

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or the action you should take, you are recommended to seek your own financial advice immediately from an appropriately authorised stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000 (“FSMA”).

This document comprises a prospectus relating to Toople plc prepared in accordance with the Prospectus Rules of the Financial Conduct Authority (the “FCA”) made under section 73A of FSMA and approved by the FCA under section 87A of FSMA. This document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules.

Application(s) will be made to the FCA for the new ordinary shares in the Company (being the Subscription and Offer Shares and the Fee Shares, and together the “New Ordinary Shares”) to be admitted to the standard listing segment of the Official List of the UK Listing Authority (the “Official List”) by way of a standard listing under Chapter 14 of the listing rules published by the UK Listing Authority under section 73A of FSMA as amended from time to time (the “Listing Rules”) and to the London Stock Exchange plc (the “London Stock Exchange”) for such Ordinary Shares to be admitted to trading on the London Stock Exchange’s main market for listed securities (together, “Admission”). No application has been made, or at this time is intended to be made, for New Ordinary Shares to be admitted for listing or dealt with on any other stock exchange.

It is expected that Admission will become effective and that dealings in New Ordinary Shares will commence within two business days of allotment of the New Ordinary Shares. The Subscription and Offer have not been underwritten and are subject to minimum net proceeds of £1 million being subscribed for in aggregate. Issue of the Fee Shares is conditional on Initial Closing.

The Company and each of the Directors, whose names appear on page 29 of this Document, accept responsibility for the information contained in this Document. To the best of the knowledge of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

INVESTORS SHOULD READ THIS DOCUMENT IN ITS ENTIRETY TOGETHER WITH THE INFORMATION INCORPORATED BY REFERENCE. IN PARTICULAR, YOUR ATTENTION IS DRAWN TO THE PART HEADED “RISK FACTORS” FOR A DISCUSSION OF THE RISKS THAT MIGHT AFFECT THE VALUE OF YOUR SHAREHOLDING IN THE COMPANY. PROSPECTIVE INVESTORS SHOULD BE AWARE THAT AN INVESTMENT IN THE COMPANY INVOLVES A SIGNIFICANT DEGREE OF RISK AND THAT, IF CERTAIN OF THE RISKS DESCRIBED IN THIS DOCUMENT OCCUR, INVESTORS MAY FIND THEIR INVESTMENT IS MATERIALLY ADVERSELY AFFECTED.

ACCORDINGLY, AN INVESTMENT IN THE ORDINARY SHARES IS ONLY SUITABLE FOR INVESTORS WHO ARE PARTICULARLY KNOWLEDGEABLE IN INVESTMENT MATTERS AND WHO ARE ABLE TO BEAR THE LOSS OF THE WHOLE OR PART OF THEIR INVESTMENT.

TOOPLE PLC

(Incorporated in England and Wales under the company number 10037980)

Issue of up to 95,000,000 new Ordinary Shares of 0.0667 pence each in the capital of the Company at the Issue Price per new Ordinary Share through the Subscription and Offer

Proposed issue of 5,000,000 Fee Shares

This Document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer to buy or subscribe for, Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company.

The Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) (the “**Securities Act**”), or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States or of any province or territory of Australia, Canada, Japan, Republic of South Africa or the Republic of Ireland. Securities may not be offered or sold in the United States absent: (i) registration under the Securities Act; or (ii) an available exemption from registration under the Securities Act. The Ordinary Shares have not been and will not be offered or sold in the United States, Australia, Canada, Japan, Republic of South Africa or the Republic of Ireland or to or for the account or benefit of any person resident in Australia, Canada, Japan, Republic of South Africa or the Republic of Ireland and this Document does not constitute an offer to sell or a solicitation of an offer to purchase or subscribe for Ordinary Shares in such jurisdictions or in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. These materials may not be published, distributed or transmitted by any means or media, directly or indirectly, in whole or in part, in or into the United States, Australia, Canada, Japan, South Africa or the Republic of Ireland. The distribution of this Document in other jurisdictions may be restricted by law and therefore persons into whose possession this Document comes should inform themselves of and observe any restrictions.

APPLICATION WILL BE MADE FOR THE NEW ORDINARY SHARES TO BE ADMITTED TO THE STANDARD SEGMENT OF THE OFFICIAL LIST. A STANDARD LISTING AFFORDS INVESTORS IN THE COMPANY A LOWER LEVEL OF REGULATORY PROTECTION THAN THAT AFFORDED TO INVESTORS IN COMPANIES WHOSE SECURITIES ARE ADMITTED TO THE PREMIUM SEGMENT OF THE OFFICIAL LIST, WHICH ARE SUBJECT TO ADDITIONAL OBLIGATIONS UNDER THE LISTING RULES. IT SHOULD BE NOTED THAT THE UK LISTING AUTHORITY WILL NOT HAVE THE AUTHORITY TO (AND WILL NOT) MONITOR THE COMPANY’S COMPLIANCE WITH ANY OF THE LISTING RULES AND/OR ANY PROVISION OF THE UK CORPORATE GOVERNANCE CODE WHICH THE COMPANY HAS INDICATED THAT IT INTENDS TO COMPLY WITH ON A VOLUNTARY BASIS, NOR TO IMPOSE SANCTIONS IN RESPECT OF ANY FAILURE BY THE COMPANY TO SO COMPLY.

Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to section 87G of the FSMA or Rule 3.4 of the Prospectus Rules, the publication of this Document does not create any implication that there has been no change in the affairs of the Company since, or that the information contained herein is correct at any time subsequent to, the date of this Document. Notwithstanding any reference herein to the Company’s website, the information on the Company’s website does not form part of this Document.

Dated 2 June 2017

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SUMMARY INFORMATION

Summaries are made up of disclosure requirements known as “Elements”. These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the summary with the mention of “not applicable”.

Section A – Introduction and warnings		
A1	Introduction and warnings	<p>THIS SUMMARY MUST BE READ AS AN INTRODUCTION TO THIS PROSPECTUS. ANY DECISION TO INVEST IN ORDINARY SHARES SHOULD BE BASED ON CONSIDERATION OF THIS PROSPECTUS AS A WHOLE.</p> <p>Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the Ordinary Shares.</p>
A2	Subsequent resale of securities or final placement of securities through financial intermediaries	Not applicable.

Section B – Issuer		
B1	Legal and commercial name	The legal and commercial name of the issuer is Toople plc.
B2	Domicile/legal form/legislation/country of incorporation	The Company was incorporated and registered in England and Wales on 2 March 2016 with registered number 10037980 as a public company limited by shares under the Act. It is domiciled in the United Kingdom and is subject to the City Code.
B3	Key factors of the issuer’s current operations/ principal activities and markets	The Group provides a range of telecoms services primarily targeted at the UK SME market. The target market of the Group is UK SMEs who have between 1 and 50 employees (of which there are 5.5 million, with around 12.4 million employees). The Group’s services offered include hosted telephony service, business broadband, fibre, EFM and Ethernet data services, business mobile phones, cloud PBX and SIP Trunking and Traditional Services (calls and lines) all of which are delivered and managed through Merlin, the Group’s proprietary software platform. The Group launched its business proposition and the Toople.com brand in May 2016, formally launching its higher margin hosted telephony service in January 2017. The Group currently has

		<p>approaching 800 business customers (predominately SMEs), to whom it provides telecoms services directly. Additionally, the Group has 9 customers that it provides telecoms services to on a wholesale basis and which currently account for a large proportion (approximately 65% in the six months ended 31 March 2017) of the Group’s revenue. The wholesale business is however currently not a strategic focus for the Group as it is a lower margin offering in comparison to Toople’s direct customer offering.</p> <p>The Group currently has insufficient working capital. Accordingly the Group is seeking to raise the Minimum Net Proceeds (£1 million) pursuant to the Subscription and Offer. Shareholders and Investors should note that in the event that the Group does not raise the Minimum Net Proceeds, unless alternative funding is secured, from 30 June 2017 the Group will not have sufficient working capital to continue as a going concern. Shareholders and Investors should refer to section B11 of this summary which includes further information on the Group’s working capital position.</p> <p>Accelerating growth of the hosted telephony service is a key focus of the Group due to its attractive margins and the increasingly competitive nature of the SME broadband market. However the business is currently at a very early stage of development and the growth of the Group’s Business and the success of its strategy is highly dependent on the effectiveness of the Group’s marketing campaigns (which in turn is dependent on receipt of the Minimum Net Proceeds) in attracting large volumes of potential customers to the Group’s website and a significant proportion of these potential customers signing up for the Group’s services. Even in the event that the Minimum Net Proceeds are raised, the Group is likely to remain loss making until the Group has substantially increased its number of customers from its current customer base such that the gross profit generated by the Group’s customer base (after incurring costs of customer acquisition) is sufficient to cover the Group’s overheads. The Directors believe that one of the Group’s strengths is its Merlin platform which allows scalability for the business through automation and provides a strong customer relationship management interface. The Group does not own any telecommunications infrastructure itself but is dependent on the use of the networks of telecommunication wholesale companies.</p>
B4a	Significant recent trends	<p>Following the Group’s Standard Listing in May 2016, competition in the SME broadband market increased significantly. This contributed to the Group’s initial phase of targeted digital marketing proving to be more expensive than anticipated. Consequently the Group’s management enacted a number of demand generation campaigns in order to determine the most effective method to balance customer acquisition costs relative to the investment and customer lifetime value. Since the year ended 30 September 2016, Toople has revised its digital marketing strategy and launched its new hosted telephony system which has resulted in new customer growth and an increase in revenue in the 6 months ended 31 March 2017 (£654,721) in comparison to the 6 months ended 30 September 2016 (£555,140). The breadth of the Group’s portfolio of products and services is useful in driving additional “bolt-on” product sales.</p> <p>Trends within the telecoms industry will continue to impact directly upon the Group going forward, including (but not limited</p>

		<p>to) regulatory changes, competition, technology and consumer preferences. In addition to increased competition in the broadband SME market, the most significant trends affecting the industry at present are as follows:</p> <p>Regulatory Changes & Competition</p> <p>Ofcom is keen to ensure that the recent and potential activity within the mobile sector is not anti-competitive. On 25 February 2016, Ofcom published its Strategic Review of Digital Communications report indicating that Ofcom is committed to ensuring consumer needs within the telecoms industry are met through allowing BTs competitors improved access to BTs infrastructure. In March 2017, BT agreed to the legal separation of Openreach which will likely lead to greater competition within the telecoms industry and drive both innovation and affordable prices and allow competing providers to build their own fibre networks. Ofcom will encourage providers to build these networks.</p> <p>Technology & Consumer Preferences</p> <p>The telecoms industry advances continually, driven by improved technology and shifts in consumer preferences. Recent years have seen an increased focus on the Hosted Market (inclusive of Cloud PBC/VoIP), which, according to recent market research by Cavell, is expected to grow significantly in the UK. Consumers are driven by both pricing and quality of service. The Directors believe that it is not only important to deliver quality whilst remaining competitively priced, but also be able to identify and implement new technologies to meet the changing needs of the consumer.</p>																				
B5	Group Structure	<p>The Company is the holding company of the Group. The Company has four wholly owned subsidiaries: Toople.com Limited, AskMerlin Limited, Toople Finance Limited and Toople Management Services Limited, all of which are registered and incorporated in England. Ask Merlin SP ZOO, which is incorporated in Poland, is the wholly owned subsidiary of AskMerlin Limited.</p>																				
B6	Major Shareholders	<p>The interests of the Directors together represent approximately 27.0% of the Existing Ordinary Shares as at 1 June 2017 (being the latest practicable date prior to the publication of this Document) and are expected to represent approximately 16.5% of the Enlarged Share Capital (assuming maximum subscription under the Subscription and Offer and the issue of the Fee Shares).</p> <p>Except for the interests of those persons set out in this paragraph, the Directors are not aware of any interest which, as at the date of this Document, or immediately following the Initial Closing, or the Subscription and Offer (assuming full subscription) would amount to 3% or more of the Company's issued share capital at the relevant time:</p> <table border="1"> <thead> <tr> <th><i>Name</i></th> <th><i>Ordinary Shares as at the date of this Document</i></th> <th><i>Percentage of Existing Ordinary Shares</i></th> <th><i>Ordinary Shares at Admission*</i></th> <th><i>Ordinary Shares held as a percentage of Enlarged Share Capital *</i></th> </tr> </thead> <tbody> <tr> <td>David Breith</td> <td>39,000,000</td> <td>39.00%</td> <td>39,000,000</td> <td>19.50%</td> </tr> <tr> <td>Andrew Hollingworth</td> <td>26,000,000</td> <td>26.00%</td> <td>28,250,000</td> <td>14.13%</td> </tr> <tr> <td>Piotr Kwiatkowski</td> <td>5,000,000</td> <td>5.00%</td> <td>5,000,000</td> <td>2.5%</td> </tr> </tbody> </table>	<i>Name</i>	<i>Ordinary Shares as at the date of this Document</i>	<i>Percentage of Existing Ordinary Shares</i>	<i>Ordinary Shares at Admission*</i>	<i>Ordinary Shares held as a percentage of Enlarged Share Capital *</i>	David Breith	39,000,000	39.00%	39,000,000	19.50%	Andrew Hollingworth	26,000,000	26.00%	28,250,000	14.13%	Piotr Kwiatkowski	5,000,000	5.00%	5,000,000	2.5%
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		<p>*Assumes that the Subscription and Offer is subscribed for in full and the Fee Shares are issued, on the basis of the present assumption that none of the existing major Shareholders above will participate in the Subscription and Offer and that none of the Warrants will be exercised.</p> <p>David Breith (formerly a consultant of the Company and founder of the Toople.com business) and Andrew Hollingworth (a Director) currently have a holding of 65 per cent. of the Existing Ordinary Shares in aggregate. This is expected to reduce to 33.6 per cent. of the Enlarged Share Capital in the event that the Subscription and Offer is subscribed for in full and assuming issue of the Fee Shares. They entered into a relationship agreement in May 2016 with the Company to ensure that the Board operates independently of them and all decisions taken by the Board are made for the benefit of Shareholders as a whole. David Breith's consultancy role with the Group ended in November 2016.</p> <p>No major holder of Ordinary Shares has voting rights different from other holders of Ordinary Shares. All of the Ordinary Shares rank <i>pari passu</i> in all aspects.</p>																																																																																																																								
B7	Selected historical key financial information	<p>The following selected historical key financial information has been extracted without material adjustment from the Audited Financial Statements, the Unaudited Interim Accounts and subsequent unaudited management accounts. Shareholders and potential investors should note the update on the Group's current financial position and working capital requirements below and that the Group does not have sufficient working capital for the Working Capital Period unless the Minimum Net Proceeds are raised through the Subscription and Offer (or alternative funding is found).</p> <table border="1"> <thead> <tr> <th></th> <th style="text-align: right;"><i>Year ended</i> 30 September 2015 (audited) £</th> <th style="text-align: right;"><i>Six months</i> ended 31 March 2016 (unaudited) £</th> <th style="text-align: right;"><i>Year ended</i> 30 September 2016 (audited) £</th> <th style="text-align: right;"><i>Six months</i> ended 31 March 2017 (unaudited) £</th> </tr> </thead> <tbody> <tr> <td>Consolidated comprehensive income</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Revenue</td> <td style="text-align: right;">36,799</td> <td style="text-align: right;">402,609</td> <td style="text-align: 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Net cash inflows (used) in financing activities	512,141	149,614	2,052,613	–																																																																																																																						
Net cash used in investing activities	192,108	–	(16,777)	132																																																																																																																						
Net decrease in cash & cash equivalents	130,372	(218,527)	612,971	(552,240)																																																																																																																						

Toople Plc was incorporated in April 2016 and acquired the material trading subsidiaries of the Group, Toople.com Ltd and AskMerlin Ltd, in April 2016 (“Subsidiaries”), therefore financial information for the Group for the period prior to acquisition of the Subsidiaries represents the combined financial information of the Subsidiaries. Standalone financial information for Toople.com Ltd for the year ended 30 September 2014 and AskMerlin Ltd for the two years ended 31 March 2015 prior to acquisition by the Company, is summarised below.

	<i>Year ended 30 September 2014 (Audited) £</i>	
Toople.com Ltd Income statement		
Revenue		34,000
Cost of revenue		(5,561)
Gross profit		28,439
General & administrative expenses		(25,963)
Profit before income taxes		2,476
Net Profit for the period after taxes		2,022
Toople.com Financial Position		
Property and equipment		159,025
Trade and other receivables & prepayments		98,676
Cash and cash equivalents		117
Total assets		257,818
Current liabilities		139,965
Non-current liabilities		21,336
Total liabilities		161,301
Net assets		95,517
Toople.com cash flows		
Net cash used in operating activities		12,637
Net increase/(decrease) cash used in investing activities		(15,250)
Net decrease in cash & cash equivalents		(2,613)
	<i>Year ended 31 March</i>	
	<i>2014</i>	<i>2015</i>
	<i>(Audited)</i>	<i>(Audited)</i>
	<i>£</i>	<i>£</i>
AskMerlin Ltd Income statement		
Revenue	157,500	–
Cost of revenue	(157,695)	–
Gross profit	(195)	–
General & administrative expenses	(19,810)	(17,721)
Profit/(loss) before and after income taxes	(20,005)	(17,721)
AskMerlin Ltd Financial Position		
Property and equipment	53,116	35,411
Trade and other receivables & prepayments	218,168	–
Cash and cash equivalents	26,574	60
Total assets	297,858	35,471
Current liabilities	246,940	2,274
Non-current liabilities	–	–
Total liabilities	246,940	2,274
Net assets	50,918	33,197
AskMerlin Ltd cash flows		
Net cash used in operating activities	(5,764)	(28,787)
Net decrease in cash & cash equivalents	(5,764)	(26,514)

		<p>Overview of trading and changes in financial condition of the Group</p> <p><i>Background</i></p> <p>The Toople brand for the telecoms business of the Group launched in May 2016 shortly after admission to trading on the Standard List on 10 May 2016. Shareholders and potential investors should note that the majority of revenue and expenses in the year ended 30 September 2015 and in the historic periods for Toople.com Ltd and AskMerlin Ltd prior to this, were unrelated to the current business of the Group and instead related to legacy business entered into by the previous owner of these entities prior to their acquisition by Toople Plc.</p> <ul style="list-style-type: none"> • Prior to its acquisition by Toople Plc, Toople.com Ltd (previously called Cube Telecom Ltd) was used to acquire assets as part of the sale of O-bit Telecom Limited to Daisy Group plc by David Breith by way of a Transitional Service Agreement (“TSA”). Toople.com then became a facilities management company until 2015 when these activities ceased. Toople.com began to incur expenses in relation to developing the current business of the Group in the year ended 30 September 2015. A disposal of assets arising from the TSA arrangements accounted for approximately £160,000 of the cash inflows from investing activities in the year ended 30 September 2015. • AskMerlin owns the Group’s Merlin software. Prior to acquisition of AskMerlin by Toople Plc in April 2016, AskMerlin had licenced the Merlin software to Daisy Group which is reflected by the revenue generated in the year ended 31 March 2014, however these arrangements came to an end in 2014. AskMerlin did not trade during the year ended 31 March 2015. AskMerlin entered into a number of licence arrangements in 2016 in relation to the Merlin platform which contributed revenue and gross margin to the Group of approximately £28,000 in the six months ended 31 March 2017. • The liabilities of the Group have increased over the period covered by the Historical Financial Information, largely due to the increased level of borrowings, represented by the Founder Loan, made to the Group by David Breith to support the launch of the Toople business. The loan balance owed is £606,756 though the net present value was £492,672 as at 31 March 2017. The loan is interest free and is not repayable by the Group until 3 years after the date of 2016 Admission. • The level of cash and cash equivalents of the Group increased significantly in the year ended 30 September 2016 as a result of the Company raising approximately £1.66 million (after costs) through a placing of new Ordinary Shares at the time of 2016 Admission. The cash balance has decreased subsequent to 30 September 2016 as a result of the Group’s general working capital needs and launch of the Toople business, which is currently early stage and does not generate a profit. The Group also repaid loans and an overdraft of approximately £0.17 million. As at the date of this Document, the Group has approaching 800 direct SME customers and a number of lower margin wholesale customers. The majority of wholesale customer agreements were entered into in the second half of 2015.
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		<ul style="list-style-type: none"> • Net cash inflows (used) in financing activities in the two years ended 30 September 2016 related to funds raised at the time of the Company’s Standard Listing and an increase in the Founder Loan. There were no such financing activities in the 6 months ended 31 March 2017. • Revenue for the year ended 30 September 2016 was £957,749 (compared to £36,799 in the prior year), reflecting the launch of the Toople telecoms business in May 2016. • A gross margin of £77,641 (8.1%) was generated in the year ended 30 September 2016, reflecting the predominance of wholesale revenues across the year whilst the Group builds its direct customer telephony business which was launched in May 2016. • In the six months ended 31 March 2017, there was an upward trend in the gross margin of the Group as the Group’s direct, higher margin customer base increased resulting in an overall increase in gross profit margin to 12.5% and a reduction in percentage terms, of total revenue generated from wholesale customers (to approximately 65%). The cost of customer acquisition currently ranges from between approximately £40 and £91 per customer. The Company expects to achieve a 30% margin over the contract life of a typical customer with customer contracts ranging from 12 to 36 months in length. • Current trading and financial position As at 30 April 2017, the Group had unaudited current assets of £0.32 million (including cash of £0.15 million) and current liabilities of £0.37 million resulting in net current liabilities of approximately £0.05 million. Current liabilities included £0.15 million of fees owed to the Directors. The Group’s non-current liability in respect of the Founder Loan (repayable 3 years after 2016 Admission) was £0.61 million (cash value) (with a net present value in the Group’s management accounts of approximately £0.49 million as at 30 April 2017. The Group’s cash balance as at 31 May 2017 (being the latest practicable date prior to the publication of this Document) was approximately £0.07 million and there have been no material changes to the liabilities of the Group since 30 April 2017. • Since the period ended 31 March 2017 the Group has continued to generate losses which continues to reduce the Group’s cash balances as noted above resulting in the Group currently having insufficient working capital. In the event that the Minimum Net Proceeds are not raised, the Group anticipates having a working capital shortfall of approximately £23,000 at the end of June 2017 (when the Group will be required to pay certain suppliers) and will be unable to continue as a going concern unless alternative financing can be obtained. Further detail regarding the Group’s current working capital position are set out below in element B11. Save as described above, there have been no material changes in the trading and financial condition of the Group during and subsequent to the period covered by the Historical Financial Information.
B8	Selected Key pro forma financial information	Not applicable; this Document does not contain pro forma financial information.

B9	Profit forecast	Not applicable; this Document does not contain profit forecasts or estimates.
B10	Description of the nature of any qualifications in the audit report on the historical financial information	There are no qualifications in the audit reports on the Historical Financial Information which has been audited.
B11	Working capital	<p>The Company is of the opinion that the Group does not have sufficient working capital for the Group's present requirements, that is for at least twelve months following the date of this Document. The Group raised gross proceeds of £2.0 million at the time of the 2016 Admission on 10 May 2016 (£1.66 million net of costs) which the Group used for working capital, to launch the Toople brand and commence on-line digital marketing campaigns. Since the 2016 Admission and as a result of marketing carried out by the Group, the Group has successfully gained nearly 800 direct SME customers, however competitiveness within the SME telecoms market and in particular the broadband market increased at a greater pace than originally anticipated by the Directors at the time of the 2016 Admission which resulted in the costs of customer acquisition being higher than expected over the past year and customer numbers not increasing as quickly as hoped prior to launch of the Toople brand. Until such time as the Group has increased its customer number significantly and is able to generate an operating profit, the Group remains loss making and is reliant on external sources of funding to provide working capital for the Group and to allow the Group to continue to run marketing and advertising campaigns to target increased revenues and gross profit.</p> <p>The Directors have carefully monitored the Group's costs over the past year and have taken steps to conserve the Group's cash including finessing the Group's marketing strategies to reduce the cost of customer acquisition whilst still growing the customer base; accruing certain fees and remuneration owed to the Directors (approximately £157,000 to the end of May 2017) and reducing overhead costs in relation to the developer base of the business since the Merlin platform is now integrated into the Toople business. Despite this, and largely as a result of continued investment in marketing to grow the Group's customer base, the Group now has insufficient working capital and as announced by the Group in March 2017, further funds are needed to provide working capital for the Group and to fund future marketing activities to continue to grow the Business. As at 31 May 2017, the Group has cash available of approximately £72,863 which is expected to allow the Group to continue to trade as a going concern to the end of June 2017 unless further external funding is obtained. As at 30 June 2017, there is expected to be a shortfall in working capital of approximately £23,000 when the Group will be required to pay certain suppliers before receipt of sufficient trade receivables. No other sources of external funding are currently in the process of being negotiated by the Group.</p> <p>The Group intends to carry out the Subscription and Offer in order to raise gross proceeds of up to £1.9 million (assuming subscription in full at the Initial Issue Price) to provide general working capital for the Group and to provide funds for marketing and customer acquisition. The Subscription and Offer is subject to Minimum Net Proceeds of £1 million being raised through the</p>

		<p>Subscription and Offer (“Minimum Net Proceeds”). The Minimum Net Proceeds is an amount which the Directors consider will provide the Group with a meaningful amount of funds (approximately £0.65 million) to target significant growth in the customer base of the business through marketing campaigns with the balance of approximately £0.35 million being used to provide general working capital for the Group for a period of 12 months following the date of this Document. Conditional on receipt of the Minimum Net Proceeds, the Company is of the opinion that the Group will have sufficient working capital for the Group’s requirements, that is for a minimum of 12 months from the date of this Document.</p> <p>Shareholders and investors should note that pursuant to the terms of the Subscription and Offer, if the Minimum Net Proceeds is not achieved within a period of 2 weeks following the date of this Prospectus, the Subscription and Offer will not proceed and the Group will not have sufficient funds to carry out the Group’s strategy or acquire additional customers and the business of Toople will likely be wound down. Additionally, unless alternative funding is secured by 30 June 2017 (for example in the event that the Group is able to realise cash through the sales of its assets or customers as described below), the Group will not have sufficient working capital to continue as a going concern from 30 June 2017 and will likely appoint a liquidator to realise the Group’s assets. In the event that the Minimum Net Proceeds are not received within the 2 week timeframe, the Directors will consider all options available to the Group in order to avoid the Group being unable to operate as a going concern. This may include for example realising value through sale of the Group’s customer base and/or Merlin platform to another telecoms company. Whilst there can be no guarantee that the Group will be successful in realising value in this manner prior to 30 June 2017, the Directors believe, based on their experience and contacts in the industry, that this would be possible. The Group may also seek to make arrangements with its creditors and consider whether it is in the best interests of Shareholders to maintain the Group’s Standard Listing. In the event that the Minimum Net Proceeds are not raised, the Group does not envisage that alternative funds will be sought to fund the Group’s current strategy.</p> <p>Although the Subscription and Offer is not underwritten and there is no guarantee of its success, having taken soundings from a number of Existing Shareholders and potential investors, the Directors are confident that there is a reasonable prospect that the Minimum Net Proceeds will be raised through the Subscription and Offer.</p>
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Section C – Securities		
C1	<p>Type and class of the securities admitted to trading</p>	<p>The Company proposes to issue of up to 95,000,000 new Ordinary Shares pursuant to the Subscription and Offer (“Subscription and Offer Shares”). The Subscription and Offer is conditional on, <i>inter alia</i>, minimum net proceeds of £1 million being raised pursuant to the Subscription and Offer. 5,000,000 new Ordinary Shares in aggregate are being issued to the Directors and Neil Taylor in lieu of historic fees owed to them (“Fee Shares”). Issue of the Fees Shares is conditional on issue of the Initial Subscription and Offer Shares. The Subscription and Offer Shares and the Fee Shares (together the “New Ordinary Shares”) are ordinary shares of</p>

		0.0667 pence each which will be registered with ISIN number GB00BZ8TP087 and SEDOL number BZ8TP08.
C2	Currency of the securities	UK pounds sterling.
C3	Issued share capital	The Company has 100,000,000 Ordinary Shares in issue (all of which are fully paid) of 0.0667 pence each. It proposes to issue up to a further 95,000,000 Ordinary Shares pursuant to this Document through the Subscription and Offer and 5,000,000 Fee Shares. There are no shares in issue that are not fully paid.
C4	Rights attaching to the securities	<p>The Ordinary Shares rank <i>pari passu</i> in all respects with each other, including for voting purposes, dividends and for any distributions made on a winding up of the Company. Each Ordinary Share confers the right to receive notice of and attend all meetings of Shareholders. On a show of hands, each Shareholder has one vote and on a poll each Shareholder has one vote per Ordinary Share held. In accordance with the Act, any Ordinary Shares issued for cash must first be offered to Shareholders in proportion to their holdings of Ordinary Shares. Such pre-emption rights may be altered and/or waived by a special resolution of Shareholders. The Company must hold an annual general meeting each year in addition to any other general meetings held in the year. The Directors can call a general meeting at any time. All members who are entitled to receive notice under the Articles must be given notice. Except in relation to dividends which have been declared and rights on a liquidation of the Company, the Shareholders have no right to share in the profits of the Company. The Ordinary Shares are not redeemable, however, the Company may purchase or contract to purchase any of the Ordinary Shares on or off market subject to the Act.</p> <p>The New Ordinary Shares will rank <i>pari passu</i> in all respects with the Existing Ordinary Shares</p>
C5	Restrictions on free transferability of the securities	Not applicable; the Ordinary Shares are freely transferable and there are no restrictions on transfer.
C6	Admission to trading	Application will be made for the Subscription and Offer Shares to be issued pursuant to the Subscription and Offer (to be issued conditional on valid subscriptions being received and, <i>inter alia</i> , Initial Closing of the Subscription and Offer) and the Fee Shares (which are to be issued conditional on, <i>inter alia</i> , Initial Closing) to be admitted to the standard segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and that unconditional dealings will commence on the London Stock Exchange within two business days of allotment in respect of the New Ordinary Shares. Initial Admission is expected to occur in the week commencing 12 June 2017. No application has been made or is currently intended to be made for the Ordinary Shares to be admitted to trading on any other exchange.
C7	Dividend policy	The Company has never declared or paid any dividends on the Ordinary Shares. The Company currently intends to pay dividends on future earnings, if any, only when it is commercially and financially appropriate to do so. Any decision to declare and pay dividends will be made at the discretion of the Board and will depend on, amongst other things, the Company's results of operations, financial condition and solvency and distributable

		reserves tests imposed by corporate law and such other factors that the Board may consider relevant.
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Section D – Risks		
D1	Key information on the key risks that are specific to the Group or its industry	<p>KEY RISKS RELATING TO THE GROUP’S BUSINESS STRATEGY</p> <ul style="list-style-type: none"> • The Group currently has insufficient working capital. In the event that the Minimum Net Proceeds are not achieved within a period of 2 weeks following the date of this Prospectus, the Subscription and Offer will not proceed and the Group will be have insufficient working capital to carry out its business strategy. Additionally, unless alternative funding is secured by the end of June 2017 (including by way of realisation of the value of the business as described below), the Group will not have sufficient working capital to continue as a going concern from 30 June 2017. In the event that the Minimum Net Proceeds are not raised, the Directors will consider all options available to the Group in order to avoid the Group being unable to operate as a going concern – this may include for example, winding down the Toople business and realising value through sale of the Group’s customer base and/or Merlin platform to another telecoms company. However there is no guarantee that the Group will be able to realise value in the business at all or in the timeframe above given that the Group may cease to be a going concern at the end of June 2017. • The Group has a limited trading history with limited revenues, therefore, investors have only a limited basis on which to evaluate the Group’s ability to achieve its objective of becoming a leading telecoms business to the SME market. If the Group fails to achieve its strategic objectives it will have a significant adverse effect on the Group’s financial position. • The Group is at an early stage of business development and has a small direct customer base at present (with the number of direct customers approaching 800 customers). The ability of the Group to become profitable is highly dependent on the Group significantly increasing its direct customer base which is dependent on a number of internal and external factors of which there is no guarantee will occur. • The majority of the Group’s revenue is currently generated by wholesale customers and in particular a single wholesale customer accounted for approximately 50 per cent. of the Group’s revenue in the six months ended 31 March 2017. Whilst the Group’s wholesale customers are not a strategic area of growth given the low gross margins of the wholesale business, in the early stages of the Company’s development, a significant reduction in wholesale revenues could have a material adverse effect on the Group. • The Group operates in a competitive market and its ability to increase its customer base and profit margins is largely dependent on the success of its marketing campaigns. If marketing and customer acquisition costs incurred are more expensive than anticipated and/or the rate of customer acquisition is slower than expected, the results of the Group may be adversely affected.

