offer on market standard terms and provide for the payment of commission to any intermediary that elects to receive a commission and/or fee (to the extent permitted by the FCA Handbook Rules) from the Retail Offer Coordinator (on behalf of the Company).

Any expenses incurred by any intermediary are for its own account. Investors should confirm separately with any intermediary whether there are any commissions, fees or expenses that will be applied by such intermediary in connection with any application made through that intermediary pursuant to the Retail Offer.

The Retail Offer will be open to eligible investors in the United Kingdom at 8.00 a.m. on 23 December 2022 on the following website: <https://www.bookbuild.live/deals/KD7MG7/authorised-intermediaries>. The Retail

Offer is expected to close at 4.30 p.m. on 4 January 2023. Investors should note that financial intermediaries may have earlier closing times. The Retail Offer may close early if it is oversubscribed.

To be eligible to participate in the Retail Offer, applicants must be a customer of one of the participating intermediaries listed on the above website, resident in the United Kingdom and, as at the date of this announcement or prior to placing an order for Retail Offer Shares, shareholders in the Company, which may include individuals aged 18 years or over, companies and other bodies corporate, partnerships, trusts, associations and other unincorporated organisations.

The Company reserves the right to scale back any order at its discretion. The Company reserves the right to reject any application for subscription under the Retail Offer without giving any reason for such rejection.

It is vital to note that once an application for Retail Offer Shares has been made and accepted via an intermediary, it cannot be withdrawn.

The Retail Offer is an offer to subscribe for transferable securities, the terms of which ensure that the Company is exempt from the requirement to issue a prospectus under Regulation (EU) 2017/1129 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**"). The aggregate total consideration for the Retail Offer will not exceed €8 million (or the equivalent in pounds Sterling) and therefore the exemption from the requirement to publish a prospectus, set out in section 86(1) FSMA, will apply.

As set out above, a separate announcement will be made shortly by the Company regarding the Retail Offer and its terms.

Details of the Subscription

The Company has £0.55 million of loan notes in issue carrying a 10 per cent. coupon; £0.3 million of the loan notes were issued and announced on 8 December 2016 ("**Loan Notes One**") and a further £0.25 million of the loan notes were issued and announced on 24 December 2018 ("**Loan Notes Two**"), together the "**Loan Notes**".

As set out in paragraph 1 above, the Company proposes to use part of the proceeds of the Fundraising to redeem and repay the Loan Notes. All Loan Note Holders, including certain of the Directors (as detailed in paragraph 6 below), intend to use all of the proceeds of the redemption to subscribe for 523,806 Subscription Shares.

5. Acquisition Agreement and Lock-in Arrangements

Pursuant the Acquisition Agreement, which was executed and exchanged on 21 December 2022, Journeo has agreed to acquire the entire issued share capital of IGL from the Seller for an aggregate consideration of approximately £8.7 million as further detailed below.

Consideration

Subject to satisfying all of the conditions to Completion, the total purchase price of approximately £8.7 million will be payable by Journeo as consideration for the Acquisition. The consideration will be satisfied as follows:

- (a) £6.2 million in cash on Completion;
- (b) £2 million in cash payable in two tranches prior to the date that is 24 months following Completion; and
- (c) by the allotment and issue to the Seller of the Consideration Shares.

Conditions to Completion

Completion is conditional on the following conditions precedent ("**Conditions**"):

- (a) the Resolutions being passed at the General Meeting approving, *inter alia*, the issue and allotment of the Placing Shares, the Subscription Shares, the Retail Offer Shares and the Consideration Shares;

- (b) the Placing Agreement becoming unconditional in all respects; and
- (c) Journeo being in receipt of the Placing proceeds.

If the conditions have not been met or waived by Journeo on or before 30 January 2023 (or such other date as the Seller and Journeo may agree) ("**Acquisition Long Stop Date**") the Acquisition Agreement will terminate.

Undertakings of the Seller up to Completion

The Acquisition Agreement contains certain undertakings given by the Seller to Journeo restricting the conduct of the business and affairs of IGL during the period between the date of execution of the Acquisition Agreement and Completion.

