

RNS Number : 0693B
Eight Capital Partners PLC
29 September 2022

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29 September 2022

Eight Capital Partners plc
("ECP", "Eight Capital" or "the Company")

Strategy update: Proposed debt conversions into new Ordinary Shares, Rule 9 Waiver

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Notice of General Meeting

Further to its announcement of 12 July 2022, Eight Capital Partners plc (AQSE: ECP) has concluded discussions with The Panel on Takeovers and Mergers in respect of the required disclosures in the previously released circular dated 5 July 2022. As a result, the Company announces that it has today posted to its Shareholders a revised circular (the "**Circular**" or "**Document**") convening a General Meeting ("**GM**") of the Company to be held at 11 a.m. on 17 October 2022 at 50 Sloane Avenue, London SW3 3DD to seek Independent Shareholder approval of a waiver of obligations under Rule 9 of the City Code on Takeovers and Mergers for the conversion of €3.15 million of a vendor loan of €20 million owed to IWEF Limited (the **Investor**) into equity in ECP (the "**Investment**"). In addition, the Company has agreed that DL Ced S.r.l can, on the same terms, convert €145,000 of existing debt held by it into equity (the "**DL Ced Conversion**").

This forms an important step in ECP's previously announced strategy to grow the market capitalisation of the Company towards and beyond £50 million. The Company has also previously stated that it may seek to undertake an equity fundraising from existing and new investors following the Investment and DL Ced Conversion, alongside further debt to equity conversions.

A copy of the Circular is available on the Company's website:
<https://www.eight.capital/investors/publications/>.

The Company's Independent Directors urge Shareholders to read the Circular carefully when it becomes available because it will contain important information in relation to the Investment, the Investor Warrants and the DL Ced Conversion, and to take appropriate advice. Any vote in respect of Resolutions should be made only on the basis of the information contained in the Circular.

Capitalised and defined terms used in this announcement have the meanings given to them in the Circular.

Important Information on the Rule 9 Waiver

The Investor currently holds 467,669,173 Existing Ordinary Shares representing approximately 29.9 per cent. of the Ordinary Share capital as at the date of this announcement. Immediately following the Investment, the Investor will hold in aggregate 13,929,207,634 Ordinary Shares, representing approximately 89.03 per cent. of the Enlarged Ordinary Share Capital. The Investor's Investment for New Ordinary Shares would, without the Waiver, oblige the Investor to make a general offer to Shareholders under Rule 9 of the Takeover Code.

Additionally, following the passing of the resolutions at the Vienna Bonds bondholder meeting held on 23 June 2022, and as outlined in Section 7 of the Circular, the Investor will be issued the Investor Warrants (comprising 1,367,521,367 Warrants). As a result, following the Investment and should the Investor Warrants be the only convertible instrument exercised and there be no other issues of Ordinary Shares, then the Investor would hold, in aggregate 15,296,729,001 Ordinary Shares, representing approximately 89.91 per cent. of the Further Enlarged Share Capital.

Whether or not the Rule 9 Waiver is approved, the Investor will not be restricted from making an offer for the Company.

The Investor's shareholding in the Company following the Investment is set out in Part II of the Document.

The Company has applied to the Panel for the Waiver in order to permit the Investment and the exercise of the Investor Warrants without triggering an obligation on the part of the Investor to make a general offer to Shareholders.

The Panel has agreed, subject to the Rule 9 Waiver Resolution being passed on a poll of Independent Shareholders, to waive the requirement which might otherwise arise as a result of the Investment and the exercise of the Investor Warrants, for the Investor to make a general offer to all Shareholders. Accordingly, Shareholders should be aware that, following completion of the Investment, the Investor will hold more than 50 per cent. of the Company's voting share capital, and will be able to increase its holdings in the Company (including through further conversions of the Receivables into new ordinary shares) without incurring an obligation under Rule 9 to make a mandatory offer to the other Shareholders.

Under the AQSE Growth Market Access Rulebook, IWEP is classified as a related party of the Company due to sharing a common director and shareholder, Dominic White and, therefore, the Investment constitutes a related party transaction pursuant to Rule 4.6 of the AQSE Growth Market Access Rulebook.

General Meeting

The Resolutions to be proposed at the General Meeting are (i) an ordinary resolution to approve the Rule 9 Waiver, which will be taken on a poll and in respect of which only Independent Shareholders will

be entitled to vote and (ii) ordinary and special resolutions in relation to the issue of Ordinary Shares on a pre-emptive basis pursuant to the DL Ced Conversion and the Investment.

Irrevocable undertakings

The Company has received irrevocable undertakings from certain Independent Shareholders to vote in favour of the Rule 9 Waiver Resolution at the General Meeting in respect of, in aggregate, 333,531,471 Existing Ordinary Shares representing approximately 30.41 per cent. of the Ordinary Shares held by Independent Shareholders entitled to vote on the Rule 9 Waiver Resolution.

IWEP, which has given an irrevocable undertaking in respect of Resolutions 2 and 3 is not able to vote on the Rule 9 Waiver Resolution.

As a result, the Company has received irrevocable undertakings from Shareholders in favour of Resolutions 2 and 3 at the General Meeting in respect of, in aggregate, 801,200,644 Existing Ordinary Shares representing approximately 51.22 per cent. of the Ordinary Shares in issue.

Further details of the irrevocable undertakings are set out in the Document.

Action to be taken

The Notice of General Meeting to be held at 11:00 a.m. on 17 October 2022, is set out at the end of the Document. A Form of Proxy for use by Shareholders in connection with the General Meeting is also enclosed with the Document.