		<ul style="list-style-type: none"> • The Group’s executives and key employees are material to the business. If one or more of them are unable or unwilling to continue in their present position, the Group may not be able to attract suitably experienced personnel to compensate for those departing which could adversely affect the business of the Group. • The success of the Group is in part dependent on the technical capabilities of the Group’s Merlin platform. Any technical issues are likely to have a negative effect on the Group’s ability to attract and retain customers. • The Group is heavily dependent on third party suppliers for certain products and services (including network suppliers) and any problems with third party suppliers in relation to quality, willingness or ability to supply or pricing may have an adverse impact on the reputation and financial performance of the Group. A number of supplier contracts can be terminated in the event that the Group does not comply with certain provisions under the agreements. Termination by a supplier could have a material adverse effect on the Group. • The Group’s performance is dependent on maintaining its competitive customer service levels and there is a risk that the quality of service provided to customers may fall below that which is expected, which could have a significant reputational impact upon the Group. • The Group’s outsourced sales and marketing and customer service provider may in the future need to be changed in the event of <i>inter alia</i>, poor performance or termination of the agreement. Any change in service provider could lead to significant disruption including an inability to grow or retain the Group’s customer base. • The Group’s ownership and use of intellectual property may be challenged by third parties or otherwise disputed in the future despite precautions taken by the Group. • Andrew Hollingworth and David Breith are currently beneficially interested in approximately 65 per cent. of the Existing Ordinary Shares. Whilst this holding will reduce significantly as a result of dilution arising from the issue of the New Ordinary Shares and the Company has the protection of the Relationship Agreement, for so long as their holding is material they could exercise significant control over matters requiring shareholder approval, which could delay or prevent a third party from acquiring or merging with the Group. • Any change in the tax status of any member of the Group or the tax applicable to holding Ordinary Shares or in taxation legislation or its interpretation, could affect the value of the equity interests held by the Group, the Group’s ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders. • Whilst the Group holds relevant business insurances, there can be no guarantee that this will provide adequate protection and compensation to the Group. • The Group’s reliance on its online and cloud infrastructure and systems to conduct its operations puts it at risk of cyber attacks of both a deliberate and unintentional nature. If the Group suffers from a cyber attack it may lead to significant
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		<p>costs and other negative consequences, such as reputational damage and loss of investor confidence.</p> <p>KEY RISKS RELATING TO THE INDUSTRY IN WHICH THE GROUP OPERATES</p> <ul style="list-style-type: none"> • The pricing environment could become more difficult than currently anticipated by the Group and this could have an adverse impact on the Group's revenues and profit margins. • Unforeseen regulatory changes which change the competitive landscape could result in a reduction in profits generated by the Group.
D3	Key information on the key risks that are specific to the securities	<p>KEY RISKS RELATING TO THE ORDINARY SHARES</p> <ul style="list-style-type: none"> • Notwithstanding the fact that an application will be made for the New Ordinary Shares to be admitted to the standard listing segment of the Official List, this should not be taken as implying that there will be a liquid market in the Ordinary Shares and, accordingly, it may be difficult for investors to sell their Ordinary Shares. The share price of publicly traded companies can be highly volatile and subject to wide fluctuations, which could lead to losses for Shareholders. • Future issues of Ordinary Shares (including in relation to the Subscription and Offer and exercise of the Warrants and Options) could dilute the interests of Existing Shareholders and could impact upon the price of the Ordinary Shares. If the Subscription and Offer is taken up in full and assuming issue of the Fee Shares, Shareholders will experience dilution of 50%. • There can be no assurance provided as to the level or frequency of future dividends, if any. • A standard listing affords investors in the Group a lower level of regulatory protection than that which is afforded to investors in a company with a premium listing, which is subject to additional obligations under the Listing Rules. • Any change in the Group's or its subsidiaries' tax status or in tax legislation could affect the nature and amount of tax payable and reliefs available which in turn could affect the Group's ability to provide returns to shareholders.

Section E – Subscription and Offer

E1	Net proceeds/estimate of expenses	<p>The Company proposes to raise up to £1.9 million at the Issue Price (assuming an initial issue price of 2 pence per Subscription and Offer Share) through the Subscription and Offer before expenses. The total costs of the Subscription and Offer (assuming the Subscription and Offer is fully subscribed) payable by the Company are estimated to be approximately £0.18 million (exclusive of recoverable VAT). Estimated net proceeds of the Subscription and Offer, assuming it is fully subscribed, are approximately £1.72 million.</p>
E2a	Reasons for the Subscription and Offer/ use of proceeds/ net amount of proceeds	<p>The Group proposes to raise funds through the Subscription and Offer to provide working capital for the Group to enable it to continue as a going concern and to enable the Group to carry out marketing, sales and customer acquisition activities to target growth of the Group's customer base. In the event that the Minimum Net Proceeds are raised, approximately £0.35 million will be used for general working capital for the Group and</p>

		<p>approximately £0.65 million will be used for marketing and sales. In the event that additional net funds are received over and above the Minimum Net Proceeds, they will also be applied to both marketing, sales and customer acquisition activities (as well as additional working capital associated with an increased marketing and sales activity and an increased customer base) In the event that the Subscription and Offer is fully subscribed for at the Initial Issue Price, the net proceeds are estimated to be approximately £1.72 million (exclusive of recoverable VAT).</p>
E3	Terms and conditions of the offer	<p>Up to 95,000,000 new Ordinary Shares are offered for subscription at the Issue Price which is currently 2 pence per share (“Initial Issue Price”) under the Subscription and Offer. Allotment and issue of Subscription and Offer Shares is conditional on, <i>inter alia</i>:</p> <ul style="list-style-type: none"> • Minimum Net Proceeds of £1.0 million being raised within two weeks of publication of this Document; • At least 25 percent of the Company’s issued share capital being held in public hands (as defined by the Listing Rules); • Initial Admission. <p>The Minimum Net Proceeds is an amount deemed necessary by the Board to enable the Company to carry out a meaningful level of marketing activities to target customer acquisitions. The Subscription and Offer will not proceed if the Minimum Net Proceeds condition is not met. It is anticipated that Subscription and Offer Shares and 5,000,000 Fee Shares, will be issued and admitted to trading once the conditions of the Subscription and Offer have been met and the Company has raised the Minimum Net Proceeds (“Initial Closing”).</p> <p>Following Initial Closing, the Subscription and Offer will remain open for up to 12 months from the date of this Document unless the Directors, at their discretion, determine to close it earlier (or the maximum number of Subscription and Offer Shares have been successfully subscribed for). Subscription and Offer Shares to be issued pursuant to subscriptions received will be allotted, assuming all conditions of the Subscription and Offer have been met, at the discretion of the Company. The outcome of Initial Closing will be notified via an RIS. The Issue Price may be increased above the Initial Issue Price following Initial Closing. Any increase in the issue price of the Subscription and Offer will be notified via an RIS and will be subject to publication of a supplementary prospectus.</p> <p>The rights attaching to the Subscription and Offer Shares will be uniform in all respects and all of the Ordinary Shares (issued and to be issued) will form a single class for all purposes. Each investor undertakes to pay the Issue Price for the Ordinary Shares. The Subscription and Offer has not been, and will not be, underwritten.</p>
E4	Interests material to the issue/conflicting interests	<p>The interests of the Directors together currently represent 27,000,000 Ordinary Shares being approximately 27.0% of the Existing Ordinary Shares. Certain Directors also have in aggregate, warrants over a further 3,000,000 Ordinary Shares (“NED Warrants”) representing 3.0% of the Existing Ordinary Shares. It is intended that, conditional on Initial Admission, 4,700,000 Fee Shares will be issued to the Directors and in addition, Richard Horsman will subscribe for 1,250,000 Subscription and Offer</p>

		<p>Shares. Accordingly, it is expected that the Directors will hold 32,950,000 Ordinary Shares in aggregate following Initial Closing. Save as set out above, no Director has any interest in the Existing Ordinary Shares, nor is expected to have any interest in the Enlarged Share Capital or have any conflict of interest between his duties to the Company and any private interests or other duties.</p>
E5	Name of the offeror, selling Shareholders and Lock up agreements	<p>Not applicable; no person or entity is offering to sell the relevant securities.</p> <p>Certain existing shareholders (“Orderly Market Persons”), holding in aggregate approximately 75 per cent of the Existing Ordinary Shares, are currently subject to the terms of an orderly market agreement until 10 May 2018 whereby Ordinary Shares held by the Orderly Market Persons may only be sold through the Company’s broker. In addition, David Breith has agreed not to dispose of his holdings in the Company for a period of six months from the date of Initial Admission. This restriction shall not apply to, <i>inter alia</i>, the acceptance or giving of an irrevocable undertaking to accept a general offer which has become or has been declared unconditional in all respects for the issued share capital of the Company; any scheme of reconstruction effected pursuant to section 110 of the Insolvency Act 1986 in relation to the Company; or a disposal:</p> <ul style="list-style-type: none"> • to fulfil demand in the Ordinary Shares from an institutional or strategic investor; • to the personal representative of the Founder who dies during the locked up period; • pursuant to an intervening court order; • pursuant to a compromise or arrangement between the Company and its creditors; • any scheme of reconstruction effected pursuant to section 110 of the Insolvency Act 1986 in relation to the Company; • made to a family member of David Breith; • made to the trustee(s) of any trust, the beneficiaries of which are the Founder and/or a family member of the Locked In person; • of any Ordinary Shares issued to the Locked In person by way of rights after Admission.
E6	Dilution	<p>The Subscription and Offer will, assuming full subscription and issue of the Fee Shares, result in the Existing Ordinary Shares being diluted so as to constitute 50% of the Enlarged Share Capital. Existing Shareholders not participating in the Subscription and Offer will therefore experience dilution of 50%.</p>
E7	Estimated expenses charged to the investor	<p>Not applicable; no expenses will be charged directly by the Company to any investor who subscribes for new Ordinary Shares pursuant to the Subscription and Offer.</p>

RISK FACTORS

The Group's business, financial condition or results of operations could be materially and adversely affected by the risks described below. In such cases, the market price of the Ordinary Shares may decline due to any of these risks and investors may lose all or part of their investment. Additional risks and uncertainties not presently known to the Directors, or that the Directors currently deem immaterial, may also have an adverse effect on the Group. The Directors consider the following risks to be the material risks for potential investors in the Company, but the risks listed do not necessarily comprise all those associated with an investment in the Company.

Any investment in the Ordinary Shares is speculative and subject to a high degree of risk. Prior to investing in the Ordinary Shares, prospective investors should carefully consider the risks and uncertainties associated with any investment in the Ordinary Shares, the Group's business and the sector in which it operates, together with all other information contained in this Prospectus, including, in particular, the risk factors described below.

Any of the risks described below, as well as other risks and uncertainties discussed in this Prospectus, could have a material adverse effect on the Group's business and could therefore have a negative effect on the trading price of the Ordinary Shares. Prospective investors should note that the risks relating to the Group, its industry and the Ordinary Shares summarised in the part of the Prospectus headed: "Summary Information" are the key risks associated with an investment in the Ordinary Shares. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in that part but also, among other things, the risks and uncertainties described below.

The following factors do not purport to be a complete list or explanation of all the risk factors involved in investing in the Ordinary Shares and should be used as guidance only. Additional risks and uncertainties that are not currently known to the Company, or that it currently deems immaterial, may individually or cumulatively also have an adverse effect on the Group's business, results of operations, financial condition and prospects. If this occurs, the price of the Ordinary Shares may decline and investors could lose all or part of their investment. Prospective investors should also consider carefully whether an investment in the Ordinary Shares is suitable for them in light of the information in this Prospectus and their personal circumstances.

RISKS RELATING TO THE GROUP'S BUSINESS STRATEGY

The Group currently has insufficient working capital. In the event that the Group is unable to raise the Minimum Net Proceeds, the Group will be unable to carry out its business strategy and may be unable to continue as a going concern

In the event that the Minimum Net Proceeds are not achieved within a period of 2 weeks following the date of this Prospectus, the Subscription and Offer will not proceed and the Group will have insufficient working capital to carry out its business strategy. Additionally, unless alternative funding is secured by the end of June 2017, the Group will not have sufficient working capital to continue as a going concern from 30 June 2017 as the Group will be unable to meet its liabilities as they fall due. In the event that the Minimum Net Proceeds are not raised within this timeframe, the Directors will consider all options available to the Group in order to avoid the Group being unable to operate as a going concern – this may include for example, winding down the Toople business and realising value through sale of the Group's customer base and/or Merlin platform to another telecoms company. However there is no guarantee that the Group will be able to realise value in the business at all or in the timeframe above given that the Group may cease to be a going concern at the end of June 2017.

Shareholders and potential investors should note that save for the Subscription and Offer, no other sources of external funding are currently in the process of being negotiated by the Group. Therefore in the event that the Minimum Net Proceeds are not raised, the Group will be unable to carry out the Group's strategy as the Group will have insufficient funds to grow the customer base of the Business.

In the event that the Minimum Net Proceeds are raised through the Subscription and Offer, the Directors believe that the Group will have sufficient cash for a minimum of 12 months from the date of this Document (“Working Capital Period”). However, following the Working Capital Period, the Group may still require additional funding to further grow the Business in order to become profitable. There is no guarantee that the Group will be able to raise such finance from banks, the capital markets or other sources of funds on terms acceptable to the Group or at all. Where the Company issues Ordinary Shares in the future, such issuance may result in the then existing shareholders of the Company sustaining dilution of their equity holding in the Company.

As the Group has a relatively limited trading history, actual performance may differ materially from expectations

The Group has only a limited trading history to date with limited revenues. Investors therefore have a limited basis on which to evaluate the Company’s ability to achieve its objective of becoming a leading telecoms business targeting the SME and gaining a significant number of customers in a relatively short period of time, in particular by using targeted marketing strategies. The majority of the Group’s revenue is currently generated by the Group’s wholesale customers which generates significantly lower gross margins compared to the direct SME hosted telephony solution customers which are the main focus of the Group’s business strategy going forward. The Group launched its hosted telephony service in January 2017 and whilst the Director’s believe initial interest of customers in this service is encouraging, revenue in this area represented less than 1 percent. of the Group’s revenue in the six months ended 31 March 2017. In the event that the actual performance of the Group and/or effectiveness of the Group’s marketing strategies differs materially from the expectations of both the Directors and Shareholders, this may have a material adverse effect on the financial results and position of the Group and its future prospectus.

There is no guarantee that the SME market will find the Group’s services sufficiently appealing or differentiated from the Group’s competitors and that the Group will be able to grow its customer base at acceptable costs of customer acquisition. If the Group fails to achieve its strategic objectives, this will have a significant adverse effect on the Group’s cash flows and income statement.

Due to the early stage of the Group’s business development, the Group may generate sustained losses

The Group’s ability to generate increased levels of revenue and to become profitable is dependent on a number of factors including, but not limited to: the success of the Group’s marketing activities in attracting a significant number potential customers to the Group’s website and the cost of these marketing activities; the conversion rate of website visitors into customers; the level of customer service provided by the Group; the retention rate of customers; the reliability and quality of the Group’s services; the Group’s pricing remaining attractive and the Group’s ability to remain operationally robust. Although the Group has approaching 800 customers, the Group’s future success is dependent on the Group significantly increasing its number of direct customers and accordingly if any one of the factors outlined above is materially different to the Directors’ expectations, it could have material adverse effect on the Group’s ability to generate increased levels of revenues and to become profitable.

The loss of one or more wholesale customers could have a material impact on the Group whilst the Company is building up its higher margin direct customer base

A significant proportion (approximately 65% in the six months ended 31 March 2017) of the Group’s revenue is currently generated by wholesale customers and in particular a single wholesale customer accounted for approximately 50 per cent. of the Group’s revenue in the six months ended 31 March 2017. Whilst the Group’s wholesale customers are non-core to the business and not a strategic area of growth given the lower gross margins achieved in comparison to the gross margins of the Group’s direct SME customers, in the early stages of the Company’s development, a significant reduction in wholesale revenues could have a material adverse effect on the Group. In addition, some wholesale customers provide licence income to the Group in relation to the AskMerlin platform. Approximately £28,000 of licence income and gross margin was generated in the six months ended 31 March 2017 through such licences therefore loss of a wholesale customer could have a material impact on the absolute gross margin of the Group whilst the Company builds up revenue from its direct customer base.

The New Ordinary Shares (to the extent issued) will be issued at a premium to the net asset value of the Ordinary Shares and there is no guarantee that the prevailing share price will in the future reflect or exceed the net asset value of the Ordinary Shares

The Initial Issue Price for the Subscription and Offer is 2.00 pence per New Ordinary Share. The estimated net current asset value of the Group was approximately 0.038 pence per share as at 31 March 2017. The Initial Issue Price premium to net asset value of approximately 1.96 pence per share places an intangible value on the strategy proposed by the Board, the human capital contained in the board and its employees, the perceived value of Merlin (which to date has not been significantly capitalised), as well as reflecting the costs incurred in the Subscription and Offer. At 31 May 2017, the Company had cash resources of £72,863, and outstanding loans of approximately £607,000 (cash value). The Net Proceeds of the Subscription and Offer, assuming full subscription at the Initial Issue Price, will be £1.72 million. There is no guarantee that the intangible value of the strategy will be realised or reflected in the share price of the Company's Ordinary Shares.

The marketing investment estimated to be required by the Group may not be sufficient to attract the number of customers that the Group intends to target

The Group's brand is still relatively unknown having launched in May 2016. Accordingly the Group is still building up its brand awareness and reputation from a low base in order to attract potential customers. The Group intends to continue to invest heavily in marketing using the Net Proceeds and have assumed that there will be a correlation between marketing spend and the number of customers that will be acquired as a direct result of that marketing, however costs of customer acquisition can be variable and unpredictable, influenced by the industry and competition in the market. In particular, since launch of the Toople brand, the Group has found customer acquisition costs to be more expensive than originally anticipated, largely as a result of increasing competition in the sector. Whilst the Group has refined its marketing strategy and closely monitors the costs of customer acquisition to ensure that the most appropriate marketing activities for the business are undertaken, there is no guarantee that its marketing activities will result in increased acquisition of customers at the rate expected by the Group.

The loss of/inability to attract key personnel could adversely affect the business of the Group

The Company is heavily dependent on the continued contribution of Directors and key employees due not only to their experience and ability, but also their relationships and business networks, particularly the relationships with suppliers that certain key individuals have developed over a number of years. If such individuals were to leave the Group, and the Group was unable to attract suitable experienced personnel to compensate for those departing, it could have a significant negative impact on the Group's ability to achieve its objectives.

An inability to sell more than one product to customers could materially affect the prospects and gross profit of the Group

The Group's strategy assumes that the majority of customers will take more than product or service from the Group. However there is no guarantee that this will occur or that customers will choose to subscribe for higher margin hosted VoIP and mobile services. An inability to sell a range of products to customers and in particular higher margin services, could adversely affect the Group's financial results.

The Group operates in a competitive market. The costs associated with remaining competitive may be too great for the Group to successfully compete and gain market share

The Group is operating in a competitive market and faces competition from a large number of other telecoms companies, some of which are well established, with well-known brand names and have significantly larger marketing budgets and financial resources than is currently available to the Group. The Group hopes to attract customers through attractive pricing of its services and through the Group's easy to use proprietary software, however, there may be competitors who come to the market and offer a similar service on similar or better terms as the Group which may result in the Group losing its expected competitive advantage or being unable to successfully compete with the funds available to the Group. If the Group is unable to compete, the prospects of the Group will be materially affected.

The technology upon which the Group's products and services are based may become obsolete which could affect the prospects of the Group

The sectors in which the Group competes are subject to rapid and significant changes in technology, and the technology upon which the Group's products and services are based may become obsolete or may not continue to have sufficient market acceptance to create adequate demand. In order to compete successfully, the Group will need to continue to improve its products and services and to develop and market new products and services that keep up with technological changes. The Group's competitors may introduce such products and services before it does, or the products introduced may be perceived by the market to be superior to those of the Group. The Group may also incur unforeseen costs in the course of such product and service development including in respect of investment in fixed assets. An increase in the level of capital expenditure and unforeseen expenses of this nature would adversely affect the Group's free cash flow.

In addition, changes in technology are altering the nature of how communications services are provided and consumed and reducing the importance of national boundaries. In the future, the Group may therefore face increased competition from competitors who are different from those it has competed with historically or those who are based outside the UK.

Technical issues with the Group's Merlin platform, upon which it is reliant, may materially effect the operations of the Group

The success of the Group is largely dependent on the technical capabilities of the Group's Merlin platform. In the event that technical issues were to occur, this could have a significant negative effect on the Group's ability to attract new customers and retain existing customers. Technical failures in a competitive market of this nature will adversely affect the reputation and financial condition of the Group.

The Group's performance is dependent on maintaining competitive customer service levels. The Group is reliant on an outsourced customer service function which if terminated or fails to perform in line with expectations could materially affect the Group's prospects

Part of the Group's strategy is to deliver a strong customer service to its customers. The Group's customer service function is partly outsourced to a third party. Failure to provide and maintain competitive customer service levels and operational and back-office processes could result in customers moving to other providers, and this could have an adverse effect on the financial position of the Group. The Group's outsourced and insourced customer service function is carefully monitored to ensure that service level targets are met. In spite of this, risks still remain that the quality of service provided to customers is below that which is expected, which could have a significant reputational impact upon the Group. In the event that the Group's agreement with the customer service provider was terminated, this could have a material adverse effect on the Company as there could be a delay and costs associated in finding and training a replacement customer service and the Group's ability to attract and retain its customers could also be severely affected in the mean time.

The Group is partly dependent on an outsourced sales and marketing team to carry out day to day marketing and specific demand generation campaigns. An increase in the cost or termination of such service could materially adversely affect the prospects of the Group

Part of the Group's strategy is to use effective sales and marketing to increase the Group's customer base. This is partly delivered through an outsourced third party. Failure to carry out effective marketing campaigns or termination of the contract could result in the Group not growing its customer base as anticipated which could have a material adverse effect on the Group if an alternative suitable supplier can not be found within a short space of time.

The Group is dependent on the supply of certain products and services which would materially adversely affect the prospects of the Group if such supply were terminated

The Group is dependent on third party suppliers for the provision of network infrastructure, network interconnection, IP traffic transit, equipment and associated services. The performance of equipment and services purchased from third party suppliers is not guaranteed to be error free or to ensure 100 per cent.

service availability and any such performance failures could adversely affect the level of service the Group delivers to its customers. Any breakdown or change in the Group's relationships with its suppliers, any supplier declining to sell products or services to the Group for any reason, any material changes in prices, any disruption to the supply of products or services to the Group, any supplier having financial difficulties or going out of business and therefore not satisfying orders, or product liability claims relating to products supplied by third parties could have an adverse effect on the Group's business. Any failures, shortfall against customer expectations, service degradation or errors could result in claims for damages and credits from customers and could adversely affect the reputation and financial condition of the Group.

The Group has agreements in place with a number of wholesale suppliers to enable the Group to offer its telecoms services to potential customers across the UK. A loss of a significant supplier could result in the geographic coverage of the Group's services being limited and could lead to increased losses as potential customers move to alternative telecoms providers.

It should be noted that a number of supplier contracts can be terminated by the supplier in the event that the Group does not achieve a minimum number of customers within a set period of time or in the event of a change of control. In addition, certain suppliers require that clauses from their terms and conditions flow down to the end user or reseller's terms and conditions. In the event that the Group does not fulfil this obligation or its end users/resellers do not fulfil their obligations in respect of these clauses the supplier may be able to terminate the contract with immediate effect.

Should the Group be required to change a supplier it may be that the particular products or services provided are difficult and/or time consuming to replace or that the Group has to incur additional costs in making the change or is unable to fully replicate the desired functionality. Problems with third party suppliers in relation to quality, willingness or ability to supply and pricing may have an adverse impact on the reputation and financial performance of the Group.

An increase in supplier costs could result in significantly reduced gross profit margins, damaging the financial prospects of the Group

The Group has agreements in place with a number of wholesale suppliers at advantageous prices. There can be no assurance that the suppliers will continue to supply the Group at these prices, particularly in the event of the Group failing to meet its targets and proposed sales volumes. In this event the suppliers may increase their prices without the Group being able to pass on these price increases on to their customers, if this were to occur it is likely that it would have a significant impact on the financial results of the Group.

The ownership and use of intellectual property by the Group may be challenged by third parties or otherwise disputed, leading to unforeseen legal expenses and other factors that may have a material adverse effect on the Group's operations

The Group relies and will, in the future, rely on intellectual property laws and third party non-disclosure agreements to protect its intellectual property rights. Despite precautions which may be taken by the Group to protect its products, unauthorised parties may attempt to copy, or obtain and use, its products and the technology incorporated in them. Additionally, intellectual property required by the Group to develop, market and sell its products, or the intellectual property belonging or licensed to the Group may be challenged by third parties and may not be available to it indefinitely on an exclusive basis.

Certain shareholders may continue to have substantial control over the Group following completion of the Subscription and Offer, leaving them in a position to exercise material influence over the Group's operations

In the event that the Subscription and Offer is subscribed for in full, David Breith and Andrew Hollingworth will together be beneficially own approximately 33.6 per cent. of the Enlarged Share Capital (or approximately 41 percent in the event of the Minimum Enlarged Share Capital). As a result, the Substantial Shareholders could exercise significant control over all matters requiring shareholder approval, which could delay or prevent a third party from acquiring or merging with the Group. Subject to the Relationship Agreement, which seeks to regulate certain aspects of the continuing relationship between the Group and the Substantial Shareholders to ensure that the Group is capable at all times of carrying on its business

independently of the Substantial Shareholders, and that all transactions and relationships in the future between members of the Group and the Substantial Shareholders are at arm's length and on a normal commercial basis. Whilst David Breith is not involved in the business and David and Andrew deem themselves to operate independently of one another, the Substantial Shareholders will be in a position to exercise material influence over the Group's operations and business strategy and have the ability to block certain corporate activities which require shareholder approval.

Unforeseen events could have a material adverse impact on the Group's operations

Although the Group has contingency plans in effect for certain natural disasters, as well as other unforeseen events that could damage the Group's operations, no assurance can be given that any such events will not occur nor that they will not materially interrupt the Group's business. In particular, an interruption in the supply of telecom services could have a material adverse impact on the reputation and financial performance of the Group.

If the Warrants/options are exercised, Shareholders may be diluted

The exercise of the Warrants and any options which may be granted in the future will result in a dilution of Shareholders' interests.