Rescission Rights

In addition to the fact that the Acquisition Agreement will terminate if the Conditions are not satisfied by the Acquisition Long Stop Date, Journeo also has the right to rescind the Acquisition Agreement if at any time prior to completion of the Acquisition:

- (a) there is any fact, matter, event, circumstance, condition or change to IGL which materially and adversely affects, or could reasonably be expected to materially and adversely affect, the business, operations, assets, liabilities or position (whether financial or trading) of IGL (excluding any matter disclosed by the Seller on entering into the Acquisition Agreement or the announcement of the Acquisition) ("**MAC**");
- (b) the Seller breaches the undertakings in the Acquisition Agreement giving rise to a MAC;
- (c) there is any breach of any warranty in the Acquisition Agreement giving rise to a MAC; or
- (d) any MAC is disclosed in a disclosure letter to be provided by the Seller on Completion.

Warranties and Indemnities

Under the Acquisition Agreement, the Seller has on execution of the Acquisition Agreement, given certain warranties ("**Warranties**") to Journeo, including warranties concerning his ability to sell the shares in IGL, accounts (both audited and management), the corporate structure of IGL, financial matters, regulatory, data protection, intellectual property and IT, trading and assets, commercial contracts, properties, employees, pensions, environment, health and safety and taxation. The Warranties, which are customary for a transaction of this nature, are given subject to the disclosure made by the Seller in the disclosure letter delivered to Journeo on the date of the Acquisition Agreement. The Warranties will be repeated at Completion and the Seller will be entitled to make further disclosures at that time.

In particular, the Acquisition Agreement contains Warranties relating to two incidences of display failures in July and September 2021 that were reported on a first test train and an incidence of a display failure on the second test train. The faulty displays were quickly repaired and the Directors believe that the customer relationship remains strong.

Under the terms of the Acquisition Agreement, Journeo also has the benefit of a taxation indemnity in the form customary for transactions of this nature and certain other specific indemnities given by the Seller.

Any claims under the Warranties are subject to certain limitations including specified time periods within which to bring certain claims against the Seller, individual and aggregate claim thresholds and liability caps that are usual for a transaction of this nature.

The aggregate liability of the Seller under the Acquisition Agreement is limited to £5 million in aggregate.

Lock-In Arrangements

Separately, the Seller shall also enter into a lock-in agreement with effect from Completion between Cenkos, the Company and the Seller in which the Seller further undertakes not to sell, transfer or otherwise dispose of, or create any encumbrance over, any of the Consideration Shares (or any interest in them), or enter into any agreement to do so, for 24 months following Second Admission, except in certain limited specified circumstances.

6. Director participation in the Fundraising

The following Directors have subscribed, in aggregate, for 81,905 Placing Shares and 80,951 Subscription Shares:

Director	Number of Existing Ordinary Shares	% of Existing Ordinary Shares	Number of Shares subscribed for at the Placing Price	Number of Subscription Shares at the Placing Price*	Number of Ordinary Shares held on First Admission	% of Enlarged Share Capital on First Admission
Mark Elliott	100,000	1.14	–	23,809	123,809	0.79
Russ Singleton	300,000	3.43	52,381	47,619	400,000	2.54
Nick Lowe	15,000	0.17	20,000	–	35,000	0.22
James Cumming	25,000	0.29	9,524	9,523	44,047	0.28

*As detailed in paragraph 4 above, certain holders of Loan Notes, including the Directors shown in this table, have subscribed for Subscription Shares in order to satisfy the redemption of the Loan Notes in full.

Nick Lowe, Chief Financial Officer, has subscribed for 20,000 Placing Shares. As agreed with the Company's Remuneration Committee, Nick Lowe is required to re-invest 50 per cent. of his cash bonus (net of tax) ("Bonus Amount") per annum, into Ordinary Shares at the market price at the time of purchase, and at the next available opportunity in each financial year, until such time that his shareholding in the Company is valued at 100 per cent. of his then basic salary. Nick Lowe's participation in the Placing includes the reinvestment of his Bonus Amount for FY2021 and his anticipated Bonus Amount for FY2022.