Shareholders are requested to complete the Form of Proxy in accordance with the instructions printed on it and to return it to the Company's registrars, by post to SLC Registrars, P.O. Box 5222, Lancing, BN99 9FG, United Kingdom, or by email to proxy@slcregistrars.com as soon as possible, and in any event so as to arrive no later than 11:00 a.m. on 13 October 2022. Please note, emailed Forms of Proxy must be in either .jpg or .pdf format.

Recommendation

In light of his interest in IWEP and the proposed Investment, Dominic White, Chairman of Eight Capital, has not participated in the appraisal by the Board of the Investment. The Company has constituted a committee comprised of the Independent Directors for the purpose of evaluating and providing the recommendation to Independent Shareholders.

The Independent Directors, having been so advised by Cairn Financial Advisers LLP as to the financial terms of the Investment, the Investor Warrants and the Rule 9 Waiver, consider the terms of the Investment, the Investor Warrants, the Rule 9 Waiver and the Rule 9 Waiver Resolution in the Notice of General Meeting to be fair and reasonable and in the best interests of the Independent Shareholders and the Company as a whole. In providing its advice to the Independent Directors, Cairn has taken into account the Independent Directors' commercial assessments.

Accordingly, the Independent Directors unanimously recommend that Independent Shareholders vote in favour of the Rule 9 Waiver Resolution, and that all Shareholders vote in favour of the other resolutions, as the Independent Directors intend to do in respect of their own beneficial shareholdings, which amount, in aggregate, to 60,143,000 Ordinary Shares, representing approximately 3.84 per cent. of the Existing Ordinary Shares and 5.48 per cent. of the Ordinary Shares held by Independent Shareholders.

The Directors of the Company are responsible for the release of this announcement.

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About Eight Capital Partners:

Eight Capital Partners plc is an international financial services operating company focused on owning and operating businesses engaged in "Fintech" operations, from the digitisation of banking services, through to blockchain-backed decentralised finance companies.

ECP provides equity, debt, and equity-related investment capital to companies seeking capital for growth and development, consolidation or acquisition, or pre-IPO financing. The Company seeks to generate an attractive rate of return for shareholders, predominantly through capital appreciation, by maximising the revenues, profits and value of its operating subsidiaries, and taking advantage of the increasing number of acquisition opportunities within the continuously developing global technology, and fintech sectors.

www.eight.capital

Eight Capital Partners operates two subsidiary businesses:

Epsion Capital:

Epsion Capital is an independent corporate advisory firm based in London with an extensive experience in UK and European capital markets. The company is specialised in ECM, DCM, structured investment facilities, and M&A across multiple markets, sectors and geographies. It prides itself on a commercial approach that enables its clients to achieve their growth ambitions. www.epsioncapital.com

Innovative Finance:

Innovative Finance is a corporate finance advisory business that sources and develops mergers and acquisitions and financing solutions across multiple sectors, primarily in Europe, with access to international transactions. It is currently working on transactions in North America and Europe which are linked to technological developments in the financial services industry, e-commerce and cannabis. www.innovfinance.com

IMPORTANT NOTICES**Cautionary note regarding forward-looking statements**

This announcement contains certain statements about Eight Capital and certain of its current plans, goals and expectations relating to its future financial condition and performance and which involve a number of risks and uncertainties. The Company cautions readers that no forward-looking statements are a guarantee of future performance and that actual results could differ materially from those contained in such forward-looking statements. All statements, other than statements of historical facts, included in this announcement 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 or may be forward-looking statements. Forward-looking statements also include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects and (ii) business and management strategies and the expansion and growth of the operations of Eight Capital. These forward-looking statements are not guarantees of future performance and have not been reviewed by the auditors of Eight Capital, or any other adviser. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors (a number of which are beyond the Company's control) which may cause the actual results, performance or achievements of any such person, or industry results, 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 assumptions regarding the present and future business strategies of Eight Capital and the environment in which it will operate in the future. Shareholders 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 AQSE Rules, the Disclosure Guidance and Transparency Rules and/or the Prospectus Regulation Rules), Eight Capital 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 Eight Capital 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 announcement are based on information available to the Directors of Eight Capital as at the date of this announcement, unless some other time is specified in relation to them, and the posting or receipt of this announcement shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

APPENDIX I

INVESTMENT STATISTICS

Subscription Price per New Ordinary Share	£ 0.0002
Number of Existing Ordinary Shares in issue	1,564,315,462
Number of New Ordinary Shares being issued	14,081,196,580
Enlarged Share Capital*	15,645,512,042
Number of New Ordinary Shares as a percentage of the Enlarged Share Capital	90.00 per cent.
Gross value of the Investment and DL Ced Conversion†	€ 3,295,000

* Assumes no further issuances of Ordinary Shares other than as outlined in the Document and excluding the exercise of any Warrants.

† For the convenience of the reader, the gross proceeds of the Investment and the DL Ced Conversion translated into Great British pounds is £1,408,120 using an exchange rate of €1.17 to £1.00.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	2022
Publication of the Document and the Form of Proxy	28 September
Announcement of the Investment	29 September
Latest time and date for receipt of the Form of Proxy	11:00 a.m. on 13 October
General Meeting	11:00 a.m. on 17 October
Result of General Meeting announced <i>via</i> RIS	following conclusion of General Meeting
Expected date for Admission and commencement of dealings in New Ordinary Shares on AQSE	18 October

Notes:

- (1) References to times in the Document are to British Summer Time (unless otherwise stated).
- (2) The dates and timing of the events in the above timetable and in the rest of the Document are indicative only and may be subject to change.
- (3) If any of the above times or dates should change, the revised times and/or dates will be notified by an announcement through an RIS.
- (4) The Company's LEI code is 213800U1F5CGRZJ47X73 and ISIN code is GB00BYT56612

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