Changes in taxation may have a material adverse impact on the Group or the potential post-tax returns to Shareholders

The attention of potential investors is drawn to Part IX of this Document headed "Taxation". The tax rules, including stamp duty provisions, and their interpretation relating to an investment in the Company may change during the life of the Company as may the tax residence of the Company. The levels of, and reliefs from, taxation may change. The tax reliefs referred to in this Document are those currently available and their value depends on the individual circumstances of investors. Any change in the tax status of any member of the Group or the tax applicable to holding Ordinary Shares or in taxation legislation or its interpretation, could affect the value of the equity interests held by the Company, affect the Company's ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders given that statements made in this Document concerning the taxation of the Company and its investors are based upon current tax law and practice which is subject to change.

Legal proceedings and litigation could materially affect the Group's operating results, financial condition and prospects

By the very nature of the Group's business, it is expected that from time to time the Group will be subject to complaints or claims in the normal course of business. There is no certainty that such claims or complaints will not be material and that any settlements, awards or legal expenses associated with defending or appealing against any decisions in respect of any such complaints or claims will not have a material adverse effect on the Group's operating results or financial condition. The Group's business may be materially and adversely affected if the Group and or its employees or agents (such as the outsourced customer services centre) are found not to have met the appropriate standard of care or exercised their discretion or authority in a prudent or appropriate manner in accordance with accepted standards.

The Group is exposed to credit risk due to the composition of its trade debtors. Issues regarding the recoverability of these debts could have a material impact on the cash flow of the Group and adversely affect the Group's financial condition and prospects

The Company is exposed to the risk that third parties that owe the Group money, securities or other assets may not fulfil their obligations. These parties may default on their obligations due to bankruptcy, lack of liquidity, operational failure or other reasons which could have a material adverse effect on the Group's cash flows and financial condition.

Insurance may not be adequate to cover claims which may arise, leading to additional unforeseen costs that may have a material adverse effect on the Group's operations

Whilst the Group holds business insurance relevant to its business, there can be no guarantee that this insurance will provide adequate protection and compensation to the Group to cover every conceivable risk. In the event of an event occurring which is not adequately covered by insurance, the Group's financial condition and the prospects of the Group may be materially adversely affected.

Matters beyond the Group's control could materially adversely affect the Group's financial condition and prospects

The Group has identified and can be ready to execute an extensive range of disaster recovery procedures. However, the Group's operations now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions which, if they occurred, could have a material adverse effect on the Group and its financial condition and prospects.

Risk management policies and procedures may not be completely effective which could have a material adverse effect on the Group's business

The Group's principal risks relate to market risk, operational risk and regulatory and legal risk. Accordingly, risk management and control of the balance between risk and return are critical elements influencing the Group's financial stability and profitability.

Operational risk refers to the risk of financial loss resulting from the Group's own operations including, but not limited to deficiencies in the Group's operating policy and inadequacies or breaches in the Group's control procedures. There is no certainty that the Group's policies and procedures to mitigate its exposure to market and operational risk will be completely effective. Unforeseen events and changes in the economy may lead to market disruptions and unexpected large or rapid changes in market conditions which may have a significant adverse effect on the Group's business and financial prospects and stability.

Limitation of Liability and Indemnification of Directors and former Directors of the Company could result in unforeseen costs which may have a material adverse effect on the Group's business

The Group must indemnify a Director, former Director or alternate Director of the Company and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each Director and alternate Director shall be deemed to have contracted with the Company on the terms of the indemnity contained in its Articles of Association.

The Group's performance could be adversely affected by poor economic conditions

The Group derives most of its profits from the UK and is therefore sensitive to fluctuations in the UK economy. The Group's performance depends to a certain extent on a number of factors outside of the control of the Group which impact on the UK's corporate spending, including political and economic conditions which may prevent the Group from accessing its funds. Changes in economic conditions in the UK and elsewhere, including, for example, interest rates, rates of inflation, industry conditions, political and diplomatic events and trends, tax laws, gross domestic product levels, credit conditions, and other factors could have an adverse effect on the financial performance and prospects of the Group.

The Group's infrastructure and systems could be targeted by cyber-attacks, leading to a material adverse effect on the Group's operations. In addition, unforeseen costs and reputational damage could arise

The Group's reliance on its infrastructure and systems to conduct its operations puts it at risk of falling victim to cyber attacks. Cyber attacks can result from deliberate attacks or unintentional events and may include (but are not limited to) third parties gaining unauthorised access to the Group's network infrastructure and systems for the purpose of misappropriating its financial assets, intellectual property or sensitive information, corrupting data, or causing operational disruption. If the Group suffers from a cyber

attack, whether by a third party or insider, it may incur significant costs and suffer other negative consequences, such as remediation costs (including liability for stolen assets or information) and repairing any damage caused to the Group's network infrastructure and systems. The Group may also suffer reputational damage and loss of investor confidence.

The operating lease in respect of the Group's premises is subject to multiple break clauses. In the event that the landlord of the Group's premises chose to terminate the agreement, the Group would have limited time to relocate its operations which could have a material adverse effect on its operations

Both the landlord and the Group have certain termination rights under the lease in respect of the Group's premises. A break clause has been provided for on 1 November 2016 or 1 June 2018 upon either party giving three months' notice to the other party. The terms of the break clause constitutes an onerous lease as the Group would only have a three month period in which to find alternative suitable premises should the landlord serve the break notice. In the event that the Group is not able to find alternative premises with the three month period it could have an adverse effect on the Group's ability to continue its business activities and therefore may impact on the financial condition of the Group.

In addition, whilst the Group has the ability to terminate the lease, the validity of the Group's break notice is conditional on rent being paid in full and the premises being handed over in 'full vacant possession'. Should the Group not comply with the additional terms it may result in the Group not being in a position to terminate the lease without incurring additional costs.

RISKS RELATING TO THE INDUSTRY IN WHICH THE GROUP OPERATES

The pricing environment in the telecoms industry could become more difficult than anticipated

Prices for many telecom products have declined consistently in recent years, through a combination of regulatory intervention and market competition. These declining price trends are expected to continue. It is possible that the pricing environment could become more difficult than currently anticipated by the Group, and this could have an adverse impact on the Group's revenues and profit margins.

Changes in governmental regulation could adversely affect the Group

Unforeseen regulatory changes changing the competitive landscape could result in a reduction in profits generated by the Group. For example, it is possible that industry regulation will require more competitive pricing to be offered in the market place. Any such revised legislation could negatively impact on the competitiveness of the Group's pricing and result in it being more difficult for the Group to attract new customers.

The UK telecoms market is subject to regulation by Ofcom, and as such decisions made by regulators directly impact the Group and its operations. These regulations could have an adverse effect on the Group's business.

The Group's main businesses are principally regulated and supervised by Ofcom as well as by the Government and other regulatory authorities at both a UK and EU level. There is likely to be further regulatory intervention in the future which may have unforeseen impacts on market pricing and services provided by the Group at that time. This could include the regulation of services purchased by the Group for use in its service offerings, the regulation of services sold by the Group and the regulation of services with which the Group competes. Regulatory decisions and determinations, such as those made by Ofcom, may be subject to legal appeal through the courts up to and including the European Court. This may result in the need to pursue legal and regulatory action in the future. Decisions made by regulators and the courts could have an adverse impact on the Group's financial performance and such impact could on occasion be retrospective.

Fraud and bad debt risk

Fraud within the telephony industry may arise from customers using services without intending to pay their supplier. The Group's direct customers pay by direct debit therefore reducing the risk of non-payment. This is not, however, the case for the Group's wholesale customers who are in turn reliant on collecting funds

from their own end users which may affect their ability to fulfil their financial obligations to the Group. If the Group is unable to efficiently manage credit risk the financial condition and results of the Group could be adversely affected

RISKS RELATING TO THE ORDINARY SHARES

Notwithstanding that application will be made for the New Ordinary Shares to be admitted to trading on the London Stock Exchange, a market for the Ordinary Shares may not develop, which would adversely affect the liquidity and price of the Ordinary Shares and an investors ability to realise their returns (if any)

Notwithstanding the fact that an application will be made for the Ordinary Shares to be admitted to the standard listing segment of the Official List this should not be taken as implying that there will be a liquid market in the Ordinary Shares and, accordingly, it may be more difficult for investors to sell their Ordinary Shares. A return on investment in the Ordinary Shares may, therefore, in certain circumstances be difficult to realise. The share price of publicly traded companies can be highly volatile and subject to wide fluctuations in response to a variety of factors, which could lead to losses for Shareholders. The price at which the Ordinary Shares may trade and the price which investors may realise for their Ordinary Shares will be influenced by a large number of factors, some specific to the Group and some which may affect quoted companies generally. These factors could include the performance of the Group's operations, large purchases or sales of shares, liquidity (or absence of liquidity) in its shares, currency fluctuations, legislative or regulatory changes (including changes in the tax regime in the jurisdiction in which the Group or its investments operate), additions or departures of key personnel at the Group, adverse press, newspaper and other media reports and general economic conditions. In addition, stock markets from time to time suffer significant price and volume fluctuations that affect the market price for securities and which may be unrelated to the Group's performance. The value of the Ordinary Shares will, therefore, fluctuate and may not reflect their underlying asset value.

The Ordinary Shares may not be a suitable investment for all of the recipients of this Document. Before making a final decision, prospective investors are advised to consult an appropriate independent investment adviser authorised under FSMA who specialises in advising on the acquisition of shares and other securities.

Future issues of Ordinary Shares could be dilutive

It may be necessary, at some future time, for the Group to issue additional Ordinary Shares to fund the growth plans of the Group. Any such issue (including the issue of the New Ordinary Shares) would dilute the interests of Shareholders and could impact upon the price of the Ordinary Shares. If the Subscription and Offer is taken up in full and assuming issue of the Fee Shares, Shareholders will experience dilution of 50%. Such dilution will therefore reduce the interest of existing Shareholders in the Company, proportionately reducing their entitlement to any dividends or other distributions made in the Company, together with their respective voting rights.

The Company may not pay dividends

There can be no assurance as to the level or frequency of future dividends, if any. The declaration, payment and amount of any future dividends of the Company are subject to the discretion of the directors of the Company, and will depend on, amongst other things, the Company's earnings, financial position, cash requirements and availability of profits.

Regulatory Protection

A standard listing affords investors in the Company a lower level of regulatory protection than that afforded to investors in a company with a premium listing, which is subject to additional obligations under the Listing Rules. Further details regarding the differences in the protections afforded by a Premium listing or against a Standard listing are set out in Part IV entitled "Consequences of Standard Listing".

The nature and amount of tax which members of the Group expect to pay may change

Any change in the Company's or its subsidiaries' tax status or in tax legislation could affect the Company's ability to provide returns to shareholders. Statements in this Document in relation to tax and concerning the taxation of investors in Ordinary Shares are based on current tax law and practice which is subject to change. The taxation of an investment in the Company depends on the specific circumstances of the relevant investor.

The nature and amount of tax which members of the Group expect to pay and the reliefs expected to be available to any member of the Group are each dependent upon a number of assumptions, any one of which may change and which would, if so changed, affect the nature and amount of tax payable and reliefs available.

Investors should therefore consider carefully whether investment in the Company is suitable for them, in view of the risk factors outlined above and the information contained in this Document, their personal circumstances and the financial resources available to them.

DIRECTORS, OFFICERS AND ADVISERS

Directors	Andrew James Hollingworth, (<i>Chief Executive Officer</i>) Richard John Horsman, (<i>Non-Executive Chairman</i>) Geoffrey Paul Wilson, (<i>Interim Chief Financial Officer</i>)
Company Secretary	WKH Company Services Limited
Registered Office of the Group	PO BOX 501 The Nexus Building Broadway, Letchworth Garden City SG6 9BL
Auditors to the Company	Crowe Clark Whitehall LLP St Bride's House 10 Salisbury Square London EC4Y 8EH
Registrars	Share Registrars Limited The Courtyard 17 West Street Farnham Surrey GU9 7DR
Company website	www.Toople.com

EXPECTED TIMETABLE OF PRINCIPAL EVENTS OF SUBSCRIPTION AND OFFER

Publication of this Document	2 June 2017
Payment to be received from investors pursuant to the Subscription and Offer in cleared funds	On application
Admission and commencement of dealings in the New Ordinary Shares	Within two business days of allotment
Expected outcome of Initial Closing and Initial Admission to be announced via an RIS	Week commencing 5 June 2017

These dates and times are indicative only, subject to change and may be brought forward as well as moved back, in which case new dates and times will be announced. The times referred to above are references to the time in London, UK.

SUBSCRIPTION AND OFFER STATISTICS

Number of Existing Ordinary Shares	100,000,000
Fee Shares	5,000,000
Maximum number of Subscription and Offer Shares	Up to 95,000,000
Maximum number of New Ordinary Shares	Up to 100,000,000
Initial Issue Price per New Ordinary Share	2 pence per Ordinary Share
Minimum Net Proceeds of the Subscription and Offer ¹	£1.00 million
Minimum Gross Proceeds of the Subscription and Offer ¹	approximately £1.14 million
Gross proceeds of the Subscription and Offer at the Initial Issue Price (assuming full subscription) ²	£1.90 million
Net proceeds of the Subscription and Offer at the Initial Issue Price (assuming full subscription) ²	approximately £1.72 million
Estimated Costs (assuming full subscription) ²	£0.18 million
Percentage of Enlarged Share Capital represented by the New Ordinary Shares (assuming full Subscription)	50 per cent
Number of Ordinary Shares under warrant	8.1 million plus the New Warrants ³
ISIN	GB00BZ8TP087
SEDOL	BZ8TP08
EPIC/TIDM	TOOP

Notes

- 1 The Subscription and Offer is conditional upon, *inter alia*, minimum net proceeds of £1.0 million being raised after costs. For illustrative purposes, in the event that the gross proceeds raised are equal to the Minimum Gross Proceeds of £1.14 million, it is expected that 57,000,000 Subscription and Offer Shares will be issued.
- 2 The maximum size of the Subscription and Offer is £1.9 million with the actual size of the Subscription and Offer subject to investor demand and the Issue Price. The number of Subscription and Offer Shares to be issued pursuant to the Subscription and Offer and therefore the actual gross proceeds of the Subscription and Offer are not known as at the date of this Document but will be notified by the Company via an RIS announcement prior to each Admission. The Issue Price per Subscription and Offer Share is initially equal to the Initial Issue Price, however it may be increased after Initial Closing in accordance with paragraph 5 of Part II. In the event that the Issue Price is increased above the Initial Issue Price, the aggregate Gross Proceeds of the Subscription and Offer, assuming full subscription, would increase beyond £1.9 million.
- 3 The number of ordinary shares under warrant pursuant to the New Warrants cannot be calculated as at the date of this Document as this is dependent on the quantum of funds raised pursuant to the Subscription and Offer which are introduced by certain placing agents as described in paragraph 13.14 of Part X.

PART I

INFORMATION ON THE GROUP, OPPORTUNITY, STRATEGY

1. Introduction

The Group is an early stage technology focused telecoms group whose aim is to become a leading provider of telecom solutions to the UK SME market. The Group's intended target market is those SME businesses which have between 1 and 50 employees (the "Target Market"). The Group's services include the provision of cloud based telephony services, broadband over copper, fibre, EFM and Ethernet data services (with call bundles) and mobile services (the "Business").

The Directors intend to carry out the Subscription and Offer in order to raise gross proceeds of up to £1.9 million (assuming subscription in full at the Initial Issue Price) to provide general working capital for the Group and to provide funds for sales, marketing and customer acquisition. The Subscription and Offer is subject to Minimum Net Proceeds of £1 million being raised through the Subscription and Offer which is an amount which the Directors consider will provide the Group with a meaningful amount of funds (approximately £0.65 million) to target significant growth in the customer base of the business through sales, marketing and advertising with the balance of approximately £0.35 million being used to provide general working capital for the Group for a period of 12 months following the date of this Document. As described in more detail below, in the event that the Minimum Net Proceeds are not raised within a period of 2 weeks after publication of this Document, the Group will be unable to continue as a going concern from 30 June 2017 unless alternative funding is found. Although the Subscription and Offer is not underwritten and there is no guarantee of its success, having taken soundings from a number of Existing Shareholders and potential investors, the Directors are confident that there is a reasonable prospect that the Minimum Net Proceeds will be raised through the Subscription and Offer.

The Directors believe that there is demand from UK SMEs for easily accessible, simple to understand, flexible, reliable telecom solutions which are available with minimal delay at an attractive price and accompanied by excellent customer service. The Toople brand and commercial launch of the Business occurred in May 2016 shortly following the Company's Standard Listing on 10 May 2016 and since then, the Group has grown its customer base from 41 direct SME clients to approaching 800 customers with a relatively low marketing budget (since the Company's Standard Listing, the Group has spent approximately £0.64 million on sales, marketing and customer acquisition costs which also includes launch of the Business, branding and integration of the Group's subsidiaries). The number of customers acquired in the period since launch was affected by an unexpected significant and rapid increase in competition within the SME broadband market following the Company's Standard Listing which resulted in the costs of customer acquisition being higher than expected. As a consequence, in recent months the Group has refined its marketing strategy such that the direct cost of customer acquisition is now approximately £40 to £91 per customer. The Directors have seen initial success from this finessed digital marketing strategy with the launch of the Group's first direct digital marketing campaign at the end of February 2017 helping to grow orders by 81% to the end of April 2017 compared to the number of orders in January and February. The number of customer orders received in January and February 2017 (prior to carrying out the revised digital marketing campaign) was 175 (excluding wholesale customer orders). In March and April 2017, following the digital marketing campaign the number of customer orders received was 316. Total customer orders (excluding wholesale customer orders) received to date since launch of the Business to the end of April were over 1,200.

The Group launched its hosted telephony solution in January 2017 which the Directors anticipate being a key driver of growth for the Group. The Directors made a strategic decision to accelerate the development and subsequent launch of the hosted platform after analysing market analyst forecasts which predict strong growth in the hosted PBX market over the next 3 years. The hosted telephony market offers potentially higher profit margins in comparison to the mature broadband and mobile markets which are also more crowded markets from a competitive point of view.

Following launch of the Business last year, Toople has seen good traction in broadband and mobile orders and the recent launch of the hosted telephony system has provided the opportunity to deploy a complete unified communications package to the small business market as envisaged at the time of the Company's Standard Listing. Orders for the Group's hosted solution accounted for approximately 30 percent. of direct customer orders in March and April 2017. The Group uses the BroadSoft platform for its hosted solution, which is recognised as the leading platform for hosted solutions offering the most customer value added services and service resilience. Deploying the hosted solution to small businesses is, in the Directors' opinion, extremely scalable as all handsets and apps are delivered preconfigured by the Toople portal and the customer experiences a true plug and play experience.

The Group owns a proprietary software platform, Merlin, which allows potential customers to view, quote and buy packages online. Merlin connects via application program interface ("API") to the Group's network suppliers to identify the best services available for each customer. The Directors believe that Merlin's capabilities and customer relationship management ("CRM") interface is very strong and compares favourably to other platforms used in the telecoms industry to serve the UK SME market. The Directors believe this, combined with the Group's delivery of online telecoms packages at competitive prices is a differentiator of the Group's business compared to other existing telecoms companies.

Whilst the Group encourages its customers to use Merlin's online capabilities to manage their ongoing services and billing, the Group also seeks to differentiate itself through the provision of excellent customer service for those customers who prefer or need to speak to a UK based customer service operative.

The Group is headquartered in Buckinghamshire, UK and has a developer-team retained in Poland to support and maintain the Merlin platform. The Group's operations over the past twelve months have focused on initial launch of the Group's Toople branded telecoms business and growth of its services and customer base. Prior to this, the Group spent time researching the needs and preferences of the Group's Target Market, putting in place experienced skilled professionals and the board of Directors, developing the strategy of the Business, securing agreements with network suppliers and continuing to develop the Merlin platform. The Group continues to monitor and seeks to optimise the customer journey experienced by its customers in order to improve its service offering to maximise the opportunity to attract and retain customers.

In addition to the Group's direct SME customers, the Group currently provides telecoms services to 9 wholesale customers which in turn provide telecoms services to a number of end users. Whilst wholesale customers currently account for a large proportion of the Group's revenue, wholesale services are not a core focus of the Group primarily due to the lower margins attached to this service. Further information on the Group's wholesale services is included below within paragraph 3 of this Part I.

SMEs within the target market of the Company were estimated to employ 12.5 million people, across 5.5 million businesses in 2016¹. The Director's consider that the break-even point for the business requires a relatively low volume of customers in comparison to the size of the target market. Whilst there can be no guarantee of this occurring in the short term (or at all) and the success of the business and the financial results of the Group are subject to many variables (including, but not limited to the Minimum Net Proceeds being raised and the success of the Group's marketing campaigns and the profit margins achieved on the Group services), and to the risk factors set out in the section of this Prospectus headed "Risk Factors" on page 19, the Directors believe this is a reasonable assumption based on their experience in the industry and the use of the Group's scalable innovative automated software platform which should allow the Group to manage a large number of new customers in a relatively short space of time.

Working capital requirement

The Group currently has insufficient working capital, therefore in order to provide additional working capital and to allow the Group to continue its marketing and customer acquisition activities to target growth of the Group's customer base, the Group is seeking to raise up to £1.9 million through the

1 www.gov.uk/government/uploads/system/uploads/attachment_data/file/559219/bpe_2016_statistical_release.pdf

Subscription and Offer. The Subscription and Offer is conditional on, *inter alia*, Minimum Net Proceeds of £1.0 million being raised. Assuming that the Minimum Net Proceeds are raised, it is expected that approximately £0.35 million will be used for general working capital purposes with the balance (£0.65 million) being used to target growth of the Group's customer based, primarily through targeted marketing campaigns. The Directors expect there to be a direct correlation between marketing/advertising spend and the number of customers who visit the Group's website and ultimately who sign-up for the Group's services with the direct cost of customer acquisition currently being in the range of £41 to £90 per customer.

In the event that the Minimum Net Proceeds are not achieved within a period of 2 weeks following the date of this Prospectus, the Subscription and Offer will not proceed and unless alternative funding is secured by the end of June 2017, the Group will not have sufficient working capital to continue as a going concern from 30 June 2017. In the event that the Minimum Net Proceeds are not raised within this timeframe, the Directors will consider all options available to the Group in order to avoid the Group being unable to operate as a going concern. This may include for example, winding down the Toople business and realising value through sale of the Group's customer base and/or Merlin platform to another telecoms company. Further details of the Group's working capital position are set out in paragraph 12 of Part X. Terms and conditions of the Subscription and Offer are described in Part II and Part XII of this Document.

2. History and development of the Group and Group structure

The Company was incorporated on 2 March 2016 for the purpose of becoming the holding company for the Group. The Group consists of the Company and a number of wholly owned subsidiaries (as described in paragraph 2.10 of Part X of this Document) with the main operating entities being Toople.com Limited and AskMerlin Limited.

Toople.com was founded by David Breith (the "Founder") in December 2008 (originally as O-Bit Group Limited, then Epicco Limited ("Epicco") and Cube Telecom Limited before adopting its current name in March 2016). Following a dormant period until 2011, it was used to acquire assets as part of the sale of O-bit Telecom Limited to Daisy Group plc by David Breith. Toople.com then became a facilities management business operating centralised services such as finance, admin and back office support for other businesses in which David Breith had an interest ("Shared Businesses"). After a period, these Shared Businesses had grown to the extent that they were capable of bringing these activities in-house such that Toople.com ceased activities. In April 2015, the Founder commenced work in relation to developing the product offering and strategy for the Business as set out in this Document.

Toople.com entered into initial arrangements with network providers and suppliers in July 2015 and gained its first customer in August 2015 as Toople.com sought to bring a small number of customers on-board whilst researching and refining the Group's business strategy. Toople.com's research activities focused on determining customer behaviour and preferences in relation to the Group's services through the use of regular surveys and contact strategies. Feedback from customers was also sought on Merlin's automatic capabilities, messaging and pricing to help shape the Group's business strategy going forwards. Toople.com has grown its customer base from 41 "initial customers" in May 2016 at launch of the Toople brand and website, to approaching 800 direct SME customers at the end of April 2017 and nearly 1300 revenue generating units in total.

The Company's Chief Executive Officer and Neil Taylor, the Group's recent Chief Financial Officer, became involved in the business of the Group in 2015 to develop the business strategy of the Group. The Group was officially formed in April 2016 following incorporation of the Company and the acquisition by the Company of the Subsidiaries (as described in paragraph 13.15 of Part X of this Document) which led to the Company becoming the holding company of the Group.

The Group's proprietary software, Merlin, is owned by the Company's wholly owned subsidiary AskMerlin Limited. AskMerlin was founded in December 2008 as Merlin Soft Limited, and subsequently adopted its current name in April 2010. AskMerlin was dormant for an initial period after incorporation then acquired Merlin (from O-bit Telecom Limited, owned by David Breith) in 2011. Certain limited modules of Merlin

were licenced by AskMerlin to other telecom companies, including Daisy Group plc (2011 to 2013) and Coms plc (2013 to June 2015) in order to generate licence income. These licence agreements have now come to an end.

The developers responsible for the development of Merlin were brought in-house in 2016 through the establishment of Ask Merlin ZOO, a wholly owned subsidiary of AskMerlin. The number of developers employed has reduced over the past 12 months as the role of the developer team has moved from one of development to primarily support and maintenance of Merlin and in order to manage the Company's working capital.

Prior to launch of the Toople brand in early 2016, the Directors anticipated that the Group's competitive broadband offering would be disruptive in the market (on the basis that few telecoms companies were focusing on providing broadband to the SME market) which would attract customers to the Toople brand, allowing the Group to upsell other higher margin products. As a result of a significant increase in competition in the SME broadband market since launch, the costs of customer acquisition for the broadband market increased significantly in comparison to the Director's expectations at the time of launch. Consequently, the Group is now focusing its marketing efforts on growth of its hosted telephony service which launched in early 2017. Hosted services attract a significantly higher margin in comparison to broadband customers and a significant proportion of those customers taking hosted services also subscribe for Toople's broadband.

As at the date of this Document, the Group has 8 employees (excluding the Directors). The Group also outsources a number of services (including website design and customer service). Biographies in respect of the Directors, senior management and consultants are set out in Part III.

3. Principal Business Activities and Services

The Group's service portfolio comprises of hosted telephony services, business broadband, fibre, EFM and Ethernet data services, business mobile phones, cloud PBX and SIP Trunking and Traditional Services (calls and lines) which are delivered and managed through Merlin, the Group's proprietary software platform, to the UK SME market. The Group's services may be sold in isolation or in bundles of multiple services as selected by each customer. Since launch of the Toople brand in May 2016, the Directors have been encouraged by the reaction from SME customers and has been successful in signing up nearly 800 direct SME customers to date. The Group's hosted cloud based telephony services launched in January 2017 and represented around 30% of all orders across March and April 2017.

Currently the majority of the Group's customers are signed up to 12 month, 24 month or 36 month contracts (the latter being the case for hosted services) giving the Company the added benefit of visibility over contracted revenue. The Directors continue to believe that the Group's simple services, attractive pricing, customer focus and Merlin platform are highly attractive to the Group's Target Market and will help to attract and retain customers on an ongoing basis.

Merlin delivers an automated process via an online customer portal, commencing with the customer obtaining an online quote for their product following which the customer can place an order. Delivery of the services and products required, as well as the ongoing management of the Group's products and services is also managed through Merlin. The Directors believe this online process and, in particular, the ease with which SME customers can obtain an online quote which they can order online and have delivered in a relatively short space of time, provides the Group with a competitive advantage compared to other UK providers targeting the SME market.

Merlin

The Group owns the intellectual property rights for its software platform Merlin. Merlin was initially developed in 2005 as an in-house software platform to manage complex billing functions. Multiple additional functionalities have been developed and added to the platform over a number of years based on customer trends, patterns, research, feedback and insight. This has resulted in a cloud based telecoms resource planning platform which is capable of managing all aspects of a business's needs. As a result of Merlin being a cloud hosted platform, it has the capability of having duplicate versions running simultaneously.

Merlin has a range of customer facing portals where fully automated functionality has been incorporated into the software. Merlin allows the Group's customers to buy their telecoms solutions online, bespoke to their own organisation, get an instant quote and sign an electronic signature for the services that they require. Merlin also allows a customer order to be managed and tracked online by the customer right through to delivery of the service, installation (where applicable), billing and ongoing management and configuration.

Given the automated nature of Merlin, the Directors believe it lends itself to delivery of a scalable business and also mitigates the risk of human error. Merlin has the capability to process a customer order of multiple broadband lines in the same automated way and in the same timescale that would be required for an order of a single broad line and without significant additional overheads being required other than in respect of the Group's customer service team.

Management believe that Merlin forms a key part of the Group's offering and as such retain an in-house team of programmers who are focused on ensuring the maintenance of the platform and development where required. Retention of an in-house development team is deemed by the Directors to provide a competitive advantage as any improvements and upgrades can be made without significant delay.

Services

The suite of services currently offered can be split by the Group into four areas as follows:

Hosted (SIP Trunking/Cloud PBX) – SIP Trunk installation to allow for hosted VoIP services and Cloud PBX.

Business Broadband, Data, EFM and Ethernet – High quality, high speed broadband with connectivity supplied by tier 1 carriers at a fixed competitive price, underpinned by Merlin platform to allow for identification of bandwidth maximisation.

Calls and Lines – High quality lines and calls from tier 1 Carriers with unlimited calls allowances

Business Mobile Phones – Wholesale mobile offering for SIM only and Handsets, all bundles include unlimited calls and texts and include a data usage in each bundle.

The services on offer can be taken by a customer in isolation or as a combined package. The Merlin platform is designed to allow customers to add additional services with ease through its automated functionality which allows SMEs to adapt their package to the changing requirements of their business.