7. Related Party Transactions

The aggregated participation by all of the Directors in the Fundraising and the participation in the Placing by Canaccord Genuity Wealth Management Limited and Slater Investments Limited as substantial shareholders of the Company, constitute related party transactions for the purpose of Rule 13 of the AIM Rules for Companies. As all the Directors are participating in the Fundraising, Cenkos, the Company's nominated adviser, confirms that it considers that the terms of the transaction are fair and reasonable insofar as Shareholders are concerned.

8. EIS/VCT Schemes

The Directors do not expect the New Ordinary Shares to constitute a qualifying holding for venture capital trust schemes or to satisfy the requirements for tax relief under the enterprise investment scheme. Therefore, the Company has not applied for confirmation from HMRC in this regard.

9. Admission, Settlement, Dealings and Total Voting Rights

The New Ordinary Shares will, when issued, be credited as fully paid up and will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid on or in respect of the Ordinary Shares after the date of issue of the New Ordinary Shares, and will on issue be free of all claims, liens, charges, encumbrances and equities.

Application will be made to the London Stock Exchange for the admission of the New Ordinary Shares to trading on AIM. First Admission of the Placing Shares, the Subscription Shares and the Retail Offer Shares to trading on AIM is expected to occur at 8.00 a.m. on 16 January 2023 (or such later times(s) and/or date(s) as Cenkos and the Company may agree).

Second Admission of the Consideration Shares to trading on AIM is expected to occur at 8.00 a.m. on 18 January 2023 (or such later times(s) and/or date(s) as Cenkos and the Company may agree).

Following First Admission, the total number of Ordinary Shares in the capital of the Company in issue (assuming full take up of the Retail Offer) is expected to be 15,741,249 with each Ordinary Share carrying the right to one vote. There are no Ordinary Shares held in treasury and therefore the total number of voting

rights in the Company is expected to be 15,741,249. The above figure may be used by Shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure, Guidance and Transparency Rules.

10. General Meeting

The Board is seeking the approval of Shareholders at the General Meeting to allot the New Ordinary Shares.

The Notice of General Meeting, which is to be held at the offices of Cenkos, 6.7.8 Tokenhouse Yard, London, EC2R 7AS at 11.00 a.m. on 13 January 2023, is set out at the end of this document.

The Fundraising is conditional, *inter alia*, on the passing of both of the Resolutions by Shareholders at the General Meeting. If either of the Resolutions are not passed at the General Meeting, the Placing will not proceed and the Acquisition will not complete.

At the General Meeting, the following inter-conditional resolutions will be proposed:

Resolution 1 – Authority to allot shares

Resolution 1 is an ordinary resolution, to authorise the Directors to allot relevant securities for cash up to an aggregate nominal amount of £485,952.29, being equal to 7,476,189 New Ordinary Shares (i.e. the maximum number of Ordinary Shares that may be allotted pursuant to or in connection with the Placing, the Retail Offer, the Subscription and the Acquisition).

Resolution 2 – Disapplication of statutory pre-emption rights

Resolution 2, which is conditional on the passing of Resolution 1, and is a special resolution, to authorise the Directors to allot up to 7,476,189 New Ordinary Shares for cash pursuant to or in connection with the Placing, the Retail Offer, the Subscription and the Acquisition on a non-pre-emptive basis (being the number of Placing Shares, Subscription Shares, Retail Offer Shares and Consideration Shares).

11. Action to be taken

Shareholders can submit their vote electronically using the link www.signalshares.com. Shareholders can use this service to vote or appoint a proxy electronically by logging into their Signal shares account, or register if they have not previously done so, by no later than 11.00 a.m. on 11 January 2023 (or, in the case of an adjournment of the General Meeting, not less than 48 hours before the time fixed for the holding of the adjourned General Meeting (at the discretion of the Directors, excluding any part of a day that is not a Business Day)). Shareholders will not receive a hard copy form of proxy for the General Meeting in the post, however, they can request one directly from the Company's Registrar, Link Group. If Shareholders need help with voting online, they should contact the Company's Registrar, Link Group, on Tel: 0371 664 0391. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. – 5.00 p.m., Monday to Friday (excluding public holidays in England and Wales), or by email at shareholderenquiries@linkgroup.co.uk.