Hosted (SIP Trunking/Cloud PBX)

Hosted services is a cloud based alternative to the traditional fixed telephony systems that requires no on-site PBX's and no upfront capex costs. Its cloud-based nature means that all features are available anywhere with an internet connection or mobile phone connection. The Group's Cloud PBX is a Broadsoft platform (Broadsoft being the market leading provider in the UK), hosted on the BT Wholesale network. The platform allows the Group to offer a wide range of capabilities such as calls, conferencing, instant messaging and file sharing. The design of the platform takes advantage of BT's resilient and secure next-generation network offering top of the range coverage and gives customers standard and advanced features expected in modern telephony.

Using a system that is cloud based means that it is quick and easy to set up, manage and use with minimal capital expenditure or advance payment. The Group's hosted service configures automatically and

seamlessly integrates with existing communications tools. Advanced features can be chosen via the Merlin cloud based services portal and activated from any device and location, meaning that anything from basic to fly-serviced communications are delivered across a powerful next-generation network. The Group's offering is a fully scalable 'pay as you grow' service featuring complete monitoring and full visibility.

The Hosted solution, launched by the Group in late January 2017, offers flexible working meaning customers can issue employees with 'one number', instead of separate mobile and fixed lines, which enables them to work from different locations, including home, but still be part of the overall communication service. As part of the Hosted solution, the Group launched two simple propositions, Toople.com Classic and Toople.com Premium. These products can be ordered on line or over the phone, with unlimited calls bundles for a fixed monthly fee and come with the handset included in the seat price. Toople.com Premium also provides customers with full phone system functionality and mobility via an additional IOS or Android app on their mobile, tablet or laptop. This enables customers to take their office with them on any device.

The Directors believe the principal competitive advantages of the Group's Hosted offering include:

- i. the ability to integrate fixed, mobile and data services making it easy for customers to order, install and manage;
- ii. it offers an intuitive web based portal and smartphone app for both administrators and employees meaning individuals can control their number;
- iii. free calls between users on the service and competitively priced UK, mobile and international calls;
- iv. due to the minimal up front cost and rental it is a cheaper alternative to traditional fixed line PBX systems; and
- v. the Group's Hosted offering can be delivered on any compatible device via desktop/mobile applications or traditional static telephones.

Traditional Calls and Lines

Customers adopting traditional telephony can choose from a range of call and line options separately from any broadband offering as desired. The Group acts as a reseller of lines supplied by BT Openreach. The Directors believe that once a customer has opted to use their traditional telephony services it puts the Group in a position to demonstrate the reliability and functionality of the Merlin platform, placing them in a good position to provide more up-to-date services to the customer if required by the business.

Business Broadband and Data – Superfast Connectivity

The Group offers ADSL 2+, FTTC and EFM through four separate providers (BT Openreach, BT Wholesale, TalkTalk Business and Vodafone) allowing the Group to provide the best speed available to a customer's site by comparing availability through each one. The superfast connectivity supports the Hosted offering (described below) and allows the Group full end-to-end visibility of customer's calls.

The Group's Superfast Connectivity services include:

- i. Fibre to the cabinet ("FTTC") this can be provided through BT, TalkTalk Business ("TTB") and Vodafone allowing the Group to provide not only the fastest service but have a widespread footprint.
- ii. Ethernet delivering speeds from 1 mbps through to 1 gbps, enabling the customer to make use of the Group's VoIP and Cloud PBX capabilities.
- iii. Ethernet First Mile ("EFM") EFM delivers high speeds over dedicated copper cabling delivering with symmetry of upload/download speeds.
- iv. Asymmetric Digital Subscriber Line ("ADSL 2+") offered through three different carriers and offered as either a local looped unbundled ("LLU") product or supplied as a shared metallic path facility over

a standard analogue line. As well as providing high bandwidth internet access the ADSL2+ offering is well suited to the Group's Hosted offering.

Business Mobile Phones

The Group currently has an MVNO agreement with Diffrenet accessing the EE Network and entered into an additional VSP agreement in June 2016 which allows the Company to add access to the O2 and Vodafone networks. Merlin is connected to the Diffrenet billing platform via an API, which allows the customer offering to be device and connectivity agnostic as Merlin will recognise the usage by user as one, whether usage has been on mobile, landline or desktop.

Customer Service and Maintenance

Customers can choose the way in which they receive after sales service, being:

- online via a customer portal and application;
- online via e-chat with the Group's service agents; or
- via telephone with the Group's UK based agents.

This allows SMEs to choose the customer service route which is best suited to them which the Directors believe is more likely to lead to higher levels of customer satisfaction and ultimately customer retention. The Group is working with a UK based customer service centre, whose services will be grown in conjunction with the Group's customer base to ensure the level of service provided to all SMEs is not compromised. The Group has worked closely with the customer service centre to ensure that appropriate training, monitoring and service level agreements are in place.

It is not expected that the Group's services will require significant amounts of site visits for maintenance and repair as the Group's system can be maintained and upgraded automatically via Merlin. However, via an outsourcing arrangement, the Group has access to a team of engineers who are able to assist customers with installation of hardware if needed or repairs.

Pricing

The Group seeks to offer competitively priced solutions, where possible providing customers with savings against incumbent market players. The Group's Hosted solution also offers customers the ability to have fixed price telephony with no upfront cost for hardware and a fixed price for 01,02 and 07 calls. Customers pay upfront connection fees and enter into a choice of 12, 24 or 36 month contract with service charges paid in advance and any overage outside of their bundles paid in arrears. Wherever possible, the Group takes payments through a direct debit arrangement so as to minimise the risk of bad debts.

As at the date of this Document, Toople's broadband packages start at around £17.50 per month for line rental (with no extra charges for the entry level broadband package save for any connection costs). Toople's hosted packages including calls start at £11.99 a month per user.

Wholesale customers

In addition to the Group's SME customer base to which the Group directly provides telecoms services, the Group also provides telecoms services (minutes, lines, broadband and cloud PBX) indirectly to end users through a number of wholesale customers ("wholesale services"). These end users or "indirect customers" have no exposure to the Group or the Merlin platform and deal directly with their own provider (the wholesale customer of the Group).

Wholesale customers place orders with the Group based on the requirements of their own customers. Typically the wholesale customers have entered into agreements with the Group for a minimum period of 24 months. The Group's wholesale services, including billing functionality, are provided through Merlin. The Group's wholesale customers and their end-users do not have access to Merlin's intellectual property or its full functionality and customer facing portal, therefore, the Directors do not believe that the Group's

wholesale services have an impact on the Group's ability to differentiate itself in the market from other telecoms providers (including the Group's wholesale customers). The automated billing functionality of the Merlin platform provides the Group's wholesale customers with a white-label billing service (noting that invoices are issued in the name of the wholesale customer and not the Group).

Approximately 65 per cent. of the Group's consolidated (unaudited) revenue of £654,721 in the six months ended 31 March 2017 was generated from wholesale customers. However, the Group does not deem the indirect route to end users to be a core part of the business moving forward due to the lower gross margins associated with the wholesale revenues and expects the revenue from wholesale customers to reduce over time. The Unaudited Interim Accounts showed an increase in gross profit margin from 8.1 per cent. to 12.5 per cent. compared to the year ended 30 September 2016, reflecting the Group's increase in its higher margin direct SME customer base. Therefore, whilst revenue may decrease as a result of the expected decrease in wholesale business, gross profit margins are expected to improve as the business continues to shift towards higher margin direct SME customers.

4. Objective and strategy

The Group's services are targeted at SMEs (in particular targeting those SMEs with between 1 to 50 employees). The Group's objective is to be the easiest telecoms company to do business with at a price and service that leads the market and that delivers growth and value for the Company's shareholders.

The Group's strategy for achieving its objective is to:

- attract direct SME customers through the offer of competitively priced hosted telephony, fast business broadband, and mobile with the intention of selling additional services to customers at a later stage and a strong focus on customer service and positive customer experience;
- meet the needs of the Group's Target Market and continue to monitor and observe these needs and adapt accordingly. Currently the Directors believe these needs will be satisfied by offering a flexible but simple solution (leveraging off an extremely sophisticated automated software platform) at a fixed known cost which works wherever the customer is and whichever device they choose to use;
- provide a competitive and resilient solution which delivers exceptional customer service to all customers, allowing customers to choose the method of customer service delivery which best suits them and targeting high levels of customer retention. The Directors believe customer retention will be aided by the Directors and senior management team's experience and abilities to recognise trends within the industry through ongoing assessment of the market.

The objective and strategy above is unchanged from the Group's stated strategy at the time of the 2016 Admission however the Group currently has insufficient working capital and therefore to continue to pursue its strategy, the Group is now dependent on the Minimum Net Proceeds being raised.

The Group has already commenced implementation of its strategy to achieve its objective and, subject to receipt of the Minimum Net Proceeds intends to continue to implement the strategy above by using a significant proportion of the Net Proceeds of the Subscription and Offer for marketing strategies to acquire customers. The Directors are mindful that customers should not be acquired at any cost, but are targeting marketing methods which should allow the Group to build its customers base and provide a positive gross margin contribution. The information on the Group's marketing and advertising strategies below assumes that the Minimum Net Proceeds are raised. As noted in the Summary of this Document and paragraph 12 of Part X, the Group currently has insufficient working capital and therefore in the event that the Minimum Net Proceeds are not raised, the Group will be unable to carry out any sales, marketing and advertising activity to target further growth of the Business and the Group may be unable to continue as a going concern.

Marketing and advertising campaign

Due to the relatively low level of brand awareness as a result of the Business only launching last year, marketing and advertising spend forms a key part of the Group's growth strategy. The Group's marketing

and advertising objective is to target high levels of on-line market penetration within a short space of time to increase brand awareness. The strategy involves a wide range of marketing and advertising routes and continued investment in the Group's website and brand image (albeit a significantly smaller amount than was necessary immediately following launch last year).

The Group has continually reviewed and adapted its marketing, advertising and customer journey since launch of the Business and expects to continue to do so in an effort to ensure that the cost of acquisition is balanced with the contribution generated by each customer. The Group's marketing strategy was initially focussed on Google pay per click advertising and Google display was based on small scale testing of the digital marketing strategy carried out prior to the Company's Standard Listing. This strategy was implemented using part of the proceeds of the fundraising at the time of the 2016 Admission, however Google pay per click and Google display proved to be too costly when competition in the SME broadband market accelerated faster than had been envisaged by the Directors in the months following the 2016 Admission. This resulted in the Google "cost per click" significantly exceeding the Directors' original expectations and significantly increasing the Group's cost per acquisition of a customer. As a consequence, the Directors explored a number of alternative digital marketing channels which resulted in a finessed marketing strategy as was announced by the Company in its results for the year ended 30 September 2016. The finessed marketing strategy is focussed on direct digital marketing campaigns (as well as other forms of marketing and advertising activities as described below) and the Directors believe that it should result in acceptable costs of customer acquisition going forwards which they anticipate will lead to growth in the Group's customer base. The Directors have seen initial success from this finessed digital marketing strategy with the launch of the Group's first direct digital marketing campaign at the end of February 2017 helping to grow orders by 81% to the end of April 2017 compared to the number of orders in January and February. The number of customer orders received in January and February 2017 (prior to carrying out the revised digital marketing campaign) was 175 (excluding wholesale customer orders). In March and April 2017, following the digital marketing campaign the number of customer orders received was 316. Total customer orders (excluding wholesale customer orders) received to date since launch of the Business to the end of April were over 1,200.

The cost per customer acquisition ("CPA") in recent months has been £40 to £91. This is based on the actual amount payable to affiliate marketing and comparison sites where a Toople customer signs up through their website (or over the phone). The actual amount payable depends on the comparison site used and whether the order is made on-line or over phone. The CPA range above also captures the direct costs involved in acquiring customers through the Group's outsourced sales and marketing team: the cost of e-direct marketing campaigns and marketing is divided by the number of customers gained. The cost of obtaining a customer lead (only a portion of which will result in Toople gaining a customer) is in the region of £15 to £25 (this is based on the cost of obtaining potential customer leads arising from the activities carried out by the outsourced marketing and sales team. The cost of a lead is included in the CPA range above.

In relation to marketing, advertising and sales costs spent to date since launch of the Business, the Group raised £1.66 million (after costs) at the time of the Company's Standard Listing. It used the net proceeds to repay short term loans and an overdraft of approximately £0.17 million in aggregate and approximately £0.64 million (approximately 43 per cent of net proceeds after repayment of the loan and overdraft) was spent on sales and marketing between the Company's Standard Listing to April 2017. Of this, sales and marketing spend, approximately £0.21 million related to sales team costs, £0.07 million related to advertising and design costs in relation to establishing the Toople brand and the majority of the balance related to external marketing tools (including, *inter alia*, Google pay per click and Google display and direct digital marketing campaigns), external marketing consultancy and subcontractor costs including some pre-Standard Listing costs. The Group has to date acquired approaching 800 direct SME customers.

As noted above, certain previous sales and marketing activities (in particular Google pay per click) initially proved to be more expensive than anticipated (and exceeded the current CPA range of £40 to 91). Therefore the historic marketing spend and the number of customers obtained during this period reflects this. Going forwards and assuming that the Minimum Net Proceeds are raised, using the Group's finessed digital marketing strategy, the Directors anticipate that the overall effectiveness of marketing spend (i.e. resulting in customer acquisition) should be improved in comparison to historic spend to date which

includes launch of the Business and refining the marketing strategy. In the event that the Minimum Net Proceeds are raised (£1.0 million), it is expected that approximately £0.65 million (65 percent. of the Minimum Net Proceeds) will be spent on sales, marketing and customer acquisition activities including approximately £0.07 million on paid for leads and the majority of the remainder to be applied to the Group's outsourced sales and marketing team who carry out day to day marketing activities and specific digital demand campaigns. A higher proportion of the Minimum Net Proceeds is expected to be used for sales, marketing and customer acquisition costs than compared to the proportion of the 2016 Admission net proceeds used for these purposes, primarily as a result of the Group no longer incurring various costs associated with integration and launch of the Business; certain overheads having reduced and the Group's gross margin increasing as the Group acquires customers.

Website

The Group's website for the Toople brand is designed to provide an interactive positive online customer experience, ensuring the customer is able to order services in accordance with the needs of the business.

Specific landing pages on the Group's website are assigned to all paid for advertising to ensure that the potential customer arrives at the appropriate page of the website that relates to the advert that brought them to the site. This is designed to reduce the number of clicks required on the site to bring a more streamlined experience to the user.

Advertising

In addition to the direct digital marketing campaigns used by the Group, other advertising routes include both paid for services, such as Google AdWords and banner advertising, whilst optimising leads through CRM tools and lead forensics software in order to seek to maximise penetration into the Group's Target Market. Search engine optimisation and web tracking may also be used, in addition to methods such as social media strategies, e-mail marketing and use of affiliate marketing and comparison sites.

Marketing activity undertaken by the Group is closely monitored by the Group's management to assess the impact and effectiveness of the marketing campaigns. This allows the Directors to make changes to the marketing campaign as required. Marketing activities are not typically subject to long term contracts so as to allow the Directors to discontinue a form of marketing campaign if it does not prove to be effective and to allow the Directors to manage the Group's working capital position.

The Directors expect that continued significant marketing spend will be required going forwards in order to drive customer acquisition growth. Assuming that the Subscription and Offer is subscribed for in full, the Company expects to spend a significant portion of the net proceeds on marketing and advertising campaigns. This expenditure will not be subject to long term contracts and will primarily be on a discretionary "pay to play" basis such that if a form of marketing campaign does not prove to be effective, it can be discontinued. This will also allow the Company to carefully manage the Group's working capital position.

In the longer-term, the Directors will continue to review the Group's approach to the market, positioning and brand, and will consider whether it is appropriate to develop the Group's portfolio further and or to enter other markets such as the consumer, mid and large SME's as well as the Enterprise or Government sector.

As described in paragraph 3 of this Part I, the Group has a number of wholesale customers. Whilst this provides a relatively stable revenue base for the Group as described above, it is not currently intended that the Group will strategically focus on growing this part of the business. Instead the Directors intend to focus on growing the direct sales route as described above and in particular, intend to drive growth of the Group's hosted telephony solutions which attract the highest gross margins in comparison to other services offered by the Group.

5. Suppliers, network and infrastructure

The Group does not own any telecommunications infrastructure itself but is dependent on the use of the networks of telecommunication wholesale companies. The Group has secured wholesale agreements with a number of network providers including TalkTalk Business, BT Openreach, BT Wholesale and Vodafone which allows the Group to provide its services throughout the UK. All wholesale suppliers have been interconnected (via API) with Merlin to maintain the fully automated capabilities of the platform for each prospective and existing customer.

Merlin selects the most appropriate provider for the customer based on their location versus strength of network coverage versus speed in order to deliver the customer the optimum connectivity that is available to them.

6. Overview of the Telecoms Market for SMEs^{2,3}

In 2016 there were around 5.5 million SME businesses in the UK. Of this figure, the majority (99%) fall into the category of having less than 50 employees and therefore representing the Group’s Target Market. Within this space BT are the largest telecoms provider, receiving nearly 50% of all fixed line revenues.

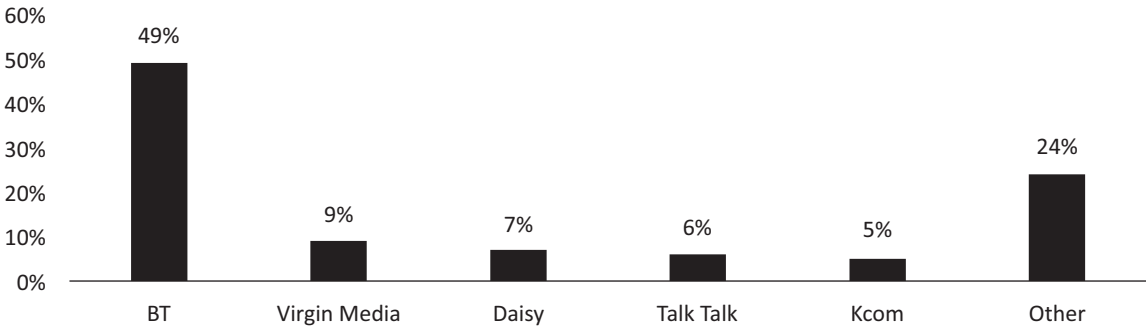
For the Group’s Target Market, the Directors estimate that market for business network access and calls was worth £585m for Q1 2015. The lines market in Q1 2015 was 7,680,000 lines whilst the hosted market was between 2.2-2.4m seats in 2015, with in excess of 500,000 added in the year.

The UK Communications Regulator (“Ofcom”) published a report on 25 June 2015 (Broadband services for SMEs) that indicated a renewed competitive focus was being placed upon the SME market, with a number of significant providers re-branding and re-launching their SME propositions. Additionally, a number of new technologies have allowed for smaller business focused providers to enter the market. The report in question concluded that the market is currently in a state of transition due to the number of new players and potential for convergence of services through web based telecoms platforms, such as Cloud PBX solutions.

Business Broadband Market

Ofcom reported (June 2015) that BT has a c.49% share of the SME Business Broadband Market, predominantly due to the fact that this market lacks the significant competition that exists in residential markets. The largest market share following BT is held by Virgin Media at 9%, although there is a significant number of small players in the market holding a combined market share of 24%. No clear data exists on the precise number of smaller players but it is estimated to be in excess of 2,000.

SME Market Share – Fixed Line Market Share



The Directors identify the Group’s key competitors in the market at present as Virgin Media, Daisy Group plc (“Daisy”), BT Business, TalkTalk Business and Vodafone. Daisy are focused on the SME market and position themselves as one of the largest independent service providers through an indirect model, selling their services via third parties. Vodafone have strong branding due to their presence in the mobile industry

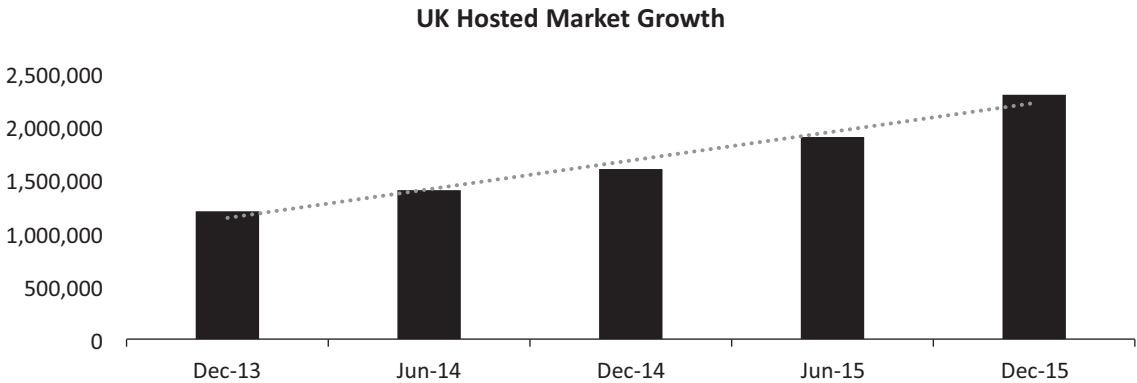
2 www.gov.uk/government/uploads/system/uploads/attachment_data/file/559219/bpe_2016_statistical_release.pdf
 3 www.ofcom.org.uk/_data/assets/pdf_file/0027/37755/bb-for-smes.pdf

and remain focused on mobile as an entry to their customers. Virgin have recently relaunched into the SME segment, focusing on connectivity.

During the past several years a number of large established telecoms companies have sought to target the SME market, the Directors believe that the offerings of these larger companies are not sufficiently flexible or tailored for the SME market and that the size and management policies of these telecoms companies restricts them from being able to readily react to the changing needs of an SME customer.

Hosted (SIP Trunking/Cloud PBX) Market

In recent years there has been an increasing interest in advanced fixed voice telephony features among SMEs. Due to the connectivity requirements for these services, the hosted market (encompassing SIP Trunking and cloud PBX services) has seen significant growth as increasing numbers of SMEs have adopted hosted services. The growth over recent years has seen the number of seats increase from 1.1 – 1.3 million in December 2013, to 2.7 million in December 2016 with an annual growth of 529,962 seats (24.37%) in 2016 which was 4,116 seats higher than the increase in hosted seats seen in the UK in 2015 (Source: Cavell Group).



Quality of service is crucial within the hosted market as VoIP services and cloud-based applications require significant upload and download capabilities to ensure services are delivered to SMEs as required.

Average Telecoms Spend

Due to the fact that the SME market is highly fragmented and the variety that exists in the telecoms needs of SMEs due to their size and the nature their business, there is a significant range of expenditure levels within the market.

<i>Number of Employees</i>	<i>Average Telecoms Spend</i>
0 – 4 employees*	£1,025
0 – 9 employees*	£1,164
10 – 49 employees*	£3,969
50 – 249 employees	£11,532
All SMEs	£1,579

*the Group’s Target Market

The business broadband market is typically represented by a series of special offers that last for a limited period of time such as free broadband for a number of months followed by a significant increase in monthly cost. The Group aims to move away from this model and offer a stable competitive price from the outset that lasts for the life of the contract entered into, with knowledge of the exact costs that will be incurred on a monthly basis from the outset of any agreement made.

Market opportunity

Market research performed by Ofcom has uncovered a number of issues faced by SMEs in identifying telecoms providers, selecting the services required and ultimately receiving those services without significant issue. Some of these issues are summarised below.

i. *SMEs find information about suppliers and tariffs difficult to compare*

The Group aims to mitigate this risk and increase costing clarity through its fully automated ordering and quoting process which can be accessed by any prospective customer on their website. Applications built into the website allow for comparison with other suppliers on a like for like basis.

ii. *SMEs find it difficult to identify the services required by their business*

The flexibility of the Group’s offerings allows customers to add additional offerings to their bespoke telecoms packages at any point during the life of their contract, allowing for services to compliment the changing needs of a business.

iii. *A significant number of SMEs report issues in switching provider*

Many SMEs experience at least one issue when switching. The Group aims to tackle this through its UK based customer services team which will be grown as appropriate in conjunction with an increasing customer base.

iv. *Quality of Service*

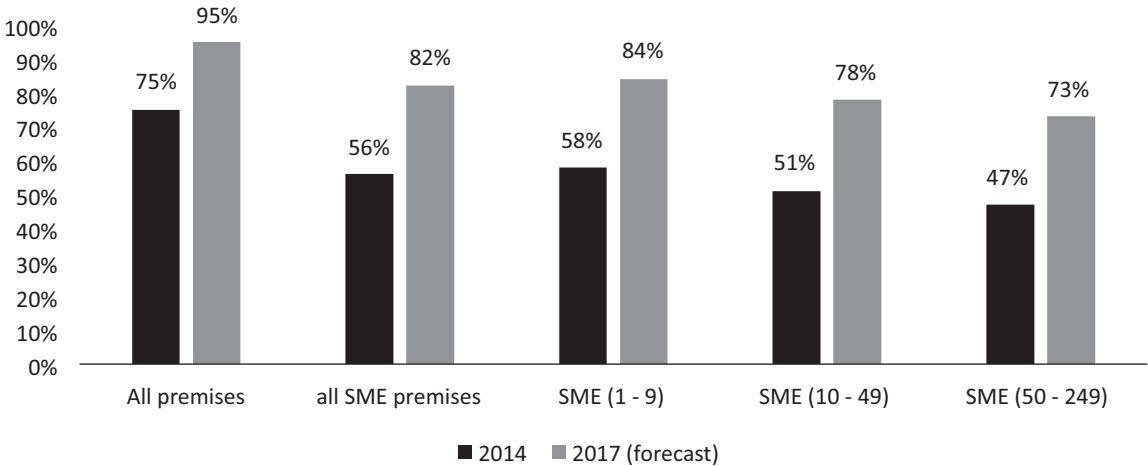
Dissatisfaction is highest among SMEs with ADSL services and in particular in relation to some aspects of broadband quality of service. Research found that 42% of SME internet users reported experiencing issues with internet connectivity in the last 12 months, including speed, ability to access the speed paid for, and connection reliability. A minority of SMEs (7%) are also dissatisfied with the speed of fault resolution. Quality of service is of significant importance to SMEs as all businesses have a lower tolerance for outages than residential consumers. Reliable services underpins an SMEs ability to serve their customers.

Research performed by Ofcom at the end of 2014 indicates 42% of SME internet users experienced issues with their providers over the preceding 12 month period. The Group aims to ensure high quality service and mitigate the risk of the Group’s customers encountering commonly reported issues as far as is possible.

v. *Broadband availability*

At present, there are a significant number of SMEs that are unable to gain access to the services that they require as they are located outside current superfast broadband locations. As at the end of 2014, only 51% of all SMEs with between 10 and 49 employees (thus representing the Group’s Target Market) had access to superfast broadband, although this is expected to increase to around 78% by 2017.

Superfast Broadband Availability – UK



As superfast broadband continues to be rolled out the increase in availability will lead to not only a larger market in which the Group is able to operate, but also generate new customers that have not entered into previous relationships with other suppliers.

vi. *SMEs using personal/residential contracts*

Ofcom research performed in June 2015 identified that 23% of landline customers, 26% of broadband customers and 50% of mobile customers were using personal/residential contracts for their business needs. This was due to a range of factors, including customers stating business contracts were too expensive and their personal contracts were sufficient for business needs. While a certain portion of the Group's Target Market may be unlikely to change to a business contract if they deem it to be unnecessary, those who refrain from doing so over pricing issues can be targeted by the Group due to the Group's competitive pricing strategy.

In relation to the hosted telephony market, market analyst forecasts (Cavell Group, February 2017) predict strong growth over the next 2 years with Broadsoft having the largest market share of hosted platform providers in the UK. The hosted telephony market offers potentially higher profit margins in comparison to the mature broadband and mobile markets which are also more crowded markets from a competitive point of view, which in the Directors' opinion, presents a significant opportunity for the Group. The Cavell Group also report that the SME market is seen as the driving force behind growth in the hosted market.

7. Key Strengths

Merlin Platform

The Directors consider the Merlin platform to be an essential component of the Group's business, providing it with both a competitive edge and allowing for scalability without the need to significantly increase employee numbers to manage the acquisition, registration and set-up process for new customers as a result of Merlin's fully automated functionality.

Merlin is connected via API with key suppliers in the UK, (BT Wholesale, BT Openreach, Vodafone and TalkTalk Business), resulting in Merlin automatically identifying the best connectivity option for each customer based on their geographic location and available networks. The Directors believe the algorithms programmed to perform this detection process significantly reduce the level of human input required whilst simultaneously ensuring high quality of service.

In-house Development Team

The in-house development team (comprised of 3 individuals) is responsible for the ongoing monitoring, maintenance and development of the Merlin platform. Retaining an in-house team to perform this work is able to ensure corrective actions are taken as required and without delay. Potential improvements to the platform identified in the ordinary course of business and through feedback from SME clients can also be implemented far more effectively than if this service was to be outsourced. This allows the Group and its platform to stay up to date, reflecting the requirements and demands of the market as it constantly evolves in an attempt to retain a competitive edge.

Customer Service

The Group is focussed on delivering excellent customer service and the Directors believe this differentiates the Group from certain competitors.

Management Team

The Group's Directors and management team (further described within Part III of this Document) have significant combined experience within the telecoms industry. Previous roles of certain members include long standing senior positions with the key network and service suppliers within the UK, including TalkTalk. As a result, long standing relationships exist between certain Directors and certain of the Group's key suppliers.

In particular the Group is dependent on the expertise of the Company's Chief Executive Officer, Mr Hollingworth, and his relevant experience at TalkTalk Plc. A biography in respect to Mr Hollingworth's experience is set out in Part III of this Document

8. Telecoms Regulation in the UK

The Group is classified as a UK telecoms operator and is subject to the Communications Act 2003 (the "Communications Act"). The Communications Act implements in part a number of EU directives from 2002 which sought to modernise telecoms regulation within the European Union.

As a result of the introduction of the Communications Act, the Office of Communications ("Ofcom") was established and tasked with the practical implementation of the Communications Act. The Communications Act itself abolished an existing requirement for telecoms operators to hold a license in order to provide networks and services and instead introduced a number of general conditions that must be complied with ("General Conditions"). It is therefore a requirement for the Group to comply with these General Conditions, in order to self-certify its ability to operate within the telecoms market in the UK.

The recent consolidation activity in the mobile sector should allow for a wider distribution of mobile in the trade market. Ofcom is keen to ensure that the recent and potential activity is not anticompetitive. Any material change to the industry and in particular regulation and anticompetitive policies will materially effect the ability of the Group to compete in the market.

On 25 February 2016, Ofcom published its initial findings from its Strategic Review of Digital Communications, which focuses on five key areas:

- the guarantee of universal broadband availability at a sufficient speed to meet modern consumer needs;
- support for investment and innovation in ultrafast broadband networks (such as fibre to homes or businesses) by giving BT's competitors improved access to its infrastructure;
- improvements in the quality of service delivered by the whole of the telecoms industry, including Openreach, BT's access network division;
- increased independence of Openreach from BT so that it is more responsive to all of its customers; and
- consumer empowerment so that people can understand the array of choices available to them and are able to switch to the best value deal easily.

Subsequent to the above, BT agreed to legally separate Openreach from its business which is expected will lead to higher levels of competition within the telecoms industry, placing an increased focus on innovation and affordable prices.

9. Dividend policy

The Company has never declared or paid any dividends on the Ordinary Shares. The Company currently intends to pay dividends on future earnings, if any, when it is commercially appropriate to do so. Any decision to declare and pay a dividend will be made at the discretion of the Board and will depend on, among other things, the Company's results of operations, financial condition, solvency and distributable reserves tests imposed by corporate law and such other factors that the Board may consider relevant.

10. Warrants

At the date of this Document the Company has in issue warrants to subscribe for a total of 8,100,000 new Ordinary Shares (consisting of the NED Warrants, Investor Warrants and Adviser Warrants) representing 8.1% of the Existing Ordinary Shares. Additionally, conditional on Initial Admission, New Warrants are to be issued over new Ordinary Shares, exercisable at the Initial Issue Price. The exact number of New Warrants is dependent on the amount raised by the Company pursuant to the Initial Admission and will be confirmed

via an RIS in the event of Initial Admission. Further details of the NED Warrants, the Investor Warrants, the Adviser Warrants and the New Warrants are set out in paragraph 13 of Part X of this Document.

11. Employee incentive plans and pension arrangements

The Directors recognise the importance of ensuring that employees of the Group are effectively and appropriately incentivised and their interests are aligned with those of the Group. To that end, the Group may in the future adopt an employee share option plan to align the interests of senior management, and the broader employee workforce alike, with those of the Shareholders. It is expected that the number of Ordinary Shares under option in respect of any share option scheme that is adopted will be less than 10 per cent. of the Enlarged Share Capital.

There are currently no pensions or other similar arrangements in place with the Directors although the Company expects to set up pension arrangements, including for the benefit of the Directors, in due course in order to comply with the legal pension requirements.

12. The City Code

The City Code applies to the Group.

The City Code is issued and administered by the Takeover Panel. The Takeover Panel has been designated as the supervisory authority to carry out certain regulatory functions in relation to takeovers pursuant to the Directive on Takeover Bids (2004/25/EC) (the "Directive"). Following the implementation of the Directive by the Takeovers Directive (Interim Implementation) Regulations 2006, the rules in the City Code which are derived from the Directive now have a statutory basis.

The City Code applies to all takeovers and merger transactions, however effected, where, *inter alia*, the offeree company is a public company which has its registered office in the United Kingdom, the Isle of Man or the Channel Islands, if the company has its securities admitted to trading on a regulated market in the United Kingdom or on any stock exchange in the Channel Islands or the Isle of Man. The City Code will therefore apply to the Group and its Shareholders will be entitled to the protection afforded by the City Code.

Under Rule 9 of the City Code, where any person acquires, whether by a single transaction or a series of transactions over a period of time, interests in securities which (taken together with securities in which he is already interested and in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company which is subject to the City Code, that person is normally required by the Panel to make a general offer to all the remaining shareholders of that company to acquire their shares. Similarly, where any person who, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent., but does not hold shares carrying more than 50 per cent., of the voting rights of a company and such person, or any persons acting in concert with him, acquires an interest in any other shares in the company which increases the percentage of shares carrying voting rights in which he is interested, such person would normally have to extend a general offer to all shareholders to acquire their shares for cash at not less than the highest price paid by him, or parties acting in concert with him, during the 12 months prior to the announcement.

At the time of the Company's Standard Listing, for the purpose of the City Code, certain Shareholders, being David Breith, Andrew Hollingworth and Matthew Donaldson were treated as acting in concert for the purposes of the City Code in relation to their shareholdings in the Company (together the "Concert Party") In the event that the Subscription and Offer are subscribed for in full and the Fee Shares are issued, the aggregate holding of the Concert Party will be 33.9 per cent. of the Enlarged Share Capital. In the event that only the Minimum Net Proceed Shares are issued together with the Fee Shares, the aggregate holding of the Concert Party will be approximately 41.8 per cent.

Since the Concert Party currently holds over 50 per cent. of the voting rights in the Company, no obligation under Rule 9 normally arises from acquisitions by any member of the concert party. However, the acquisition by a single member of the concert party who holds between 30 per cent. and 50 per cent.

of the voting rights may be regarded by the Panel as giving rise to an obligation to make an offer for the entire Company.

13. Relationship Agreement

At the time of the Company's Standard Listing, David Breith, Andrew Hollingworth, the Company and Cairn entered into the Relationship Agreement to regulate the ongoing relationship between the Group and its major shareholders and to ensure appropriate governance and independent management of the Company. Whilst David Breith is no longer a consultant, as a result of David Breith still remaining a substantial shareholder, the Relationship Agreement remains in place. The Directors believe that the terms of the Relationship agreement, as described in paragraph 13.7 of Part X will enable the Group to carry on its business independently of the Substantial Shareholders and ensure that all transactions and relationships between the Group and the Substantial Shareholders (if any) and their respective associates are, and will be, on an arm's length and on a normal commercial basis.

14. Lock-up and orderly market agreement

75,000,000 Ordinary Shares, (representing 75 per cent. of the Existing Share Capital) are currently subject to orderly market arrangements pursuant to agreements entered into by the Orderly Market Persons at the time of the Company's Standard Listing. Whilst the lock-in period contained in such agreements has now expired and the Orderly Market Persons are able to dispose of their ordinary shares (save for in the case of the New Lock-In arrangements described below), each of the Orderly Market Persons remains subject to an agreement whereby, for a period of 12 months from 10 May 2016, that they will only dispose of their Ordinary Shares through the Company's broker (except in certain limited circumstances) in order to maintain an orderly market. Further details of the existing orderly market arrangements are set out in paragraph 13.5 of Part X of this Document.

In addition, David Breith, has agreed not to dispose of his shareholding consisting of 39 percent. of the Existing Ordinary Shares for a period of 6 months following Initial Admission. Further details of the New Lock-In are set out in paragraph 13.6 of Part X of this Document.

15. Fee Shares

In order to conserve the Group's cash balances, the Directors and Neil Taylor (the former Chief Financial Officer of the Company), have agreed, conditional on Initial Closing, for a portion of the fees and remuneration owed to them to be settled through the issue of the Fee Shares. As at 30 April 2017, the Group's current liabilities included £154,284 in relation to Director fee accruals. Fees of approximately £100,000 in aggregate are to be settled in this way at the Initial Issue Price. In addition to the Fee Shares, the balance of accrued fees and remuneration owed as set out below is expected to be paid to the Directors and Neil Taylor in cash following Initial Admission. The period for which the fees and remuneration is owed varies by Director, however accruals for Richard Horsman and Geoffrey Wilson are for the period August 2016 to 31 May 2017 whilst amounts accrued for Andrew Hollingworth and Neil Taylor relate to late 2016 to 31 May 2017. Further details of the number of Fee Shares to be issued to each Director and Neil Taylor are set out below and in paragraph 6 of Part X:

<i>Director/Consultant</i>	<i>Total outstanding remuneration and fees owed (£)</i>	<i>Outstanding remuneration and fees owed to be settled through the issue of the Fee Shares (£)</i>	<i>Number of Fee Shares to be issued conditional on Initial Admission in lieu of remuneration and fees owed</i>
Andrew Hollingworth (Director)	75,000	45,000	2,250,000
Richard Horsman (Director)	41,666	25,000	1,250,000
Geoffrey Wilson (Director)	30,000	24,000	1,200,000
Neil Taylor (Consultant and former director)	10,800	6,000	300,000

Subject to Initial Closing, application will be made to the FCA for the Fee Shares and the Initial Subscription and Offer Shares to be admitted to the Standard List and to the London Stock Exchange and to trading on the London Stock Exchange's main market for listed securities.

Initial Admission is expected to take place and unconditional dealings in the Fee Shares and Subscription and Offer Shares to be issued pursuant to Initial Closing, within two business days of the allotment of the Initial Subscription and Offer Shares.

16. Taxation

Your attention is drawn to Part IX of this Document. These details are intended only as a general guide to the current tax position under UK law and practice. If an investor is in any doubt as to his or her tax position he or she should immediately consult his or her own independent financial advisor.

Investors subject to tax in other jurisdictions are strongly urged to contact their tax advisers about the tax consequences of holding Ordinary Shares.

17. Further information

Shareholders should read the whole of this Document, which provides additional information on the Company and the Subscription and Offer and should not rely on summaries of, or individual parts only of, this Document. Your attention is drawn, in particular, to the Risk Factors set out in the section headed "Risk Factors", information on the directors, senior management and corporate governance set out in Part III, the summary of the consequences of a Standard Listing set out in Part IV, the historical financial information which has been incorporated by reference in this Document as summarised in Part VI and Part VII, the operating and financial review of the Group in Part VIII, the information on Taxation set out in Part IX, the information in relation to the Subscription and Offer in Part II and Part XII and the Additional Information in Part X of this Document.

PART II

SUBSCRIPTION AND OFFER

1. Description of the Subscription and Offer

- 1.1. The Group currently has insufficient working capital therefore in order to provide working capital and to allow the Group to continue its marketing and customer acquisition activities to target growth of the Group's customer base, the Group is seeking to raise up to £1.90 million through the issue up to 95,000,000 Subscription and Offer Shares pursuant to the Subscription and Offer. Assuming full subscription at the Initial Issue Price, this would raise gross proceeds for the Company of approximately £1.90 million. Net of cash expenses (expected to be approximately £0.18 million, including irrecoverable VAT), the proceeds of the Subscription and Offer, assuming full subscription at the Initial Issue Price, will be approximately £1.72 million.

The Subscription and Offer is conditional on, *inter alia*, Minimum Net Proceeds of £1.00 million being raised as further described in paragraph 4 below. Assuming that the Minimum Net Proceeds are raised, it is expected that approximately £0.35 million will be used for general working capital purposes with the balance being used to target growth of the Group's customer based as further described in paragraph 8 below.

The Offer and Subscription Shares are to be issued at the Issue Price, which in respect of Initial Closing (described below) is 2p per Subscription and Offer Share (being the Initial Issue Price).

The Initial Issue Price of 2p per Ordinary Share represents a discount of 38.5% to the middle market closing price for an Existing Ordinary Share of 3.25 pence on 1 June 2017 (being the latest practicable date prior to the publication of this Document). The actual number of Subscription and Offer Shares to be issued pursuant to the Subscription and Offer and therefore the actual gross proceeds, are not known to the Company as at the date of this Document, but will be notified by the Company via an RIS announcement prior to Initial Admission and any subsequent Admission.

No fees are charged to investors by the Company on applications to subscribe for Subscription and Offer Shares. The Offer and Subscription is not being underwritten.

2. Period of the Subscription and Offer and Initial Closing

Notwithstanding the Initial Closing that is intended as described below, the Subscription and Offer will remain open for a period of up to 12 months from the date of this Document and, subject to the terms and conditions below, allotments and issuances of Subscription and Offer Shares may take place at any time prior to the final closing date of 1 June 2018 ("Closing Date").

Initial Closing

It is intended that the Company will enter into one of more subscription or placing arrangements in relation to issue of Subscription and Offer Shares at the Initial Issue Price, shortly after publication of this Prospectus. In addition, potential investors will be able to subscribe for Subscription and Offer Shares at the Initial Issue Price for a limited amount of time via the PrimaryBid platform as further detailed below. Details and timings of how and when investors may apply for Subscription and Offer Shares facilitated through the PrimaryBid platform will be announced via an RIS by the Company in conjunction with publication of this Document.

Whilst no firm commitments are in place regarding the Subscription and Offer, Turner Pope and Novum have agreed to use reasonable endeavours to procure subscribers for the Subscription and Offer as summarised in paragraph 13.3 of Part X of this Document. The Subscription and Offer are not being underwritten.

In the event that the Company raises the Minimum Net Proceeds pursuant to the Initial Closing, it is expected that 57,000,000 Subscription and Offer Shares will be issued (raising gross proceeds for the

Company of approximately £1.14 million). However, up to 95,000,000 Subscription and Offer Shares may be issued pursuant to the Subscription and Offer depending on the number of valid subscriptions received. The outcome of these initial subscription and offer arrangements, if concluded and subject to the conditions in paragraph 4 being met below (“Initial Closing”), will be announced by the Company in the week commencing 5 June 2017 (or as soon as possible thereafter).

After Initial Closing

Any application for subscription of Subscription and Offer Shares after the Initial Closing will be accepted at the discretion of the Company and notification will be made via an RIS regarding as soon as practicable after allotment of any Subscription and Offer Shares. Subscription and Offer Shares will be offered at an Issue Price equal to the Initial Issue Price unless the Issue Price is varied in accordance with paragraph 5 of this Part II.

3. Methods of subscribing for Subscription and Offer Shares

Pursuant to the Subscription and Offer, investors may subscribe for Subscription and Offer Shares at the Issue Price via:

- application for Subscription and Offer Shares via the PrimaryBid website within the timeframes which will be notified by an RIS;
- subscription or placing agreements in relation to placing agents, brokers, other institutional and sophisticated investors and high net worth individuals (with the prior agreement of the Company);
- by completing the Application Form set out in this Document and returning it to the Company in accordance with the instructions set out in Part XII of this Document.

The Directors are not currently aware of any person that intends to subscribe for more than five percent of the Subscription and Offer.

4. Conditions of the Subscription and Offer

Each allotment and issue of Subscription and Offer Shares pursuant to the Subscription and Offer is conditional, amongst other things on:

- (a) Receipt of valid subscription or placing agreements and Application Forms (as the case may be) such that the Minimum Net Proceeds received by the Company is achieved within a period of two weeks following the date of this Document and receipt of funds;
- (b) Admission;
- (c) In accordance with Listing Rule 14.3, the Board being satisfied that at Admission at least 25 per cent. of the Ordinary Shares of this listed class will be in public hands (as defined in the Listing Rules) and that a minimum of 25 per cent. Of the Enlarged Share Capital will be in the hands of investors whose individual and unconnected shareholdings will each equate to less than 5 per cent. of the Enlarged Share Capital, and who do not fall within any of the other excluded categories of investors in Listing Rule 14.2.2 (4); and
- (d) If applicable, any supplemental prospectus required in connection with the Offer and Subscription being published.

All allotments and issuance of Subscription and Offer Shares are at the sole discretion of the Company and no existing Ordinary Shares are being offered for sale.

The Subscription and Offer Shares are to be subscribed for at the Issue Price which may be varied only in accordance with paragraph 5 of this Part II below.

Subscription and Offer Shares to be issued pursuant to subscriptions received will be allotted, assuming all conditions of the Subscription and Offer have been met, at the discretion of the Company such that the aggregate number of Ordinary Shares to be issued pursuant to the Subscription and Offer will not exceed the maximum number of Subscription and Offer Shares and in order that the Directors can comply with Listing Rule 14.3. in respect of the requirement to ensure that 25 per cent. of the issued share capital of the Company is held in public hands.

Allocation of Subscription and Offer Shares will be filled on a “first come first served” basis and the Company may close the Subscription and Offer to further subscriptions at any time for any reason. In particular the Company may close the Subscription and Offer so as not to exceed the maximum number of Subscription and Offer Shares. Any excess funds received by the Company (or PrimaryBid as agent to the Company) from subscribers for Subscription and Offer Shares will be returned.

In the event that the Minimum Net Proceeds are not raised, or the conditions above are not met, the Subscription and Offer will lapse and all Subscription and Offer proceeds will be returned to investors.

The Terms and Conditions of the Subscription and Offer are set out in full in Part XII of this Document together with an accompanying Application Form. The terms and conditions set out in Part XII of this Document apply to all applications for Subscription and Offer Shares under the Subscription and Offer.

Further information on PrimaryBid and how to apply for the Subscription and Offer via PrimaryBid is set out in paragraph 6 below.

The rights attaching to the Subscription and Offer Shares to be issued pursuant to the Subscription and Open Offer will be uniform in all respects and all of the Ordinary Shares will form a single class for all purposes.

The resolutions granting authorities required to allow the Directors to issue and allot the Subscription and Offer Shares in accordance with the terms of the Subscription and Offer were passed at the general meeting of the Company held on 24 May 2017.

5. Issue Price

5.1. Following Initial Closing, the Directors may, at their discretion, increase the Issue Price above the Initial Issue Price in respect of any Subscription and Offer Shares applied for post Initial Closing. Any increase in the Issue Price beyond the Initial Issue Price is conditional on:

- (a) Initial Closing and Initial Admission having occurred (as described below);
- (b) the revised Issue Price being no less than the Initial Issue Price per Subscription and Offer Share;
- (c) the revised Issue Price per Subscription and Offer Share being notified via an RIS; and
- (d) a supplemental prospectus being issued.

For the avoidance of doubt, issue of Subscription and Offer Shares shall be at an Issue Price equal to the Initial Issue Price unless otherwise notified by the Company via an RIS.

5.2. In the event of the Issue Price being increased above the Initial Issue Price, Investors making an application to subscribe for Subscription and Offer Shares post Initial Closing will have withdrawal rights as described in paragraph 13 of this Part II.

6. About PrimaryBid

PrimaryBid is facilitating the Subscription and Offer providing a platform through which potential investors may subscribe for Subscription and Offer Shares. For further information on PrimaryBid or the procedure for application under the offer element of the Subscription and Offer, potential investors may visit www.PrimaryBid.com; or call PrimaryBid on +44 (0)20 7491 6519, or download the PrimaryBid app from the App Store or Google Play.

PrimaryBid is an online funding platform that enables retail investors who successfully register with PrimaryBid to gain access to placings and fundraisings of listed companies. The platform is open to all investors to enable companies to readily access the large and active private investor market.

PrimaryBid Limited is an appointed representative of Darwin Strategic Ltd which is authorised and regulated by the Financial Conduct Authority.

7. Investor Profile

Typical investors in the Company pursuant to the Subscription and Offer are expected to be institutional and retail investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from such an investment. Such investors may want to consult an independent financial adviser who specialises in advising on the acquisition of shares before subscribing for Subscription and Offer Shares.

8. Use of Subscription and Offer proceeds

Subject to Initial Admission, the Group intends to apply the Minimum Net Proceeds for general working capital purposes (approximately £0.35 million) and the remainder for marketing, sales and customer acquisition activities (approximately £0.65 million, being approximately 65% of the Minimum Net Proceeds). In the event that a greater amount than the Minimum Net Proceeds is raised, additional net funds received over and above the Minimum Net Proceeds will also be applied to both marketing, sales and customer acquisition activities (as well as additional working capital associated with an increased marketing and sales activity and an increased customer base) as the Directors expect there to be a direct correlation between amounts spent on marketing, sales and customer acquisition activities and the number of customers acquired.

Marketing, sales and customer acquisition activities includes use of an outsourced sales and marketing team (who were engaged by the Group in Q4 2016 albeit the number of sales and marketing agents to be assigned to Toople is expected to increase following Initial Admission) who carry out ongoing marketing activities in addition to specific demand generation campaigns; paid for leads (including *inter alia*, payments to affiliate marketing and comparison websites).

The cost per customer acquisition (“CPA”) in recent months has been £40 to £91. This is based on the actual amount payable to affiliate marketing and comparison sites where a Toople customer signs up through their website (or over the phone). The actual amount payable depends on the comparison site used and whether the order is made on-line or over phone. The CPA range above also captures the direct costs involved in acquiring customers through the Group’s outsourced sales and marketing team: the cost of e-direct marketing campaigns and marketing is divided by the number of customers gained. The cost of obtaining a customer lead (only a portion of which will result in Toople gaining a customer) is in the region of £15 to £25 (this is based on the cost of obtaining potential customer leads arising from the activities carried out by the outsourced marketing and sales team. The cost of a lead is included in the CPA range above.

There are no long term contracts or cost commitments in relation to the Group’s planned marketing activities which means there is an element of discretion such that the Group can be reactive to marketing and sales opportunities or changing market environment as they arise.

9. Admission, dealings, CREST

Subject to the conditions above being met, application will be made to the FCA for the Subscription and Offer Shares (together with the Fee Shares, further details of which are set out in Part I of this Document) to be admitted to the Standard List and to the London Stock Exchange and to trading on the London Stock Exchange’s main market for listed securities.

Admission is expected to take place and unconditional dealings in the Subscription and Offer Shares (and the Fee Shares) within two business days of the allotment of Subscription and Offer Shares. Dealings on the London Stock Exchange before Admission will only be settled if Admission takes place. All dealings in Ordinary Shares prior to commencement of unconditional dealings will be at the sole risk of the parties concerned.

Subject to the conditions above being met, Initial Admission is expected to occur in the week commencing 12 June 2017, but in any event will be notified by the Company by an RIS.

In accordance with Listing Rule 14.2.2, upon Admission, and at all times thereafter, at least 25% of the Ordinary Shares as a listed class will be in public hands (as defined in the Listing Rules).

The Company has established arrangements to enable investors to settle interests in the Ordinary Shares through the CREST system or in certificated form. CREST is a paperless settlement system allowing securities to be transferred from one person's CREST account to another without the need to use share certificates or written instruments of transfer.

Copies of this Document and other documents the Company is required to make available for inspection will be available to the public, free of charge, from the Company's registered office for a period of 14 days from the commencement of dealings.

10. Settlement

Payment for Subscription and Offer Shares subscribed for through the PrimaryBid platform is payable at the time of application on the PrimaryBid platform. As noted above, notification will be made via an RIS as to when investors may subscribe for Subscription and Offer shares via the PrimaryBid website.

Payment for Subscription and Offer Shares issued under the Subscription and Offer pursuant to subscription or placing arrangements or Application Form may be made through CREST, by electronic/bank transfer or by cheque to the Company.

Financial intermediaries who are investing on behalf of clients should make separate applications or, if making a single application for more than one client, provide details of all clients in respect of whom application is being made. Multiple applications or suspected multiple applications on behalf of a single client are liable to be rejected.

11. Dilution

The issue of the Subscription and Offer Shares, assuming the Subscription and Offer is fully subscribed and the Fee Shares, will result in the Existing Ordinary Shares being diluted so as to constitute 50% of the Enlarged Share Capital. Existing Shareholders will therefore experience dilution of up to 50%.

12. Selling and transfer restrictions

Certain restrictions that apply to the distribution of this Document and the offer, issue and sale of Ordinary Shares are described above and in the sections headed "Notice to US shareholders and shareholders in certain restricted jurisdictions" and "Notice to EEA Shareholders" in paragraphs 4 and 5 of Part V of this Document.

13. Withdrawal rights

If the Company is required to publish any supplementary prospectus, such as, but not limited to in the event that the Issue Price is increased following the Initial Closing in accordance with paragraph 5 above, to the extent that Subscription and Offer Shares subscribed for pursuant to valid subscriptions have not already been issued, Investors who have subscribed for Ordinary Shares will have at least two clear business days following publication of the relevant supplementary prospectus to withdraw their application to acquire Ordinary Shares in its entirety. The right to withdraw an application to subscribe for Subscription and Offer Shares in these circumstances will be available to all investors. If an application to acquire Subscription and

Offer Shares is not withdrawn within the stipulated period, such application will remain valid and binding. Details of how to withdraw an application will be set out in the relevant supplementary prospectus.

14. Director Subscription

Richard Horsman, the Company's Chairman, has agreed, conditional on Initial Closing and Initial Admission, to subscribe for 1,250,000 Subscription and Offer Shares at the Initial Issue Price, being a total subscription of £25,000.

15. Further terms

Further details in respect of the Subscription and Offer are set out in Part XII of this Document.

PART III

DIRECTORS, SENIOR MANAGEMENT AND CORPORATE GOVERNANCE

1. Directors

Brief biographies for each of the Directors are included below.

Andrew James Hollingworth, *Chief Executive Officer, aged 47*

Mr. Hollingworth has worked in the Telecoms Industry for the past 25 years, operating at senior levels across multiple roles and boards, including Sales, Marketing and Operations. The majority of his work has been driving organic and acquisition growth strategies to achieve revenue and EBIT growth. Mr. Hollingworth has held a number of senior positions including Director of Wholesale, Director of Small and Corporate segments, Head of CRM, Head of Distribution, Head of Sales Operations and Head of Loyalty and Retention.

As Director of Wholesale at TalkTalk Plc he led a growth strategy in the UK reseller market from sub £50m turnover to £250m turnover (£150m net profit with around 30 staff). Mr. Hollingworth then moved into an underperforming area of TalkTalk, the small business and corporate segment, and whilst there moved it from 18% customer loss into growth of over 3000 customers per month within 3 years. Mr. Hollingworth was appointed to the board of the Company on 2 March 2016 having worked with the Group for several months prior to this.

Richard John Horsman, *Non-Executive Chairman, aged 56*

Mr. Horsman was senior independent non-executive director of Plethora Solutions Holdings Plc between early 2011 and mid-2013 and previously CEO of Cybit Holdings plc (“Cybit”), both admitted to trading on the AIM market of the London Stock Exchange. During his tenure at Cybit the company grew, from inception, to revenues of £25 million and went through multiple acquisitions. In January 2010, Cybit was acquired in a deal with a US based private equity firm which returned £24 million to shareholders at over a 100% premium to the prevailing market price. Prior to this he held a number of senior roles in the IT industry including with Global Telematics PLC and The Baan Company.

Most recently (from 2011 to the end of 2014) Mr. Horsman was Chairman/CEO of Atego Group – A privately held Company providing Mission and Safety critical software and consulting services to Global Aerospace, Military and Automotive sectors. Atego was sold to PTC who are listed on the US NASDAQ market.

Mr. Horsman was appointed as Non-executive Chairman of the Company on 3 March 2016.

Geoffrey Paul Wilson, *Interim Chief Financial Officer, aged 55*

Mr. Wilson has significant experience in the telecoms industry and has held a number of senior positions in different organisations. He studied Law at Birmingham Polytechnic & he qualified as a Management Accountant in 1991 whilst working for Grand Metropolitan PLC in their licenced retail business, Chef & Brewer. He first joined the telecoms industry in 1993 with Mercury Communications where he held a number of finance roles, becoming financial controller for the customer systems division in 1995. He gained wider experience of the industry as Commercial Manager with Siemens Communications Systems and then as Commercial Director for Your Communications, a subsidiary of United Utilities, which he joined in 1999. Whilst there he led the corporate acquisition & integration programme increasing customer base & product range.

Following a strategic review of the United Utility business, Mr. Wilson led the disposal process for Your Communications resulting in the successful sale of the business to Thus in 2006. Most recently he was employed as chief operations officer for TalkTalk Business where, over a four year period, overall operational costs reduced by 9% whilst supporting revenue growth of 33%. For two years prior to this he held the position of Finance Director for TalkTalk Business.

Mr. Wilson was appointed to the Board as a Non-Executive Director on 3 March 2016. Following the departure of Neil Taylor as CFO in May 2017, Mr. Wilson was appointed as Interim Chief Financial Officer whilst the Company seeks a permanent replacement for Mr. Taylor.

2. Senior management and key consultants

Set out below are brief biographies in respect of the senior managers and consultants of the Group:

Tom Seddon, *Head of Operations*

Mr. Seddon is an experienced telecoms manager and has extensive experience of the telecoms industry and has over the last seven years worked with a number of suppliers, products and customer facing portals. Mr. Seddon has extensive experience of utilising the Group's Merlin software platform.

Following completion of his degree Mr. Seddon joined O-bit Telecom as a customer service advisor in February 2010. In September 2013, Mr. Seddon joined Daisy Wholesale as Voice Assurance Team Leader. In April 2014, Mr. Seddon joined the VoIP provider Coms Plc as Support Team Leader and subsequently became Support Manager in May 2015.

In July 2015, Mr. Seddon joined the Group as Wholesale Support Manager and subsequently became Head of Operations in November 2016.

Sue Alexander, *Financial Controller*

Ms. Alexander joined the telecommunications industry in 2000 and has since then held senior finance positions at a number of telecoms companies including Pipex, Tiscali, TalkTalk, O-Bit Telecom (part of Daisy Group) and Timico.com Ms. Alexander has been involved in a number of acquisitions and business integration programmes during her career to date including most recently the acquisition of Coms by Timico.

Ms Alexander joined the Group as Financial Controller in May 2016 following 2016 Admission.

Andras Topor, *Head of Billing and Revenue Assurance*

Mr. Topor has over six year experience in telecoms billing and revenue assurance and has extensive knowledge of the Groups Merlin software platform having assisted in its development whilst in previous roles at companies which had adopted and utilised the Merlin software platform. In addition, Mr. Topor's experience spans multiple channels including both wholesale and direct.