If you hold your Existing Ordinary Shares in uncertificated form (that is, in CREST) you may vote using the CREST proxy voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of the General Meeting set out at the end of this document). Proxies submitted via CREST must be received by the Company's Registrar, Link Group, by no later than 11.00 a.m. on 11 January 2023 (or, in the case of an adjournment of the General Meeting, not less than 48 hours before the time fixed for the holding of the adjourned General Meeting (at the discretion of the Directors, excluding any part of a day that is not a Business Day)).

Appointing a proxy in accordance with the instructions set out above will enable your vote to be counted at the General Meeting in the event of your absence. The completion of the electronic Form of Proxy or the use of the CREST proxy voting service will not prevent you from attending and voting at the General Meeting, or any adjournment of it, in person should you be entitled to and wish to do so.

12. Recommendation

The Directors believe the Acquisition, the Fundraising and the passing of the Resolutions to be in the best interests of the Company and its Shareholders, taken as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolutions as all of the Directors intend so to do in respect of their beneficial shareholdings amounting to 440,000 Ordinary Shares, representing approximately 5.03 per cent. of the Existing Ordinary Shares.

The Fundraising is conditional, *inter alia*, upon the passing of the Resolutions at the General Meeting. Shareholders should be aware that if the Resolutions are not approved at the General Meeting, neither the Placing nor the Acquisition will proceed.

Yours faithfully,

Mark Elliott

Chairman

Journeo plc

(Registered in England and Wales with company number 02974642)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting of Journeo plc (the “**Company**”) will be held at the offices of Cenkos, 6.7.8 Tokenhouse Yard, London, EC2R 7AS at 11.00 a.m. (UK time) on 13 January 2023 (the “**Meeting**”) for the purposes of considering and, if thought fit, passing the following Resolutions of which Resolution 1 will be proposed as an ordinary resolution and Resolution 2 will be proposed as a special resolution, and in which capitalised terms shall have the meanings given in the circular to shareholders issued by the Company dated 22 December 2022 (“**Circular**”), save where otherwise specified:

ORDINARY RESOLUTION

1. THAT, conditional on the passing of Resolution 2, the directors of the Company (“**Directors**”) be generally and unconditionally authorised in accordance with section 551 of the 2006 Act, in addition to all existing authorities, to exercise all powers to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company (together “**Relevant Securities**”) up to an aggregate nominal amount of £485,952.29 in connection with a Placing, Retail Offer, Subscription and Acquisition the details of which are set out in the Circular, provided that this authority shall, unless renewed, varied or revoked by the Company in general meeting, expire on the conclusion of the annual general meeting of the Company to be held in 2023 or, if earlier, the date falling 15 months after the passing of this resolution, save that the Directors may at any time before such expiry make an offer or agreement which would or might require Relevant Securities to be allotted after such expiry and the Directors may allot Relevant Securities in pursuance of such offer or agreement notwithstanding that the power conferred by this Resolution has expired.

SPECIAL RESOLUTION

2. THAT, conditional upon the passing of Resolution 1, the Directors be generally empowered pursuant to section 570 of the 2006 Act, in addition to all existing authorities, to allot equity securities of the Company (as defined in section 560 of the 2006 Act) for cash as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power is limited to the allotment of equity securities up to an aggregate nominal amount of £485,952.29 (pursuant to the general authority conferred on them by Resolution 1 above (as varied from time to time by the Company in general meeting)) and the power hereby conferred shall, unless renewed, varied or revoked by the Company in general meeting, expire on the conclusion of the annual general meeting of the Company to be held in 2023 or, if earlier, the date falling 15 months after the passing of this resolution, save that the Directors may at any time before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement notwithstanding that the power conferred by this Resolution has expired.