Between November 1999 and November 2005, Mr. Topor held the positions of Credit Analyst and latterly Billing Specialist at Vodaphone Hungary Plc. Mr. Topor joined Countrywide Residential Lettings in October 2006 as Accounts Assistant and subsequently became Bank Reconciliation Clerk in October 2007. In June 2010, Mr. Topor joined O-bit Telecom as Billing and Accounts Assistant before becoming Revenue and Assurance Manager and Head of Billing in June 2011. In July 2013 Mr. Topor joined the VoIP provider Coms Plc as Billing and Revenue Assurance Manager a role which he held until September 2015.

In September 2015 Mr. Topor joined the Group as Billing and Training Manager.

Mr. Topor is a certified accountant.

Piotr Kwiatkowski, *Head of Development*

Mr. Kwiatkowski started software programming at a very early age and attended a telecoms technical school in 2002. Whilst there Mr. Kwiatkowski became the winner of many software and mathematical competitions before moving into a part time role in 2003 whilst attending university. He moved to a senior position after successfully completing a number of projects for the tourist industry dealing with complex and high demand online reservations and booking systems for many Polish companies.

Mr. Kwiatkowski completed university in 2007 majoring in computer science and specialising in telecoms. Mr. Kwiatkowski moved to the UK in 2009 where he became head of software at Obit Telecom in 2010. He moved back to Poland in 2012 but continued to consult and support the existing functions in the Merlin software (through a trading entity called DotFusion).

Neil John Taylor, Consultant, (former Chief Financial Officer)

Mr. Taylor has nearly 30 years' experience in the telecoms industry having joined BT Group (BT) in 1985. In 2007, he was appointed CFO at BT Wholesale, the division of BT that sells voice, broadband and data communications products and services to fixed and mobile network operators and other service providers in Great Britain. During his tenure as CFO at BT Wholesale, he oversaw the delivery of the overall financial performance of the business with revenues in excess of £2.4 billion and EBITDA of £600m.

Prior to being appointed as part-time CFO of Toople on 2 March 2016, he was Director of Commercial and Regulatory Finance and held a number of positions at BT Retail, including Finance Director Products and BT Mobile, and Financial Controller, Products and Channels. Mr. Taylor has been a member of the Chartered Institute of Management Accountants since 1990.

Mr. Taylor was appointed to the board of the Company on 2 March 2016 to assist the Group in its Standard Listing and launch of the business, having worked with the Group for several months prior to this. Mr. Taylor stepped down from the board in May 2017 as announced on 28 April 2017.

3. Corporate Governance

The Board guides and monitors the business and affairs of the Company on behalf of the Company's Shareholders to whom it is accountable, and is responsible for corporate governance matters. While certain key matters are reserved for the Board, it has delegated responsibilities for the day-to-day operational, corporate, financial and administrative activities to the Chief Executive Officer and the Interim Chief Financial Officer.

In assessing the composition of the Board, the Directors have had regard to the following principles:

- the Chairman should be an independent non-executive director;
- the role of the Chairman and the Chief Executive Officer should not be exercised by the same person;
- the Board should include at least two independent non-executive directors (inclusive of the Chairman), increasing where additional expertise is considered desirable in certain areas, or to ensure a smooth transition between outgoing and incoming non-executive directors; and
- the Board should comprise of directors with an appropriate range of qualifications and expertise.

Up until 11 May 2017, the Company believed it complies with each of these principles above, however, as a result of Geoff Wilson becoming Interim Chief Officer on this date, the Board no longer includes at least two independent non-executive directors. Richard Horsman is considered to be an "independent" member of the board. Geoff Wilson, was until 11 May 2017, when he was appointed as Interim Chief Financial Officer, also considered to be an independent member of the board however, is no longer considered to be independent whilst carrying out an executive role.

Directors appointed by the Board are subject to election by shareholders at the Annual General Meeting of the Company following their appointment and thereafter are subject to re-election in accordance with the Company's Articles of Association.

The UK Corporate Governance Code, as published by the Financial Reporting Council, is the corporate governance regime for England and Wales. The Company will, to the extent practicable for a company of its size and nature, follow the UK Corporate Governance Code, and has established a remuneration and audit committee, each with their own terms of reference, the members of which are independent non-executive directors. The Directors are aware that there are currently certain provisions of the UK Corporate

Governance Code that the Company is not in compliance with, given the size and early stage nature of the Company, these include, *inter alia*:

- The Company does not currently believe it is necessary to have a separate nominations committee at this time. The Board as a whole will review the appointment of new members of the Board, taking into account the interests of Shareholders and the performance of the Company. The requirement for a nominations committee will be considered on an ongoing basis.
- Unless two further Independent Non-Executive Directors are appointed, the Board will not comply with provision B.1.2. of the Corporate Governance Code that at least half of the Board, excluding the Chairman, should comprise non-executive directors determined by the Board to be independent.
- The chairman of the remuneration committee is the Chairman of the Company, which is outside the principals of D.2.1 of the Corporate Governance Code.
- The chairman of the audit committee is an executive director (Interim Chief Financial Officer) which is outside the principals of the Corporate Governance Code.

Remuneration committee

The Remuneration Committee will assist the Board in determining its responsibilities in relation to remuneration, including making recommendations to the Board on the Group's policy on executive remuneration, including setting the over-arching principles, parameters and governance framework of the Group's remuneration policy and determining the individual remuneration and benefits package of each of the Executive Directors and the Group secretary. The Remuneration Committee will also ensure compliance with the UK Corporate Governance Code in relation to remuneration wherever possible.

The Remuneration Committee will be chaired by Richard Horsman, and its other member will be Geoffrey Wilson. The Remuneration Committee will meet not less than twice a year.

The Articles of Association of the Company will be such so as to be appropriate for a Standard Listed company. Full details of the Company's Articles and Association are set out in paragraph 4 of Part X.

Audit Committee

The Company has established an Audit Committee with delegated duties and responsibilities. The Audit Committee is responsible, amongst other things, for making recommendations to the Board on the appointment of auditors and the audit fee, monitoring and reviewing the integrity of the Company's financial statements and any formal announcements on the Company's financial performance as well as reports from the Company's auditors on those financial statements.

In addition, the Audit Committee will review the Company's internal financial control and risk management systems to assist the Board in fulfilling its responsibilities relating to the effectiveness of those systems, including an evaluation of the capabilities of such systems in light of the expected requirements for any specific acquisition target. The Audit Committee will meet at least twice a year, or more frequently if required. The Audit Committee is chaired by Geoffrey Wilson, and its other member is Richard Horsman.

4. Share Dealing Code

The Board has adopted a share dealing code for directors' dealings which captures the requirements of the Market Abuse Regulation. The Board is responsible for taking proper and reasonable steps for ensuring compliance with the share dealing code and the Market Abuse Regulation by the Directors.

The FCA will not have the authority to (and will not) monitor the Company's compliance with its share dealing code nor will it be able to impose any sanctions in respect of failure by the Company to comply.

The Company's Ordinary Shares are admitted to the Standard Segment of the Official List. A Standard Listing offers less protection to Investors than would otherwise be the case with a Premium Listing on the Official List. Further details on the consequences of a Standard Listing are set out in the section entitled "Consequences of a Standard Listing" in Part IV of this Document.

5. Relationship Agreement

As described in paragraph 13 of Part I of this Document, David Breith (the original founder of Toople.com, a major shareholder of the Company and formerly a consultant of the Company), Andrew Hollingworth, the Company and Cairn entered into a Relationship Agreement at the time of the Company's Standard Listing to regulate the relationship between the Group and its major shareholders. This agreement currently remains in place. Further details of these are set out in paragraph 13.7 of Part X.

PART IV

CONSEQUENCES OF A STANDARD LISTING

Application has been made for the Ordinary Shares to be admitted to the standard segment of the Official List (“**Standard Listing**”). A Standard Listing affords Shareholders and investors in the Company a lower level of regulatory protection than that afforded to investors in companies whose securities are admitted to the premium segment of the Official List, which are subject to additional obligations under the Listing Rules.

The Company’s Existing Ordinary Shares and the new Ordinary Shares to be issued pursuant to the Subscription and Offer will be admitted to the standard segment of the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for Standard Listings. The Company intends to comply with the Listing Principles set out in Chapter 7 of the Listing Rules at Listings Rules 7.2.1 which apply to all companies with their securities admitted to the Official List. In addition, the Company also intends to comply with the Listing Principles at Listing Rule 7.2.1A notwithstanding that they only apply to companies which obtain a Premium Listing on the Official List. With regard to Listing Principles at 7.2.1A, the Company is not, however, formally subject to such Listing Principles and will not be required to comply with them by the UK Listing Authority.

Listing Rules which are not applicable to a Standard Listing

Such non-applicable Listing Rules include, in particular:

- Chapter 8 of the Listing Rules regarding the appointment of a listing sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. In particular, the Company is not required to appoint a sponsor in relation to the publication of this Document;
- Chapter 9 of the Listing Rules relating to further issues of shares, issuing shares at a discount in excess of 10 per cent. of market value, notifications and contents of financial information;
- Chapter 10 of the Listing Rules relating to significant transactions which requires Shareholder consent for certain acquisitions;
- Chapter 11 of the Listing Rules regarding related party transactions. *NB. In accordance with the controls in place within the Company, it will not enter into any transaction which would constitute a “related party transaction” as defined in Chapter 11 of the Listing Rules without the specific prior approval of a majority of the Directors;*
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

The Company is not currently eligible for a Premium Listing under Chapter 6 of the Listing Rules and does not currently intend to seek to transfer to either a Premium Listing or other listing venue.

Listing Rules with which the Company must comply under a Standard Listing

There are, however, a number of continuing obligations set out in Chapter 14 of the Listing Rules that are applicable to the Company. These include requirements as to:

- the forwarding of circulars and other documentation to the UKLA for publication through the document viewing facility and related notification to a regulatory information service;
- the provision of contact details of appropriate persons nominated to act as a first point of contact with the UKLA in relation to compliance with the Listing Rules and the Disclosure and Transparency Rules;

- the form and content of temporary and definitive documents of title;
- the appointment of a registrar;
- the making of regulatory information service notifications in relation to a range of debt and equity capital issues; and
- at least 25 per cent. of the Ordinary Shares being held by the public.

It should be noted that the UK Listing Authority will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules which the Company intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company to so comply. However the FCA would be able to impose sanctions for non-compliance where the statements regarding compliance in this Document are themselves misleading, false or deceptive

PART V

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

1. General

No person has been authorised to give any information or to make any representations other than as contained or referred to in this Document and, if given or made, such information or representations must not be relied on as having been so authorised and, if any other information is given or representations are made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company or the Directors.

The Company does not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding the Subscription and Offer, the Ordinary Shares or the Group. The Company makes no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. Without prejudice to any obligation of the Company under the FSMA, the Prospectus Rules, the Listing Rules or the Disclosure and Transparency Rules, the delivery of this Document shall not, under any circumstances, create any implication that there has been no change in the business or affairs of the Company or of the Group taken as a whole since the date hereof or that the information contained herein is correct as of any time subsequent to its date.

The contents of this Document or any subsequent communications from any member of the Group or any of their respective affiliates, officers, advisers, directors, employees or agents are not to be construed as advice on legal, business, taxation, accounting, regulatory, investment or any other matters. Each investor should consult his or her own lawyer, financial adviser or tax adviser for legal, financial or tax advice, as appropriate.

This Document comprises a prospectus relating to the Company prepared in accordance with the Prospectus Rules and has been approved by the FCA under section 87A of FSMA. This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules. No arrangement has, however, been made with the competent authority in any other member state of the EEA (or any other jurisdiction) for the use of this Document as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdiction

This Document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation to subscribe for or the solicitation of an offer to buy or subscribe for, any Ordinary Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) in which, or to any person to whom, it is unlawful to make such offer, solicitation or invitation. The distribution of this Document and the offering of the Ordinary Shares in certain jurisdictions may be restricted. Accordingly, persons outside the UK into whose possession this Document comes are required by the Company to inform themselves about, and to observe any restrictions as to the offer or sale of Ordinary Shares and the distribution of this Document under, the laws and regulations of any territory in connection with any applications for Ordinary Shares, including obtaining any requisite governmental or any other consent and observing any other formality prescribed in such territory.

The Ordinary Shares have not been and will not be registered under the Securities Act, or under any relevant securities laws of any state or other jurisdiction in the United States, or under the applicable securities laws of Australia, Canada, Japan, Republic of South Africa or the Republic of Ireland. See paragraphs 4 to 6 below for further information.

Investors should read this Document in its entirety.

2. Presentation of financial information

The following historical financial information has been incorporated by reference into this Document as set out in Part VII:

- Unaudited interim information in respect of the Group for the six months ended 31 March 2017 and the six months ended 31 March 2016;
- Audited information in respect of the Group for the two years ended 30 September 2016;
- Audited information in respect of Toople.com for the year ended 30 September 2014;
- Audited information in respect of AskMerlin for the year ended 31 March 2015 and unaudited information for the six months ended 30 September 2015;

In each case, financial information is prepared in accordance with IFRS unless otherwise indicated. The Company reports its results half-yearly.

3. Non-financial information operating data

The non-financial operating data included in this Document has been extracted without material adjustment from the management records of the Group and is unaudited.

4. Notice to US shareholders and shareholders in certain restricted jurisdictions

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

The Ordinary Shares have not been and will not be registered under the Securities Act, or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States or of Australia, Canada, Japan, New Zealand, the Republic of Ireland or the Republic of South Africa, or any province or territory thereof. Subject to certain exceptions, the Ordinary Shares may not be taken up, offered, sold, pledged, transferred, distributed or delivered, directly or indirectly, and this Document may not be distributed by any means including electronic transmission within, into, in or from the United States, Australia, Canada, Japan, New Zealand, the Republic of Ireland or the Republic of South Africa or to for the account of any national, resident or citizen of the United States or any person resident in Australia, Canada, Japan, New Zealand, the Republic of Ireland or the Republic of South Africa. The Ordinary Shares may only be offered or sold in offshore transactions as defined in and in accordance with Regulation S promulgated under the Securities Act. Acquirers of the Ordinary Shares may not offer to sell, pledge or otherwise transfer the Ordinary Shares in the United States, or to any US Person as defined in Regulation S under the Securities Act, including resident corporations, or other entities organised under the laws of the United States, or non-US branches or agencies of such corporations unless such offer, sale, pledge or transfer is registered under the Securities Act, or an exemption from registration is available. The Company does not currently plan to register the Ordinary Shares under the Securities Act.

The ability of an Overseas Shareholder to bring an action against the Company may be limited under law. The rights of holders of Ordinary Shares are governed by English law and by the Articles. These rights differ from the rights of shareholders in typical US corporations and some other non-UK corporations.

5. Notice to EEA Shareholders

In relation to each member state of the EEA which has implemented the Prospectus Directive (each, a “relevant member state”) with effect from and including the date on which the Prospectus Directive was implemented in that relevant member state (the “relevant implementation date”), no Ordinary Shares have been offered or will be offered to the public in that relevant member state prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the competent authority in that

relevant member state or, where appropriate, approved in another relevant member state and notified to the competent authority in the relevant member state, all in accordance with the Prospectus Directive, except that with effect from and including the relevant implementation date, offers of Ordinary Shares may be made to the public in that relevant member state at any time:

- (a) to legal entities which are authorised or regulated to operate in financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity which has two or more of: (i) an average of at least 250 employees during the last financial year; (ii) a total balance sheet of more than €43 million; and (iii) an annual turnover of more than €50 million, as shown in its last annual or consolidated accounts;
- (c) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such relevant member state; or
- (d) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Ordinary Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purpose of these provisions, the expression an “offer to the public” in relation to any Ordinary Shares in any relevant member state means the communication in any form and by any means of sufficient information of the terms of the Subscription and Offer, and any Ordinary Shares to be offered, so as to enable an investor to decide to purchase any Ordinary Shares, as the same may be varied in that relevant member state by any measure implementing the Prospectus Directive in that relevant member state, and the expression “Prospectus Directive” includes any relevant implementing measure in each relevant member state.

In the case of any Ordinary Shares being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Ordinary Shares acquired by it have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Ordinary Shares to the public other than their offer or resale in a relevant member state to qualified investors as so defined or in circumstances in which the prior consent of the Company has been obtained to each such proposed offer or resale. Each of the Company and its respective affiliates, and others, will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

6. Currencies

In this Document, references to “sterling”, “£”, “pence” or “p” are to the lawful currency of the UK.

7. Rounding

Percentages and certain amounts in this Document, including financial, statistical and operating information, have been rounded to the nearest thousand whole number or single decimal place for ease of presentation. As a result, the figures shown as totals may not be the precise sum of the figures that precede them. In addition, certain percentages and amounts contained in this Document reflect calculations based on the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages or amounts that would be derived if the relevant calculations were based upon the rounded numbers.

8. Third party information

The Company confirms that all third party information contained in this Document has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where third party information has been used in this Document, the source of such information has also been identified.

9. No incorporation of website

The contents of the Company's website, any website mentioned in this Document or any website directly or indirectly linked to these websites have not been verified and do not form part of this Document and investors should not rely on such information.

10. Definitions

A list of defined terms and technical terms used in this Document is set out in the part entitled "*Definitions*".

11. Forward-looking statements

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "target", "plan", "continue" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Document and include statements regarding the intentions, beliefs or current expectations of the Company concerning, amongst other things, the investment objectives and policies, financing strategies, performance, results of operations, financial condition, prospects, and dividend policy of the Company and the markets in which it and the other companies in the Group operate. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual performance, results of operations, financial condition, dividend policy and the development of its financing and operational strategies may differ materially from the impression created by the forward-looking statements contained in this Document. In addition, even if the performance, results of operations, financial condition and dividend policy of the Company, and the development of its financing and operating strategies, are consistent with the forward-looking statements contained in this Document, those results or developments may not be indicative of results or developments

Important factors that could cause these differences include, but are not limited to the risk factors (which are not exhaustive) set forth above in the Part of this Document headed: "*Risk Factors*".

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. In addition, even if the Company's results of operations and financial condition, and the development of the industry in which the Company operates, are consistent with the forward-looking statements contained in this Document, those results or developments may not be indicative of results or developments in subsequent periods.

Investors are cautioned that forward-looking statements are not guarantees of future performance. The Company makes no representation, warranty or prediction that the results predicted by such forward-looking statements will be achieved and these forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. Forward-looking statements may, and often do, differ materially from actual results. Any forward-looking statements in this Document speak only as at the date of this Document, reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's operations, results of operations and growth strategy. Investors should specifically consider the factors identified in this Document that could cause actual results to differ. All of the forward-looking statements made in this Document are qualified by these cautionary statements.

Forward-looking statements contained in this Document apply only as at the date of this Document. Subject to any obligations under FSMA, the Listing Rules, the Disclosure and Transparency Rules and the Prospectus Rules, the Group undertakes no obligation publicly to update or review any forward-looking statements, whether as a result of new information, future developments or otherwise.

PART VI

HISTORICAL FINANCIAL INFORMATION

Audited financial information on the Company and its subsidiaries is published in the annual report for the year ended 30 September 2016 which also contains comparative information for the year ended 30 September 2015. Historical financial information contained in the 2016 Annual Report is expressly incorporated by reference into this Document as detailed in Part VII.

The historical financial information referred to above was audited by Crowe Clarke Whitehill LLP. All reports were without qualification and contained no statements under section 498(2) or (3) of CA 2006 and were prepared in accordance with International Financial Reporting Standards and are being incorporated by reference.

The annual reports incorporated by reference, all of which have been filed with the companies registrar as required under CA 2006 and previously published as required by the Listing Rules and the 2016 Prospectus, are available on the Investor section of the Company's website at www.toople.com

In addition to the historical financial information referred to above, additional historical financial information on the Company's subsidiaries, Toople.com and AskMerlin, contained within the 2016 Prospectus, is also expressly incorporated by reference into this Document as detailed in Part VII.

The Group's unaudited consolidated interim accounts for the six months ended 31 March 2017 (and comparative unaudited interim accounts for the six months ended 31 March 2016) are also incorporated by reference into this Document as detailed in Part VII. The Unaudited Interim Accounts have not been reviewed by the Group's auditor pursuant to the Financial Reporting Council guidance on "Review of Interim Financial Information".

PART VII

INFORMATION INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with:

- the Unaudited Interim Accounts for the six months ended 31 March 2017 and 31 March 2016
- the Annual Report and Accounts for the financial year ended 30 September 2016 together with the audit report thereon;
- the historical financial information contained in the 2016 Prospectus

The table below sets out the sections of these documents which are incorporated by reference into, and form part of, this Prospectus, and only the parts of the documents identified in the table are incorporated into, and form part of, this Prospectus.

The parts of these documents which are not incorporated by reference are either not relevant for investors or are covered elsewhere in this Prospectus. To the extent that any part of any information referred to below itself contains information which is incorporated by reference, such information shall not form part of this Prospectus.

Reference document	Information incorporated by reference into this Document	Page numbers in such document
Unaudited Interim Accounts for the six months ended 31 March 2017 and 31 March 2016	Chairman's statement	4
	Chief Executive Officer's review	5 to 8
	Directors' responsibilities statement	10
	Condensed Consolidated Statement of Comprehensive Income	11
	Condensed Consolidated Statement of Financial Position	12
	Condensed Consolidated Statement of Changes in Equity	13 to 14
	Condensed Consolidated Statement of Cash Flows	15
	Notes to the Condensed Consolidated Interim Report	16 to 22
Annual Report and Accounts for the financial year ended 30 September 2016 together with comparative information for the financial year ended 30 September 2015	Chairman's Statement	2
	Chief Executive Officer's Review	3 to 6
	Directors' responsibilities statement	10
	Strategic/Business Review	12
	Principal Risks and Uncertainties	13
	Financial Review	3
	Directors' report	9 to 11
	Strategic report	12 to 14
	Remuneration report	20
	Independent auditor's report on the group financial statements	28
	Consolidated statement of comprehensive income	31
	Consolidated statement of financial position	32
Consolidated statement of changes in equity	33 to 34	
Consolidated cash flow statement	35	
Notes to the Group financial statements	36 to 49	
2016 Prospectus for the 2016 Admission to the Standard Listing Segment of the Official List	Toople Plc Historical Financial Information	55 to 61
	Toople.com Ltd Historical Financial Information	62 to 76
	Ask Merlin Ltd Historical Financial Information	77 to 89
	Operating and financial review of the Group	94 to 99

PART VIII

OPERATING AND FINANCIAL REVIEW OF THE GROUP

The overview of financial results below provides information which the Board believes to be relevant to an assessment and understanding of the Group's financial position and results of operations. The information in this section has been derived from: the audited consolidated financial statements for the Group for the years ended 30 September 2016 and 30 September 2015, the unaudited consolidated financial information for the Group for the six months ended 31 March 2017 and 31 March 2016 and the audited financial information in respect of Toople.com for the year ended 30 September 2014 and AskMerlin for the two years ended 31 March 2015.

You should read this operating and financial review and prospects in conjunction with the Annual Financial Statements, the Unaudited Interim Accounts and the historical financial information included in the 2016 Prospectus which are incorporated by reference into this Document as set out in Part VII of this Document and the working capital statement set out in Paragraph 12 of Part X of this Document. In particular, the Group currently has insufficient working capital and the Group's ability to continue as a going concern is highly dependent on the Group raising the Minimum Net Proceeds pursuant to the Subscription and Offer.

The following operating and financial review contains statements reflecting the Board's views about the Group's future performance, constituting "forward-looking statements". These views may involve risks and uncertainties that are difficult to predict and should be considered in conjunction with the factors discussed in the "Risk Factors" section of this Document.

Background

The Toople brand for the telecoms business of the Group launched in May 2016 shortly after the 2016 Admission on 10 May 2016. The Group provides a range of Toople branded telecoms services, primarily targeting the UK SME market. In addition, the Group has a number of wholesale customers who place orders with the Group for telecoms services based on the requirements of their own customers ("Wholesale Customers").

Toople Plc was newly incorporated on 2 March 2016. On 15 April 2016, the Company entered into the Share Exchange Agreements pursuant to which the Company acquired the entire issued share capital of Toople.com and AskMerlin ("Subsidiaries"). Shareholders and potential investors should note that the majority of revenue and expenses in the year ended 30 September 2015 and in the historic periods for Toople.com and AskMerlin prior to this, were unrelated to the current business of the Group and instead related to legacy business entered into by the previous owner of these entities prior to their acquisition by Toople Plc (as further described below).

Prior to its acquisition by the Company, Toople.com (previously called Cube Telecom Ltd) was used to acquire assets as part of the sale of O-bit Telecom Limited to Daisy Group plc by David Breith by way of a Transitional Service Agreement ("TSA"). Toople.com then became a facilities management company until 2015 when these activities ceased. Toople.com began to incur expenses in relation to developing the current business of the Group in the year ended 30 September 2015 and first entered into arrangements for the provision of telecoms services with a number of Wholesale Customers around August 2015. A disposal of assets arising from the TSA arrangements contributed cash inflows from investing activities of approximately £160,000 in the year ended 30 September 2015.

AskMerlin owns the Group's Merlin software. Prior to acquisition of AskMerlin by the Company in April 2016, Merlin had licenced the Merlin software to Daisy Group which is reflected by the revenue generated in the year ended 31 March 2014, however these arrangements came to an end in 2014. AskMerlin did not trade during the year ended 31 March 2015. AskMerlin entered into a number of licence arrangements in 2016 in relation to the Merlin platform which contributed revenue and gross profit to the Group of approximately £28,000 in the six months ended 31 March 2017 (and approximately £64,000 in the year ended 30 September 2016). This licence income is not a strategic focus of the Group going forwards.

Toople.com is the main trading entity of the Group. The consolidated financial statements for the two year ended 30 September 2016 (incorporated by reference into this Document as set out in Part VII) present the combination of the Company and the Subsidiaries pursuant to the Share Exchange Agreements as a continuation of the combined financial information of the Subsidiaries with no goodwill arising on the transaction.

The Directors are of the opinion that the business comprises a single economic activity, being the provision of telephony services and that currently this activity is undertaken solely in the UK.

1. Overview of trading and financial position of the Group in the two years ended 30 September 2016 and the six months ended 31 March 2017

Consolidated statement of comprehensive income for the Group

	<i>12 months ended 30 Sept 2015 (Audited) £</i>	<i>12 months ended 30 Sept 2016 (Audited) £</i>	<i>6 months ended 31 March 2017 (unaudited) £</i>
Revenue	36,799	957,749	654,721
Cost of sales	<u>(76,083)</u>	<u>(880,108)</u>	<u>(572,687)</u>
Gross profit/loss	<u>(39,284)</u>	<u>77,641</u>	<u>82,034</u>
Administrative expenses	<u>(381,278)</u>	<u>(1,792,200)</u>	<u>(661,983)</u>
Operating loss	(420,562)	(1,714,559)	(579,949)
Interest payable and similar charges	–	(20,041)	(23,947)
Interest receivable	–	1,023	133
Loss before taxation	(420,562)	(1,733,578)	(603,763)
Taxation	<u>21,336</u>	<u>–</u>	<u>–</u>
Loss for the year	<u>(399,226)</u>	<u>(1,733,578)</u>	<u>(603,763)</u>

Revenue

During the year ended 30 September 2016, the Toople brand was launched (May 2016) and the Group's primary focus was validating the Toople business concept and market opportunity whilst assessing the market's willingness to accept a new brand and targeting customer acquisition through online marketing and advertising.

Of the revenue of £957,749 generated by the Group in the year ended 30 September 2016, the majority was generated by the Group's Wholesale Customers as the Toople brand began to be established. Revenue grew by 38% in the second half of the year ended 30 September 2016 in comparison to the first half of the year which was driven by the consolidation of the wholesale business and acquisition of initial SME customers.

The Group achieved revenues of £654,721 in the six month period ended 31 March 2017 (of which approximately 65% was generated by the Group's Wholesale Customers) as customer numbers and orders increased.

Revenue in 2015 related to facilities management services provided by Toople.com to other entities in which David Breith had a significant interest (i.e. unrelated to the current business of the Group).

Gross Margin

The Group incurred costs of sales of £76,083 in the year ended 30 September 2015 which were largely in relation to the development costs and launch of the Toople business. The cost of sales incurred by the Group grew significantly to £880,108 in the year ended 30 September 2016 following launch of the Toople brand and initial marketing and advertising campaigns to target customer acquisition.

The Group incurred cost of sales of £572,687 in the six month period ended 31 March 2017 due to increased revenue in the period.

The gross margin achieved in the year ended 30 September 2016 increased to £77,641 from a loss of £39,284 in the year ended 30 September 2015 reflecting the launch of the Toople business and generation of increased revenue in the year ended 30 September 2016. The gross margin of £77,641 (8.1%) reflected the predominance of revenue from Wholesale Customers across the year (which accounted for the majority of revenues during the year) whilst the Group built its direct customer telephony business which was launched in May 2016.

The gross margin achieved in the six month period ended 31 March 2017 was £82,034 (12.5 percent). This compares to a gross margin of £43,420 (7.8 percent.) in the six months ended 30 September 2016. The improvement in margin is a combination of higher turnover and an increase in the number of direct SME customers which attracts a higher margin compared to the wholesale element of the business together with launch (January 2017) and initial sales of the Group's hosted solution which attracts a higher gross margin in comparison to the Group's broadband solution. The cost of customer acquisition is between approximately £40 and £91 per customer. The Company expects to achieve a 30% margin over the contract life of a typical customer with customer contracts ranging from 12 to 36 months in length.

General and Administrative Expenses

The most material costs in 2015 related to wages and marketing expenditure with total general and administrative costs being £381,1278. The level and nature of administrative expense changed significantly in the year ended 30 September 2016, (total costs being £1,792,200), as the Group's employee base increased from 4 to 14 people, the Group incurred costs associated with its Listing and the Toople brand was launched. Wages (excluding national insurance costs) increased from £107,796 in 2015 to £322,600 in 2016, marketing costs increased from £105,504 to £342,552 and costs associated with the 2016 Admission were £263,136 (excluding incremental on going costs associated with being a listed public company). Customer service costs in 2016 were £147,193 (2015: nil).

In the six month period ending 31 March 2017 the Group incurred administrative expenses of £661,983. This included marketing costs of approximately £92,000 and staff costs of approximately £222,000. The overall reduction in general and administrative costs (compared to the year ended 30 September 2016) was also largely due to the one-off nature of the costs associated with the 2016 Admission being incurred in 2016, and the reduction in costs associated with initial establishment of the Toople brand and business processes. Employee numbers decreased in the interim period to 8 employees as at 31 March 2017 (excluding the Directors), largely as a result of the decrease in the number of developers retained in-house by the Group since launch of the Toople business.

Consolidated statement of financial position for the Group

	As at 30 Sept 2015 (Audited) £	As at 30 Sept 2016 (Audited) £	As at 31 March 2017 (unaudited) £
Non-current assets			
Intangible assets	2,328	14,546	10,096
	<u>2,328</u>	<u>14,546</u>	<u>10,096</u>
Current assets			
Trade receivables and other receivables	194,758	223,674	191,920
Cash and cash equivalents	130,853	743,824	191,584
	<u>325,611</u>	<u>967,498</u>	<u>383,504</u>
Total assets	<u>327,939</u>	<u>982,044</u>	<u>393,600</u>
Equity and liabilities			
Share capital	26,013	66,700	66,700
Share Premium	–	1,900,245	1,900,245
Merger reserve	(25,813)	(25,813)	(25,813)
Share based payment reserve	–	24,130	55,705
Capital contribution reserve	–	137,616	113,669
Accumulated deficit	(260,851)	(1,975,364)	(2,555,180)
Total equity	<u>(260,651)</u>	<u>127,514</u>	<u>(444,674)</u>
Current liabilities			
Trade payables and other payables	588,590	385,390	345,602
	<u>588,590</u>	<u>385,390</u>	<u>345,602</u>
Non-current liabilities			
Financial liabilities – borrowings	–	469,140	492,672
	<u>–</u>	<u>469,140</u>	<u>492,672</u>
Total equity and liabilities	<u>327,939</u>	<u>982,044</u>	<u>393,600</u>

Non Current Assets

Intangible assets held by the Group at 30 September 2015, 30 September 2016 and 31 March 2017 related to capitalised third party website development costs. Additions of £17,800 and disposals of £2,328 were made during the year ended 30 September 2016.

Current Assets

Trade and other receivables at the year ended 30 September 2016 totaled £223,674 of which £81,450 was in relation to prepayments. Trade and other receivables decreased to £191,921 in the period ended 31 March 2017.

The level of cash and cash equivalents of the Group increased significantly in the year ended 30 September 2016 as a result of the Company raising approximately £1.66 million (after costs) through a placing of new Ordinary Shares at the time of the Company's Standard Listing in May 2016. The net placing proceeds were used in the remainder of the year ended 30 September 2016 for launch of the Toople business (and in particular marketing and customer acquisition costs) and general working capital needs. The Group also repaid loans and an overdraft of approximately £0.17 million in aggregate. The cash balance as at 30 September 2016 was £743,824. The Toople business is currently early stage and does not generate a profit and is dependent on marketing spend to drive customer growth. Accordingly, as at 31 March 2017 the Group's cash at bank had decreased to £191,584.

Trade and other receivables as at 30 September 2015 primarily related to a deposit for network services paid to BT in respect of the provision of its network services.

Liabilities

The total liabilities of the Group (including the Subsidiaries prior to their acquisition by Toople Plc) increased over the period covered by the historical financial information to 30 September 2015, largely due to the increased level of a shareholder loans made to the Company by David Breith to support the launch of the Toople business. Total liabilities as at 30 September 2015 were £588,590. Total liabilities increased further in the year ended 30 September 2016 to £854,530 following commencement of trading in respect of the Toople business. Total liabilities were £838,274 as at 31 March 2017.

Included in non-current liabilities as at 30 September 2016 was a balance of £469,140, being the present value of the Founder Loan (the non-discounted cash value is £606,756). Due to the passage of time, the present value of the loan increased to £492,672 as at 31 March 2017. The loan is interest free and the balance of the loan cannot be recalled by David Breith until the 3 May 2019 and is then only repayable in the event the Board consider the Company to be in a position to service the debt, therefore, the balance outstanding has been classified a non-current liability. For comparative purposes it should be noted that in the year ended September 2015, prior to the terms of the Founder Loan being formalised, this loan was noted as a current liability for £507,014.

2. Overview of trading and financial position of Toople.com for the 12 months ended 30 September 2014

Following a dormant period until 2011, Toople.com acquired certain assets as part of the sale of O-bit Telecom Limited to Daisy Group plc (“Daisy”) by David Breith. As part of this sale, Toople.com entered into a transitional service agreement (“TSA”) to provide certain administrative and back office functions to Daisy via Toople.com and AskMerlin. Toople.com generated total revenue of £34,000 in 2014 comprised of TSA income from Daisy prior to the TSA’s termination in 2014 and management charges in respect of facilities management services provided to other entities in which David Breith had a significant interest. Toople.com generated a profit of £2,476 in 2014.

Toople.com generated a gross profit of approximately £28,439 in year ended 30 September 2014 as there were no material cost of sales. Toople.com generated an overall profit of £2,476 with the other material expense being depreciation.

None of the revenue generated by Toople.com or the costs in year ended 30 September 2014 relates to the current business of the Group.

Toople.com held property, plant and equipment of £159,025 at 30 September 2014 relating to computer equipment and various fixtures and fittings at the company’s offices which were subsequently sold. Toople.com also had prepaid expenses and cash of £98,793 in total.

Toople.com had total liabilities of £161,301 as at 30 September 2015 including trade payables of £139,965 and a deferred tax liability of £21,336.

3. Overview of trading and financial position of AskMerlin for the two years ended 31 March 2015

AskMerlin generated revenue of £157,500 in the year ended 31 March 2014 in relation to services provided in connection with the TSA entered into between Obit and Toople.com for which AskMerlin provided services. Revenue of this nature ceased in the year ended 31 March 2014 and is non-recurring. AskMerlin did not trade following this period until the 6 months ended 30 September 2015 when AskMerlin entered into a short term licence arrangement generating approximately £2,500.

AskMerlin generated a loss of £20,005 in the year ended 31 March 2014 and £17,721 in the year ended 31 March 2015 with the only material costs being in relation to depreciation charges.

As at 31 March 2014, AskMerlin had total assets of £297,858 which primarily related to prepayments. The level of assets and liabilities within AskMerlin decreased over the two years to 31 March 2015 due to the

declining trading activities of the entity and at 31 March 2015, AskMerlin had total assets of £35,471 (primarily relating to property and equipment) and net assets of £33,197.

4. Current Trading

In the period following the financial year ended (30 September 2016) the Company has seen increasing competition in the SME broadband market such that it became increasingly difficult for the Group to differentiate itself around the service as originally anticipated when the Toople brand was launched in May 2016.

As a result of the increasing competition in the broadband market, and unexpectedly high cost of customer acquisition through certain channels as a result, the Company reviewed its strategy in order to accelerate sales growth in its higher margin hosted telephony solution which it launched in January 2017. The Group also reviewed its marketing strategy to identify new less costly routes to customer growth. The current cost of customer acquisition ranges between £40 and £91 per customer, and the Company expects to achieve a 30% margin over the contract life of the customer. As at the date of this Document, Toople's broadband packages start at around £17.50 per month for line rental (with no extra charges for the entry level broadband package save for any connection costs). Toople's hosted packages including calls start at £11.99 a month per user. The Group's cloud based hosted business telephony service has higher margins and also has the benefit that customers are typically signing a 36 month agreement (compared to 12 to 24 months for other services). Growth in this service since launch offset a downturn in new orders in the non-strategic, lower margin, wholesale business in the first half of 2017.

Currently the Group has approaching 800 small businesses directly contracted with in excess of over 1,200 RGU's (revenue generating units) across the customer base. Following launch of the Group's first direct digital marketing campaign at the end of February 2017, orders increased 81% by the end of April 2017 (such that the aggregate number of customer orders in March and April 2017 was 316) with almost 30% of all orders in March and April being for the cloud based telephony services.

Since the period ended 31 March 2017 the Group has continued to generate losses which continues to reduce the Group's cash balances resulting in the Group having insufficient working capital. As at 31 May 2017, the Group had cash of £72,863 however, in the event that the Minimum Net Proceeds are not raised, the Group anticipates having a working capital shortfall of approximately £23,000 at the end of June 2017 (when the Group will be required to pay certain suppliers) unless alternative financing can be obtained

In the event that the Minimum Net Proceeds are not achieved within a period of 2 weeks following the date of this Prospectus, the Subscription and Offer will not proceed and unless alternative funding is secured by the end of June 2017, the Group will not have sufficient working capital to continue as a going concern from 30 June 2017. In the event that the Minimum Net Proceeds are not raised within this timeframe, the Directors will consider all options available to the Group in order to avoid the Group being unable to operate as a going concern. This may include for example, winding down the Toople business and realising value through sale of the Group's customer base and/or Merlin platform to another telecoms company.

Further details of the Group's working capital position are set out in paragraph 12 of Part X. Terms and conditions of the Subscription and Offer are described in Part II and Part XII of this Document.

In the event that the Minimum Net Proceeds are raised, the Directors anticipate targeting growth of the Group's SME customer base through continued deployment of the Group's marketing and advertising strategy aimed at delivering high-levels of online market penetration either directly or via comparison sites to increase brand awareness. The Group's focus is on attracting customers through the quality and transparency of the Group's products and retaining customers once signed up by providing a quality customer service experience. The latter also provides opportunities to introduce customers to additional Toople products.

5. Liquidity and capital resource

The Company's capital resources comprise its share capital and reserves. The Group derives substantially all of its revenues from funds generated by the Company's operating subsidiaries. The Group budgets for its capital resources on at least an annual basis. The Group's principal sources of liquidity are cash raised through capital raisings and operating cash flows. The Company may also seek to use overdraft facilities from time to time (although no such facility is in place at the date of this Document). To date the Group's subsidiaries have been primarily financed by the Founder's Loan, an overdraft facility, equity capital raised at the time of the Company's Standard Listing and operating cash flows. The Founder's Loan is not repayable for a period of three years following the Company's Standard Listing. The Group's cash is held in demand.

In the year ended 30 September 2016, being the period covered by the most recent audited financial information, cash outflows from the operating activities of the Group (before cash flows from financing activities) was £1.42 million, compared to £0.57 million for the year ended 30 September March 2015. Net cash used in operating activities by Toople.com Ltd and AskMerlin in the period prior to this was negligible. Cash outflows from operating activities in the six months ended 31 March 2017 was £552,372 and save for revenue generated during this period, there were no other material sources of income during this period. There has been no material changes in the cashflows of the Group since 31 March 2017 save that the Group continues to have a net outflow each month and the cash position of the Group as at 31 May 2017 was approximately £72,863.

The Company did not have any contingent liabilities as at 31 March 2017. The Company's working capital statement is set out in paragraph 12 of Part X of this Document.

6. Capitalisation and Indebtedness

As at 30 April 2017 the Group's capitalisation and indebtedness, derived from the Group's unaudited consolidated financial information is set out in the table below:

Total Current Debt	£
– Guaranteed	–
– Secured	–
– Unguaranteed/Unsecured	–
Total Non-Current Debt (excluding current portion of long-term debt)	
– Guaranteed	–
– Secured	–
– Unguaranteed/Unsecured	496,780
Shareholder's Equity	
Share capital	66,700
Legal reserves	1,900,245
Other reserves	(2,498,278)
Total	<u>(34,553)</u>

Notes:

There has been no material change in the capitalisation and indebtedness of the Company since 30 April 2017.

The non-current unguaranteed/unsecured debt is due to David Breith. The loan is unsecured and interest free and has a cash value of £606,756. The balance cannot be recalled by Mr Breith until the third anniversary of the loan agreement on 3 May 2019 and after this anniversary is only repayable if the Board consider the Company to be in a position to service the debt. The Directors consider the market rate of interest that may be applicable to similar borrowing from a third party is approximately 10%. The cash value of the loan has therefore been discounted to its present value of £496,780 and the present value adjustment recognised as a capital contribution within equity.

PART IX

TAXATION

The following information is based on UK tax law, proposals announced in the 8 March 2017 Budget, subsequent finance bill amendments and HM Revenue and Customs (“HMRC”) practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. Please note that announcements in the 8 March 2017 Budget are only proposals and have not yet been enacted in UK tax legislation. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

TAX TREATMENT OF UK INVESTORS

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

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

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

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

Dividends

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

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

Dividend income received by UK tax resident individuals has a £5,000 dividend tax allowance. Dividend receipts in excess of £5,000 will be taxed at 7.5 per cent. for basic rate taxpayers, 32.5 per cent for higher rate taxpayers, and 38.1 per cent. for additional rate taxpayers.

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

Disposals of Ordinary Shares

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

The rate of capital gains tax on disposal of Ordinary shares by basic rate taxpayers is 10 per cent., and for upper rate and additional is 20 per cent.

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

Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 19 per cent. falling to 17 per cent. after 1 April 2020.

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

“Transactions in securities”

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

Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)

The statements below are intended as a general guide to the current position. They do not apply to certain intermediaries who are not liable to stamp duty or SDRT or (except where stated otherwise) to persons connected with depositary arrangements or clearance services who may be liable at a higher rate:

Ordinary Shares held in certificated form

No UK stamp duty or stamp duty reserve tax will be payable on the issue of the Ordinary Shares. Most investors will purchase existing Ordinary Shares using the CREST paperless clearance system and these acquisitions will be subject to Stamp Duty Reserve Tax at 0.5%. Where Ordinary Shares are acquired using paper (i.e. non-electronic settlement) Stamp Duty will become payable if the purchase consideration exceeds £1,000.

PART X

ADDITIONAL INFORMATION

1. Responsibility

The Directors, whose names appear on page 29 of this Document, and the Company accept responsibility for the information contained in this Document. To the best of the knowledge of the Directors and the Company (who have each taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and contains no omission likely to affect its import.

2. The Company and the Group

- 2.1. The Company was incorporated and registered in England and Wales on 2 March 2016, under the Act, as a public company limited by shares with the name Tarland Plc. The Company's registered number is 10037980.
- 2.2. On 22 March 2016, the Directors passed a written resolution to change the Company's name to Toople Plc.
- 2.3. The Company was granted a certificate to trade on 18 April 2016.
- 2.4. The principal legislation under which the Company operates is the Act and the regulations made thereunder.
- 2.5. The Ordinary Shares have an ISIN of GB00BZ8TP087.
- 2.6. The principal purpose of the Company is as the holding company for the Group and the Group's principal business is as a technology focused telecoms business.
- 2.7. The Company's registered office is PO Box 501, The Nexus Building, Broadway, Letchworth Garden City, SG6 9BL and the principal place of business is at The Chapel, Grenville Court, Britwell Road, Burnham Buckinghamshire SL1 8DF and the telephone number is 0800 049 9499.
- 2.8. The liability of the Company's members is limited.
- 2.9. The financial year end of the Company is 30 September in each year.
- 2.10. The Company is the parent company of the Group and holds 100% of the following subsidiaries, all of which are registered in England and Wales:

<i>Company Name</i>	<i>Company Number</i>	<i>Date of incorporation</i>	<i>Principal business</i>
Toople.com	06762397	1 December 2008	Provider of telecoms services
Toople Finance	09967768	25 January 2016	Dormant
Toople Management	09967788	25 January 2016	Dormant
AskMerlin	06762364	1 December 2008	Owner of the Group's Merlin Platform

- 2.11. AskMerlin Limited has one wholly owned subsidiary being AskMerlin Poland, a company incorporated on 1 July 2015 in Poland with company number 0000565369, whose principal business is the employment of the Group's team of software developers.

3. Share Capital

- 3.1. On incorporation, the Company had an unlimited authorised share capital and an issued share capital of 36,000,000 Ordinary Shares of par value 0.0667 pence each.

- 3.2. On 15 April 2016, 39,000,000 Ordinary Shares were issued and allotted to David Breith in accordance with the terms of the Share Exchange Agreements.
- 3.3. On 24 May 2017, pursuant to a General Meeting of shareholders:
- 3.3.1. The Directors were generally and unconditionally authorised, in accordance with section 551 of the Act, to exercise all the powers of the Company to allot relevant securities comprising equity securities (as defined by section 560 of the Act) up to an aggregate nominal amount of £66,700.
- The authority shall, unless renewed, varied or revoked by the Company, expire on the date which is 15 months after the date on which the resolution was passed or, if earlier, the date of the next annual general meeting of the Company save that the Company may, before such expiry, make offers or agreements 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 authority conferred by this resolution has expired.
- 3.3.2. The directors were generally and unconditionally empowered, pursuant to Section 570 of the Act, to allot equity securities (as defined in section 560 of the CA 2006) for cash under the authority conferred by that resolution and/or to sell ordinary shares held by the Company as treasury shares as if section 561 of the CA 2006 did not apply to any such allotment or sale, provided that such authority shall be limited to the allotment of equity securities or sale of treasury shares to any person up to an aggregate nominal amount of £66,700.
- The authority granted by this resolution will expire at the conclusion of the Company's next annual general meeting after the passing of this resolution or, if earlier, 15 months from the date of passing this resolution, save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted (or treasury shares to be sold) after the authority expires and the Directors may allot equity securities (or sell treasury shares) in pursuance of any such offer or agreement as if the authority had not expired.
- 3.4. As at the date of this Document, the issued share capital of the Company consists of 100,000,000 Ordinary Shares (all of which are fully paid).
- 3.5. The Subscription and Offer Shares and the Fee Shares will be issued pursuant to the authorities referred to in paragraph 3.3.1 and 3.3.2 above.
- 3.6. As at the date of this Document there are in issue and outstanding 8,100,000 Warrants. The Company has agreed, subject to Initial Admission, to issue and allot the Fee Shares and to grant New Warrants over new Ordinary Shares as described in paragraph 13.14 of this Part X.
- 3.7. Save as set out in this paragraph 3 there are no warrants, options or convertible securities in issue or to be issued in respect of the Ordinary Shares.

4. Articles of Association

The Articles of Association, which were adopted on incorporation contain, *inter alia*, provisions to the following effect:

4.1. Voting Rights

- (i) Subject to any special rights or restrictions as to voting attached to any Ordinary Shares by or in accordance with the Articles, every motion put to a vote at a meeting of Shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by at least one Shareholder entitled to vote who is present in person or by proxy.

- (ii) on a vote by show of hands, every person present who is a Shareholder or proxy holder and entitled to vote on the matter has one vote, save that where a proxy is appointed by more than one member he shall have one vote for and one vote against and the proxy has been instructed by one or more such members to vote for the resolution and one or more such members to vote against the resolution (including where the proxy has been given the discretion to vote as he shall see fit). Any person duly authorised to act as the representative of a corporate Shareholder (or each of them if more than one) has the same voting rights as the Shareholder would be entitled to; and
- (iii) on a poll, every Shareholder who is present in person or by representative (in the case of a corporate Shareholder) or by proxy shall have one vote for every share of which he is the holder. On a poll, a Shareholder (present in person or by representative or by proxy) entitled to more than one vote need not, if he votes, use all of his votes or cast all the votes he uses in the same way.

4.2. **Restrictions on Voting**

In the case of joint holders of a share, the person whose name appears first in the register of Shareholders is entitled, to the exclusion of the other joint holders, to vote, whether in person or by proxy, in respect of the share.

4.3. **Major Shareholders**

Nothing in the Articles confers on major shareholders in the Company any voting rights, which are different to those conferred on the holders of Ordinary Shares as described in this paragraph 4.

Pursuant to Rule 5 of the Disclosure Rules, holders of three per cent. or more of the voting rights of the Company's share capital are required to notify their interest in writing to the Company.

4.4. **Transfer of Shares**

- (i) The Ordinary Shares now in issue are in registered form. Title to the Ordinary Shares in issue or to be issued may be transferred by means of a relevant system such as CREST.
- (ii) Save as set out in paragraph 4.4(iv) below there are no restrictions on the transfer of shares and there are no pre-emption rights on transfer in respect of them.
- (iii) Title to, and interest in, shares held in certificated form may be transferred by a written instrument of transfer in any usual form or in any other form approved by the Board. The instrument of transfer shall be signed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered on the register of members in respect thereof.
- (iv) The Board may refuse to register any transfer of shares:
 - (a) which are not fully paid;
 - (b) which are held in certificated form, unless the instrument of transfer is duly stamped, is deposited at the office or such other place as the directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;
 - (c) which are held in certificated form, unless the instrument of transfer is in respect of only one class of share;
 - (d) in the event that the proposed transfer is in favour of more than four transferees; and
 - (e) which are held in uncertificated form, in the circumstances set out in the Regulations.

If the Board refuses to register a transfer it must, within two months after the date on which the instrument of transfer was lodged with the Company, send notice of the refusal to the transferor and the transferee, together with the reason therefore.

If the Board refuses to register a transfer it must, within two months after the date on which the instrument of transfer was lodged with the Company, send notice of the refusal to the transferor and the transferee, together with the reason therefore.

4.5. **Requirement to disclose interests in shares**

- (i) If at any time the Board is satisfied in its absolute discretion that any Shareholder, or any other person appearing to be interested in shares held by such Shareholder, has been duly served with a notice under Section 793 of the Act (a “**Section 793 Notice**”) and is in default for the period of 14 days from service of the said Section 793 Notice in supplying to the Company the information thereby required, or, in purported compliance with such a notice, has made a statement which is false or inadequate in a material particular, then the Board may, in its absolute discretion at any time thereafter by notice (a “**disenfranchisement notice**”) to such Shareholder direct that:
 - (a) in respect of the shares in relation to which the default occurred (the “default shares”, which expression includes any shares issued after the date of the Section 793 Notice in respect of those shares) the Shareholder shall not be entitled to attend or vote either personally or by proxy or by representative at a general meeting or at a separate meeting of the holders of that class of shares or on a poll; and
 - (b) where the default shares represent at least 0.25 per cent. in nominal value of the issued shares of their class (calculated exclusive of any shares of that class held as treasury shares), the disenfranchisement notice may additionally direct that in respect of the default shares:
 - (c) no payment shall be made by way of dividend;
 - (d) no transfer of any default share shall be registered unless:
 - the Shareholder is not himself in default as regards supplying the information requested and the transfer, when presented for registration, is accompanied by a certificate by the Shareholder in such form as the Board may in its absolute discretion require to the effect that, after due and careful enquiry, the Shareholder is satisfied that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer;
 - the transfer is an approved transfer; or
 - registration of the transfer is required by the Regulations.
- (ii) Any disenfranchisement notice shall cease to have effect:
 - (a) on the registration in accordance with the Articles of a transfer of any default shares, but only in relation to the shares transferred;
 - (b) when the Board is satisfied in its absolute discretion that the Company has received all the information required by the relevant Section 793 Notice.
- (iii) The Board may at any time send a notice cancelling a disenfranchisement notice.

4.6. **Dividends**

- (i) The profits of the Company available for distribution and resolved to be distributed are applied in the payment of dividends to the Shareholders in accordance with their respective rights and priorities. The Company in general meeting may declare dividends accordingly

provided that no dividend or interim dividend is payable otherwise than in accordance with the provisions of the Act and no dividend may exceed the amount recommended by the directors.

- (ii) Subject to the provisions of the Act and of the Articles, the directors of the Company may, if they think fit, from time to time pay to the Shareholders such interim dividends as appear to the directors to be justified by the distributable profits of the Company.
- (iii) The Directors of the Company may deduct from any dividend or other money payable to any Shareholder on or in respect of a share all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
- (iv) All dividends, interest or other sums payable and unclaimed for one year, after having been declared, may be invested or otherwise made use of for the benefit of the Company until claimed and the Company is not constituted a trustee in respect of them. No dividend will bear interest as against the Company. Any dividend which has remained unclaimed for a period of 12 years from the date on which it becomes due for payment will, if the directors of the Company so resolve, be forfeited and cease to remain owing by the Company and will from then on belong to the Company absolutely.
- (v) The Board may, subject to the provisions of the Articles and if authorised by an ordinary resolution of the Company, offer any holders of ordinary shares, the right to elect to receive ordinary shares, credited as fully paid, instead of cash in respect of the whole, or some part to be determined by the Board, of any dividend specified by the ordinary resolution.
- (vi) A resolution declaring a dividend may direct payment of the dividend wholly or partly by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company, or in any one or more of those ways and where any difficulty arises in regard to a distribution of this nature, the directors may settle the difficulty as they deem advisable, and, in particular, may issue fractional certificates and may fix the value for distribution of such specific assets or any part of them, and may determine that cash payments will be made to any Shareholders upon the basis of the value so fixed, in order to adjust the rights of Shareholders. They may vest any specific assets in trustees upon trust for the persons entitled to the dividend as may seem expedient to the directors and, generally, may make such arrangements for the allotment, acceptance and sale of such specific assets or fractional certificates, or any part of them, and otherwise as they think fit.
- (vii) All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.
- (viii) If several persons are joint Shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.
- (ix) Any dividend or other distribution payable in cash in respect of shares may be paid by cheque or warrant, made payable to the order of the person to whom it is sent, and mailed to the registered address of the Shareholder, or in the case of joint Shareholders, to the address of any one of such joint Shareholders, or to the person and to the address the Shareholder or joint Shareholders may direct in writing. The mailing of such cheque will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority.
- (x) The directors may, subject to the Articles and with the authority of an ordinary resolution of the Shareholders, from time to time capitalize any undivided profits of the Company of the Company not required for paying any fixed dividends on shares issued on terms requiring payment of the same (whether or not they are available for distribution) and which profits shall be deemed to include any amounts for the time being standing to any reserve or

reserves or to the Company's share premium or other special account or to the capital redemption reserve.

4.7. **General meetings**

- (i) The Company shall in each calendar year hold a general meeting as its annual general meeting in addition to any other meetings in that year and such annual general meeting shall be held at such time (consistent with the terms of the Act) and place as may be determined by the directors of the Company.
- (ii) The directors may, whenever they think fit, and shall, on requisition in accordance with the Act and the Articles of the Company, proceed to convene a general meeting.
- (iii) An annual general meeting and each other general meeting of the Company shall be called by notice of at least such length as is required in the circumstances by the Act. The Company may give such notice by any means or combination of means permitted by law.
- (iv) Every notice of a general meeting must be in writing and specify the date, location and the time of meeting, the general nature of the business to be dealt with and, in the case of an annual general meeting, the fact that it is an annual general meeting.
- (v) Notices shall be given those persons required to be given notice in accordance with the Articles, but the accidental omission to give notice of a meeting or (where forms of proxy are sent out with notices) to send a form of proxy with a notice to, or the non-receipt of notice of a meeting or such form of proxy by, any person entitled to receive the same will not invalidate the proceedings at that meeting.
- (vi) In every notice calling a general meeting of the Company or any class of the Shareholders of the Company, there must appear, with reasonable prominence, a statement that a Shareholder is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at the meeting and that the Shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the Shareholder.
- (vii) Where special notice of a resolution is required by any provision contained in the Act, the resolution is not effective unless notice of the intention to move it has been given to the Company at least 28 days (or such shorter period as the Act permits) before the meeting at which it is moved and the Company must give to its Shareholders notice of any such resolution as required by and in accordance with the provisions of the Act.

4.8. **Redemption**

The Ordinary Shares are not redeemable.

4.9. **Changes in share capital**

- (i) The Company may alter its share capital in accordance with the provisions of the Act.
- (ii) Whenever as a result of any consolidation of shares any Shareholders would become entitled to fractions of a share, the Board may deal with the fractions as it thinks fit and, in particular, may on behalf of those Shareholders, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among the Shareholders who would have been entitled to the fractions of shares. For the purpose of any such sale, the Board may authorise some person to sign an instrument of transfer of the shares representing the fractions to their purchaser, whose name will be entered in the register of Shareholders as the holder of the shares and who will not be bound to see to the application of the purchase money and the title to the shares of such purchaser will not be affected by any irregularity or invalidity in the proceedings in reference to the sale.

4.10. Variation of rights

Subject to the provisions of the Act and of the Articles, the special rights attached to any class of share in the Company may, by Special Resolution, be varied or abrogated.

4.11. Constitution of board of directors

Unless and until otherwise determined by the Company by ordinary resolution, the number of directors (other than alternate directors) shall not be fewer than two nor more than 10.