By order of the Board

Mark Elliott
Chairman

22 December 2022

Registered Office:
Journeo plc
12 Charter Point Way
Ashby-de-la-Zouch
LE65 1NF
United Kingdom

Notes:**Entitlement to attend and vote**

1. To be entitled to attend and vote at the Meeting (and for the purposes of the determination by the Company of the votes that may be cast in accordance with Regulation 41 of the Uncertified Securities Regulations 2001), only those Shareholders registered in the Company's register of Shareholders at close of business on 11 January 2023 (or, if the Meeting is adjourned, at close of business on the date which is two business days before the date of the adjourned Meeting) shall be entitled to attend and vote at the Meeting. Changes to the register of Shareholders of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.

Website giving information regarding the Meeting

2. Information regarding the Meeting, including the information required by Section 311A of the 2006 Act, is available from <https://journeo.com/investor/>.

Appointment of proxies

3. If you are a Shareholder of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting. You can appoint a proxy only using the procedures set out in these notes.
4. A proxy does not need to be a Shareholder of the Company but must attend the Meeting to represent you. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
5. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please indicate on your proxy submission how many shares it relates to.
6. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the Resolution.
7. Appointment of a proxy will not prevent a Shareholder from attending and voting in person if they are entitled to do so.

Appointment of proxy using hard copy Form of Proxy

8. A hard copy form of proxy has **not** been sent to you but you can request one directly from the Company's Registrars, Link Group's general helpline team on Tel: 0371 664 0391. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. – 5.30 p.m, Monday to Friday excluding public holidays in England and Wales. Or via email at shareholderenquiries@linkgroup.co.uk or via postal address at Link Group, PXS1, Central Square, 29 Wellington St, Leeds LS1 4DL. In the case of a Shareholder which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form. For the purposes of determining the time for delivery of proxies, no account has been taken of any part of a day that is not a working day.

Appointment of a proxy online

9. You may submit your proxy electronically using the Share Portal service at www.signalshares.com. Shareholders can use this service to vote or appoint a proxy online. The same voting deadline of 48 hours (excluding non-working days) before the time of the meeting applies. Shareholders will need to use the unique personal identification Investor Code ("IVC") printed on your share certificate. If you need help with voting online, please contact our Registrar, Link Group's portal team on 0371 664 0391. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. – 5.00 p.m, Monday to Friday excluding public holidays in England and Wales. Link can also be contacted via email at shareholderenquiries@linkgroup.co.uk.

Appointment of proxies through CREST

10. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com>). CREST personal Shareholders or other CREST sponsored Shareholders, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & International Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID: RA10) by the voting deadline of 48 hours (excluding non-working days) before the time of the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time.

12. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.
13. Unless otherwise indicated on the Form of Proxy, CREST voting or any other electronic voting channel instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

Appointment of proxy by joint shareholders

14. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of Shareholders in respect of the joint holding, the first-named being the most senior.

Changing proxy instructions

15. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off times for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Link Group as per the communication methods shown in note 8. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

16. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Link Group, at the address shown in note 8. In the case of a Shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed, or a duly certified copy of such power or authority, must be included with the revocation notice. The revocation notice must be received by Link Group no later than 48 hours before the Meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Corporate representatives

17. Any corporation which is a Shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its power as a Shareholder provided that they do not do so in relation to the same shares.
18. Corporate representatives should exhibit either an original or certified copy of the appropriate board resolution or an original letter confirming the appointment, provided it is on the corporation's letterhead and is signed by an authorised signatory and accompanied by evidence of the signatory's authority.

Issued shares and Total Voting Rights

19. As at 22 December 2022, the Company's issued share capital comprised 8,741,250 ordinary shares of 6.5 pence each. Each share carries the right to one vote at a General Meeting of the Company and, therefore, the total number of voting rights in the Company is 8,741,250. The website referred to in note 2 will include information on the number of shares and voting rights.