4.12. Permitted interests of, and restrictions on voting by, directors

- (i) If a Director is in any way, directly or indirectly, interested in a proposed contract with the Company or a contract that has been entered into by the Company, he must declare the nature and extent of that interest to the directors in accordance with the Act.
- (ii) Provided he has declared his interest in accordance with the Articles, a director may be in any way, directly or indirectly, interested in any contract or arrangement or transaction with the Company and he may hold and be remunerated in respect of any office or place of profit (other than the office of auditor of the Company or any subsidiary thereof) under the Company or any other company in which the Company is in any way interested and he (or any firm of which he is a Shareholder) may act in a professional capacity for the Company or any such other company and be remunerated therefor and in any such case as aforesaid (save as otherwise agreed) he may retain for his own absolute use and benefit all profits and advantages accruing to him thereunder or in consequence thereof.
- (iii) Save as provided in the Articles, a director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.
- (iv) Subject to the provisions of the Act, and subject always to the provisions of Articles concerning directors' conflicts a director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:
 - (a) the giving of any security, guarantee or indemnity to him in respect of money lent or obligations incurred by him or by another person at the request of or for the benefit of the Company or any of its subsidiaries;
 - (b) the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
 - (c) the giving to him of any indemnity where all other directors are also being offered indemnities on substantially the same terms;
 - (d) the funding by the Company of his expenditure on defending proceedings or the doing by the Company of anything to enable him to avoid incurring such expenditure where all other directors are being offered substantially the same arrangement;
 - (e) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant as a holder of shares, debentures or securities or in the underwriting or sub-underwriting thereof;
 - (f) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided

that he (together with persons connected with him within the meaning of section 252 of the Act) is not the holder of or beneficially interested in one per cent. or more of the issued shares of any class of such company (or of any third company through which his interest is derived) or of the voting rights available to Shareholders of the relevant company;

- (g) any proposal concerning the purchase and/or maintenance of any insurance policy against any liability of his or under which he may benefit; and
- (h) any proposal concerning the adoption, modification or operation of a pension fund, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme which relates both to directors and employees of the Company or any of its subsidiary undertakings and does not provide in respect of any director as such any privilege or advantage not accorded to the employees to which the fund or scheme relates.

4.13. **Directors' Conflicts**

- (i) The Directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law:
 - (a) any matter which would otherwise result in a director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties); and
 - (b) a director to accept or continue in any office, employment or position in addition to his office as a director of the Company and without prejudice to the generality of (a) above may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises,provided that for this purpose the director in question and any other interested director are not counted in the quorum at any meeting of the Board at which such matter, or such office, employment or position, is approved and it is agreed to without their voting or would have been agreed to if their votes had not been counted.
- (ii) If a matter, or office, employment or position, has been authorised by the directors in then:
 - (a) the director shall not be required to disclose any confidential information relating to such matter, or such office, employment or position, to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position;
 - (b) the director may absent himself from meetings of the directors at which anything relating to that matter, or that office, employment or position, will or may be discussed; and
 - (c) the director may make such arrangements as such director thinks fit for Board and committee papers to be received and read by a professional adviser on behalf of that director.
- (iii) A director shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any matter, or from any office, employment or position, which has been approved by the directors pursuant to the Articles (subject in any such case to any limits or conditions to which such approval was subject).

4.14. **Appointment and retirement of directors**

- (i) At every annual general meeting of the Company, any director:
 - (a) who has been appointed by the Board since the last annual general meeting; or
 - (b) who held office at the time of the two preceding annual general meetings and who did not retire at either of them,shall retire from office and may offer himself for election/re-election by the Shareholders.
- (ii) The Company at the meeting at which a director retires in accordance with the Articles may fill the vacated office and, if the Company does not do so, the retiring director shall, if willing to act, be deemed to have been re-elected unless at such meeting it is expressly resolved not to fill the vacancy or unless a resolution for the re-election of such director is put to the meeting and lost and a director who retires at an annual general meeting may, if willing to act, be re-elected. If he is not re-elected or deemed re-elected, he shall retain office until the meeting elects someone in his place, or if it does not do so, until the end of the meeting.
- (iii) No person other than a director retiring pursuant to the Articles shall be elected as a director at any general meeting unless :
 - (a) recommended by the Board; or
 - (b) not fewer than seven nor more than 42 clear days before the day appointed for the meeting, there is given to the Company notice signed by a Shareholder entitled to attend and vote at the meeting of the intention to propose that person for election stating the particulars which would, if that person were to be elected, be required to be included in the Company's register of directors together with notice signed by that person of his willingness to be elected.
- (iv) The Company may by ordinary resolution elect any person who is willing to act to be a director, either to fill a casual vacancy or as an additional director. The election of a person to fill a vacancy or as an additional director shall take effect from the end of the meeting.
- (v) The Board may appoint any person who is willing to act to be a director, either to fill a casual vacancy or as an additional director, but so that the total number of directors does not at any time exceed the maximum number of directors, if any, fixed by or in accordance with the Articles. Subject to the provisions of the Act and of the Articles, any director so appointed by the Board shall hold office only until the conclusion of the next following annual general meeting and is eligible for election at that meeting.
- (vi) The office of a director must be vacated and he shall automatically cease to be a member of any committee in any of the following events;
 - (a) he resigns his office by notice in writing given to the Company;
 - (b) if he becomes bankrupt or makes any arrangement or composition with his creditors generally or shall apply to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act;
 - (c) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs and the Board resolves that his office be vacated;
 - (d) a registered medical practitioner who is treating him gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;

- (e) he has been absent from meetings of the Board for more than six consecutive months without permission of the Board and his alternate director (if any) has not during such period attended in his place, and the Board resolves that his office be vacated;
 - (f) he ceases to be a director by virtue of any provision of the Act or pursuant to the Articles; or
 - (g) he becomes prohibited by law from being a director.
- (vii) Notwithstanding any provision of the Articles or in any agreement between the Company and the director, and without prejudice to (and in accordance with) the provisions of the Act, the Company may by ordinary resolution remove any director before the expiry of his period of office and special notice in accordance with section 312 of the Act must be given of any such resolution to remove a director. Any such removal of a director is without prejudice to any claim such director may have for breach of any contract of service between him and the Company.

4.15. **Remuneration of directors**

The Directors (other than alternate directors) shall be paid such remuneration (by way of fee) for their services as may be determined by the Board save that, unless otherwise approved by ordinary resolution of the Company in general meeting, no director shall be entitled to a fee in excess of £100,000 per annum, and the aggregate maximum amount per annum to be paid to directors by way of fees shall be, without approval of the members by resolution, £500,000. In the case of an executive director, such fees (if any) are payable to him in addition to his remuneration by way of salary, commission, profit participation or otherwise as an executive director.

4.16. **Proceedings of Directors**

- (i) The Directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the directors held at regular intervals may be held at the place, at the time and on the notice, if any, as the directors may from time to time determine.
- (ii) Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting shall have a second or casting vote. A director who is also an alternate director shall be entitled, in the absence of the director whom he is representing, to a separate vote on behalf of such director in addition to his own vote.
- (iii) A Director may, and the secretary on the requisition of a director must, at any time call a meeting of the directors.
- (iv) Notice of meetings of the Board is deemed to be duly given to a director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him or on his behalf to the Company for this purpose or sent by electronic means to such address (if any) for the time being notified by him or on his behalf to the Company for this purpose. Any director may waive notice of any meeting and any such waiver may be retrospective. Any communication by electronic means pursuant to this Article need not comprise writing if the Board so determines.
- (v) The quorum necessary for the transaction of the business of the Board may be determined by the Board and, unless so determined at any other number, shall be two. A director or other person who is present at a meeting of the Board in more than one capacity (that is to say, as both director and an alternate director or as an alternate for more than one director) shall not be counted as two or more for quorum purposes unless at least one other director or alternate director is also present. A meeting of the Board for the time being at which a

quorum is present is competent to exercise all powers and discretions for the time being exercisable by the Board.

- (vi) All or any of the directors may validly participate in a meeting of the Board or any committee of the Board by means of a conference telephone or any other communication equipment which allows all persons participating in the meeting to hear and speak to each other. Any person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly. Subject to the Act, all business transacted in such a manner by the Board or committee of the Board shall, for the purposes of the Articles, be deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board notwithstanding that fewer than two directors or alternate directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting is then present.
- (vii) The continuing Directors may act notwithstanding any vacancy in their number. If the number of the directors is less than the minimum number fixed in accordance with the Articles, the remaining director or directors must immediately, and may act only to, appoint an additional director or additional directors to make up such minimum or to convene a general meeting of the Company for the purpose of making such appointment. If there is no director or directors able or willing to so act, any two Shareholders may summon a general meeting for the purpose of appointing directors.
- (viii) A resolution in writing signed by all of the directors entitled to receive notice of a meeting of the Board or of a committee of the Board (not being less than the number of directors required to form a quorum of the Board) shall be as valid and effectual as if it had been passed at a meeting of the Board or (as the case may be) a committee of the Board duly convened and held. For this purpose:
 - (a) a resolution may be by means of an instrument or communication in electronic form sent to such address (if any) for the time being notified by the Company for that purpose;
 - (b) a resolution may consist of several instruments or communications in electronic form each signed by one or more directors, or a combination of both;
 - (c) a resolution signed by an alternate director need not also be signed by his appointor; and
 - (d) a resolution signed by a director who has appointed an alternate director need not also be signed by the alternate director in that capacity.

4.17. ***Borrowing powers***

- (i) The Company, if authorized by the Directors, may:
 - (a) borrow money;
 - (b) indemnify and guarantee;
 - (c) mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company;
 - (d) create and issue debentures and other securities; and
 - (e) give security either outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- (ii) The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary

undertakings (if any) so as to secure (as regards the subsidiary undertakings, so far as by such exercise they can secure) that the aggregate of the amounts borrowed by the Group and remaining outstanding at any time (excluding intra-Group borrowings) shall not without the previous sanction of an ordinary resolution of the Company exceed an amount equal to two times the Adjusted Capital and Reserves. For these purposes "Adjusted Capital and Reserves" shall mean a sum equal to the aggregate, as shown by the relevant balance sheet, of the amount paid up or credited or deemed to be paid up on the issued or allotted share capital of the Company and the amount standing to the credit of the reserves (including, without limitation, the profit and loss account and any share premium account or capital redemption reserve) of the Company and its subsidiary undertakings included in the consolidation in the relevant balance sheet but after:

- (a) making such adjustment as may be appropriate to reflect the profit or loss of the Company since the relevant balance sheet;
- (b) excluding any amount set aside for taxation (including any deferred taxation) or any amounts attributable to outside shareholders in subsidiary undertakings of the Company;
- (c) making such adjustments as may be appropriate in respect of any variation in the amount of such paid up share capital and or any reserves (other than the profit and loss account) after the date of the relevant balance sheet. For this purpose, if any issue or proposed issue of shares by the Company for cash has been underwritten then such shares shall be deemed to have been issued and the amount (including any premium) of the subscription monies paid for them (other than money to be paid more than six months after the allotment date) shall to the extent so underwritten be deemed to have been paid up on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, on the date when it became unconditional);
- (d) making such adjustments as may be appropriate in respect of any distribution declared, recommended, made or paid by the Company or its subsidiary undertakings (to the extent not attributable directly or indirectly to the Company) out of profits earned up to and including the date of the relevant balance sheet to the extent such distribution is not provided for in such balance sheet;
- (e) making such adjustments as may be appropriate in respect of any variation in the interests of the Company in its subsidiary undertakings (including a variation where an undertaking ceases to be a subsidiary undertaking) since the date of the relevant balance sheet; and
- (f) making such adjustments as the auditors of the Company may consider appropriate.

4.18. *Distribution of Assets on a Winding up*

If the Company is wound up, the liquidator may, without prejudice to any other right or power that the liquidator may have to divide or transfer the assets in specie, with the authority of a special resolution and any other authority required by law, divide among the members in specie the whole or any part of the assets of the Company. This applies whether the assets shall consist of property of one kind or different kinds. For this purpose, the liquidator may set such value as the liquidator considers fair on any asset or assets and may determine how to divide it between the members or different classes of members. The liquidator may, with the authority of a special resolution and any other authority required by the law, transfer all or any part of the assets to trustees on such trusts for the benefit of members as the liquidator decides. Where the liquidator divides or transfers any assets in pursuance of the powers in this article, no Shareholder shall be required to accept any asset in respect of which there is a liability.

4.19. **Indemnification**

Subject to the provisions of, and so far as may be consistent with (and not void under), the Act, every director, secretary or other officer of the Company or any associated company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office. Subject to the provisions of the Act, the Company shall have the power to purchase and maintain for any director, officer or employee of the Company or any associated company insurance against any liability.

The Company may fund a director's expenditure and that of a director of any subsidiary of the Company for any purposes permitted under the Act (including, without limitation, for the purposes permitted under sections 205 and 206 of the Act) and may do anything to enable a director or a director of any subsidiary of the Company to avoid incurring such expenditure as provided in the Act (including, without limitation, for the purposes permitted under sections 205 and 206 of the Act).

5. **Takeover Regulation**

5.1. **Mandatory bid**

The City Code applies to the Company. Under Rule 9 of the City Code, if:

- (a) a person acquires an interest in shares which, when taken together with shares already held by him or persons acting in concert with him, carry 30 per cent. or more of the voting rights in the Company; or
- (b) a person who, together with persons acting in concert with him, is interested in not less than 30 per cent. and not more than 50 per cent. of the voting rights in the Company acquires additional interests in shares which increase the percentage of shares carrying voting rights in which that person is interested.

the acquirer and, depending on the circumstances, its concert parties, would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for the outstanding shares at a price not less than the highest price paid for any interests in the shares by the acquirer or its concert parties during the previous 12 months.

5.2. **Sell out**

The Act gives minority shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the shares in the Company and, at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 90 per cent. of the shares to which the offer relates, any holder of shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those shares. The offeror is required to give any shareholder notice of his or her right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of the minority shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a shareholder exercises his or her rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

5.3. **Squeeze Out**

Under the Act, if a takeover offer (as defined in section 974 of the Act) is made for the Shares and the offeror were to acquire, or unconditionally contract to acquire, not less than 90 per cent. in value of the shares to which the takeover offer relates (the "Takeover Offer Shares") and not less than 90 per cent. of the voting rights attached to the Takeover Offer Shares within three months of the last day on which its offer can be accepted, it could acquire compulsorily the remaining 10 per cent. It would do so by sending a notice to outstanding shareholders telling them that it will acquire compulsorily their Takeover Offer Shares and then, six weeks later, it would execute a transfer of the

outstanding Takeover Offer Shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for outstanding shareholders. The consideration offered to the shareholders whose Takeover Offer Shares are acquired compulsorily under the Act must, in general, be the same as the consideration that was available under the takeover offer.

6. Directors' interests

- 6.1. The interests of each of the Directors (all of which are beneficial unless otherwise stated) in the issued share capital of the Company as at the date of this Document or which are interests of a person connected with a Director (within the meaning of section 252 of the Act) and the existence of which is known or could, with reasonable diligence, be ascertained by a Director and as they are expected to be immediately following Admission are as follows:

<i>Name</i>	<i>Number of Ordinary Shares as at the date of this Document</i>	<i>Percentage of Ordinary Shares as at the date of this Document</i>	<i>Number of Fee Shares to be issued conditional on Initial Admission</i>	<i>Number of Initial Subscription and Offer Shares expected to be subscribed for</i>	<i>Total expected number of Ordinary Shares on Initial Admission¹</i>	<i>Percentage of Enlarged Share Capital (assuming full subscription of the Subscription and Offer)¹</i>
Andrew Hollingworth	26,000,000	26.00	2,250,000	–	28,250,000	14.13
Richard Horsman	1,000,000	1.00	1,250,000	1,250,000	3,500,000	1.75
Geoffrey Wilson	–	–	1,200,000	–	1,200,000	0.60

1 This assumes that there are no changes in the relevant Directors' shareholding other than set out here within the period of the Subscription and Offer.

- 6.2. Save as disclosed in this paragraph 6, as at the date of this Document none of the Directors (nor any person connected with them within the meaning of section 252 of the Act) had or will have any interest, beneficial or otherwise, in any share or loan capital of the Company or its subsidiary.
- 6.3. There are no loans or guarantees provided by any member of the Company for the benefit of any of the Directors nor are there any loans or guarantees provided by any of the Directors to any member of the Company for the benefit of the any member of Group.
- 6.4. As at the date of this Document, no Director holds warrants or options to subscribe for Ordinary Shares, save for the following NED Warrants held by Richard Horsman and Geoffrey Wilson:

<i>Name</i>	<i>Number of NED Warrants</i>
Richard Horsman	2,000,000
Geoffrey Wilson	1,000,000

- 6.5. No Director has or has had any interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company and which was effected by the Company since its incorporation or which is or was unusual in its nature or conditions or significant to the business of the Company.

7. Director and management service contracts, remuneration and benefits in kind

7.1. Executive Directors

Andrew Hollingworth

Andrew Hollingworth, is employed as Chief Executive Officer under a service agreement with the Company dated 3 May 2016. He is entitled to a salary of £120,000 per annum. He is entitled to 35 days' paid holiday per annum (in addition to public and bank holidays in England and Wales). He will be entitled to participate in any pension scheme operated by the Group should one be set up. His service agreement contains a confidentiality clause that is without limit in time, along with post termination restrictions covering a period of 12 months from termination. His service agreement is terminable by either party on not less than 6 months' written notice, to expire on or after an initial 12 month term or immediately upon payment in lieu of notice and contains a garden leave clause.

7.2. **Non Executive Directors**

Richard Horsman

Richard Horsman was appointed as a director and non executive Chairman of the Company on 3 March 2016 and on 3 May 2016 he entered into a letter of appointment with the Company, pursuant to which he is entitled to an annual fee of £18,000 for up to 8 days' work per annum, which includes consideration for chairing the Remuneration Committee and for being a member of the Audit Committee. He will be entitled to an additional fee if he is required to perform any specific and additional services. The Chairman is not entitled to receive any compensation on termination of his appointment (other than payment in respect of a notice period where notice is served) and is not entitled to participate in the Company's share, bonus or pension schemes, but is entitled to be reimbursed all reasonable out-of-pocket expenses incurred in the proper performance of his duties.

Mr Horsman is entitled to 2,000,000 NED Warrants which vest on the second anniversary of 2016 Admission.

Mr Horsman is subject to confidentiality undertakings without limitation in time.

Mr Horsman's appointment is for an initial term of three years commencing on 2016 Admission unless terminated earlier by either party giving to the other three months' prior written notice. The appointment may also be terminated pursuant to the Articles or as otherwise required by law. He is subject to re-election by the Company in general meeting in accordance with the Articles.

In addition the services of Mr Horsman are to be provided on a consultancy basis via High Lees Farm Partnership. Pursuant to the terms of the consultancy agreement High Lees Farm Partnership is entitled to be paid a fee of £32,000 plus any applicable VAT. The appointment is for an initial term of three years to be reviewed annually and terminable on three months' notice by either party.

Geoffrey Wilson

Mr. Wilson was appointed as a director of the Company on 3 March 2016 and on 3 May 2016 he entered into a letter of appointment with the Company, pursuant to which he is entitled to an annual fee of £36,000 for up to 24 days' work per annum, which includes consideration for chairing the Audit Committee and being a member of the Remuneration Committee. He will be entitled to an additional fee if he is required to perform any specific and additional services. Mr Wilson is not entitled to receive any compensation on termination of his appointment (other than payment in respect of a notice period where notice is served) and is not entitled to participate in the Company's share, bonus or pension schemes, but is entitled to be reimbursed all reasonable out-of-pocket expenses incurred in the proper performance of his duties.

Mr Wilson is entitled to 1,000,000 NED Warrants which vest on the second anniversary of 2016 Admission. Mr Wilson is subject to confidentiality undertakings without limitation in time.

Mr Wilson's appointment is for an initial term of three years commencing on 2016 Admission, unless terminated earlier by either party giving to the other three months' prior written notice. The appointment may also be terminated pursuant to the Articles or as otherwise required by law. He is subject to re-election by the Company in general meeting in accordance with the Articles.

- 7.3. The Company has customary directors' and officers' indemnity insurance in place in respect of each executive director and each executive director has the benefit of an indemnity against directors' liability set out in the Articles.
- 7.4. No remuneration or benefits in kind were paid to the Directors or senior management by Toople.com or AskMerlin in the 12 months ended 30 September 2015. There were no amounts set aside or accrued by the Company or its subsidiaries to provide pension, retirement or similar benefits. The aggregate remuneration and benefits in kind granted to the Directors in respect of the year ending 30 September 2016 under the arrangements in force as at the date of this Document was £120,333 (noting that there were no Directors' emoluments prior to 15 April 2016).

8. Other Directorships

8.1. In addition to their directorship of the Company, the Directors hold or have held the following directorships or have been partners in the following partnerships within the five years prior to the date of this Document.

<i>Director</i>	<i>Current Directorships</i>	<i>Past Directorships</i>
Andrew Hollingworth	None	Cube Holdings Ltd
Richard Horsman	High Lees Farm Partnership JC Mackinlay and Co. Limited	Aonix North America Inc. Atego Group Limited Atego Systems Limited Atego Systems Inc. High Rely Incorporated Plethora Solutions Holdings plc
Geoffrey Wilson	None	Arbor Low Limited Executel Ltd Future Office Communications Ltd Greystone Telecoms Ltd Opal Business Solutions Ltd Opal Connect Ltd Pipex Internet Ltd Southern Communications Networks Limited TalkTalk Business (2CCH) Ltd TalkTalk Communications Ltd TalkTalk Direct Ltd Tiscali UK Ltd UK Telco (GB) Ltd V Networks Ltd

8.2. Save as set out above, the Directors hold or have held no other directorships or been partners in any partnership within the five years preceding the date of this Document.

8.3. At the date of this Document none of the Directors have:

- (i) any unspent convictions in relation to indictable offences;
- (ii) had any bankruptcy order made against him or entered into any voluntary arrangements;
- (iii) has, in the last five years, been a director of a company which has been placed in receivership, compulsory liquidation, administration, been subject to a voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;
- (iv) has, in the last five years, been a partner in any partnership which has been placed in compulsory liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- (v) has, in the last five years, been the owner of any assets of a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- (vi) had any convictions for fraudulent offences;
- (vii) been publicly criticised by any statutory or regulatory authority (including recognised professional bodies); or

(viii) been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of a company.

8.4. None of the Directors or the Founder (nor any member of any of the Directors' families) has a related financial product referenced to the Ordinary Shares.

8.5. None of the Directors or the Founder has any conflicts between any duties to the Company and their private interests or other duties

9. Disclosable interests

9.1. As at the date of this Document, and as expected to be the case at Admission (assuming subscription of the Subscription and Offer in full), the Directors were aware that the following persons were, or are likely to be, interested, directly or indirectly, in 3 per cent. or more of the issued share capital of the Company as at that date:

<i>Name</i>	<i>Number of Ordinary Shares held as at the date of this Document</i>	<i>Percentage of Existing Ordinary Shares</i>	<i>Number of Ordinary Shares held on Initial Admission¹</i>	<i>Percentage of Enlarged Share Capital (assuming full subscription of the Subscription and Offer)¹</i>
David Breith	39,000,000	39.00	39,000,000	19.50
Andrew Hollingworth	26,000,000	26.00	28,250,000	14.13
Piotr Kwiatkowski	5,000,000	5.00	5,000,000	2.50

¹ This assumes that there are no changes in the relevant Directors' shareholding other than set out here within the period of the Subscription and Offer.

9.2. Save as disclosed in paragraph 6.1 and paragraph 9.1 of this Part X, the Directors are not aware of any person who was at 1 June 2017 (the latest practicable date prior to the publication of this Document) interested, directly or indirectly, or who will, on Admission have an interest, directly or indirectly, in 3 per cent. or more of the issued share capital of the Company.

9.3. None of these substantial Shareholders have voting rights different from any other Shareholders.

9.4. Save as disclosed in paragraphs 6.1 and 9.1 of this Part X, the Company is not aware of any person who exercises or could exercise, directly or indirectly, jointly or severally, control over the Group.

9.5. The holdings of the Concert Party, details of which are set out in paragraph 12 of Part I of this Document, are as follows as at the date of this Document, and as expected to be the case at Admission (assuming subscription of the Subscription and Offer in full and issue of the Fee Shares):

<i>Name</i>	<i>Number of Ordinary Shares held as at the date of this Document</i>	<i>Percentage of Existing Ordinary Shares as at the date of this Document</i>	<i>Number of Ordinary Shares held on Admission¹</i>	<i>Percentage of Ordinary Shares held on Admission¹</i>
David Breith	39,000,000	39.00	39,000,000	19.50
Andrew Hollingworth	26,000,000	26.00	28,250,000	14.13
Matthew Donaldson	500,000	0.50	500,000	0.25
	<u>65,500,000</u>	<u>65.50</u>	<u>67,750,000</u>	<u>33.88</u>

Notes

¹ This assumes that the Subscription and Offer is subscribed for in full and the Fee Shares are issued.

10. Related Party Transactions

Save for the Share Exchange Agreements, the Founder Loan and the Short Term Loan and as set out in this paragraph 10, and in sections D and F of Part V of the 2016 Prospectus (which have been incorporated by reference) and on page 46 of the Audited Financial Statements (which have been incorporated by reference) there are no other related party transactions during the period covered by the Historical Financial Information.

	<i>6 months to</i> <i>31 March 2017</i>
	<i>£</i>
Goods/services purchased from Vitrx Limited	4,599
Goods/services purchased from Blabbermouth Marketing Limited	0
Goods/services purchased from Diffrenet Limited	8,368
Goods/services purchased from Dotfusion Limited	30,780
Goods/services supplied to Vitrx Limited	9,489
Goods/services supplied to Diffrenet Limited	240
	<hr/> <u>53,476</u>

Notes:

The companies included in this note are companies controlled by David Breith, a substantial shareholder of the Company. Contracts entered into with related parties are on an arm's length basis. David Breith is no longer a member of the administrative, management or supervisory body of the Company following his consultancy contract ending in November 2016.

11. Employees

As at the date of this Document, excluding the Directors, the Group has 8 employees (excluding the Directors), of which, 5 live and work in England and 3 are employed in Poland by AskMerlin SP ZOO.

12. Working Capital

The Company is of the opinion that the Group does not have sufficient working capital for the Group's present requirements, that is for at least twelve months following the date of Initial Admission. The Group raised gross proceeds of £2.0 million at the time of the 2016 Admission on 10 May 2016 (£1.66 million net of costs) which the Group used for working capital, to launch the Toople brand and commence on-line digital marketing campaigns. Since the 2016 Admission and as a result of marketing carried out by the Group, the Group has successfully gained nearly 800 direct SME customers, however competitiveness within the SME telecoms market and in particular the broadband market increased at a greater pace than originally anticipated by the Directors at the time of the 2016 Admission which resulted in the costs of customer acquisition being higher than expected over the past year and customer numbers not increasing as quickly as hoped prior to launch of the Toople brand. Until such time as the Group has increased its customer number significantly and is able to generate an operating profit, the Group remains loss making and is reliant on external sources of funding to provide working capital for the Group and to allow the Group to continue to run marketing and advertising campaigns to target increased revenues and gross profit.

The Directors have carefully monitored the Group's costs over the past year and have taken steps to conserve the Group's cash including finessing the Group's marketing strategies to reduce the cost of customer acquisition whilst still growing the customer base; accruing certain fees and remuneration owed to the Directors (approximately £157,000 to the end of May 2017) and reducing overhead costs in relation to the developer base of the business since the Merlin platform is now integrated into the Toople business. Despite this, and largely as a result of continued investment in marketing to grow the Group's customer base, the Group now has insufficient working capital and as announced by the Group in March 2017, further funds are needed to provide working capital for the Group and to fund future marketing activities to continue to grow the Business. As at 31 May 2017, the Group has cash available of approximately £72,863 which is expected to allow the Group to continue to trade as a going concern to the end of June 2017 unless further external funding is obtained. As at 30 June 2017, there is expected to be a shortfall in working capital of approximately £23,000 when the Group will be required to pay certain suppliers before receipt of sufficient trade receivables. No other sources of external funding are currently in the process of being negotiated by the Group.

The Group intends to carry out the Subscription and Offer in order to raise gross proceeds of up to £1.9 million (assuming subscription in full at the Initial Issue Price) to provide general working capital for the Group and to provide funds for marketing and customer acquisition. The Subscription and Offer is subject to Minimum Net Proceeds of £1 million being raised through the Subscription and Offer. The Minimum Net Proceeds is an amount which the Directors consider will provide the Group with a meaningful amount of funds (approximately £0.65 million) to target significant growth in the customer base of the business through marketing campaigns with the balance of approximately £0.35 million being used to provide general working capital for the Group for a period of 12 months following the date of this Document. Conditional on receipt of the Minimum Net Proceeds, the Company is of the opinion that the Group will have sufficient working capital for the Group's requirements, that is for a minimum of 12 months from the date of this Document.

Shareholders and investors should note that pursuant to the terms of the Subscription and Offer, if the Minimum Net Proceeds is not achieved within a period of 2 weeks following the date of this Prospectus, the Subscription and Offer will not proceed and the Group will not have sufficient funds to carry out the Group's strategy or acquire additional customers and the business of Toople will likely be wound down. Additionally, unless alternative funding is secured by 30 June 2017 (for example the Group is able to realise cash through the sales of its assets or customers as described below), the Group will not have sufficient working capital to continue as a going concern from 30 June 2017 and will likely appoint a liquidator to realise the Group's assets. In the event that the Minimum Net Proceeds are not received within the 2 week timeframe, the Directors will consider all options available to the Group in order to avoid the Group being unable to operate as a going concern. This may include for example realising value through sale of the Group's customer base and/or Merlin platform to another telecoms company. Whilst there can be no guarantee that the Group will be successful in realising value in this manner prior to 30 June 2017, the Directors believe, based on their experience and contacts in the industry, that this would be possible. The Group may also seek to make arrangements with its creditors and consider whether it is in the best interests of Shareholders to maintain the Group's Standard Listing. In the event that the Minimum Net Proceeds are not raised, the Group does not envisage that alternative funds will be sought to fund the Group's current strategy.

Although the Subscription and Offer is not underwritten and there is no guarantee of its success, having taken soundings from a number of Existing Shareholders and potential investors, the Directors are confident that there is a reasonable prospect that the Minimum Net Proceeds will be raised through the Subscription and Offer.

13. Material Contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company or any other member of the Group within the two years immediately preceding the date of this Document and are or may be material:

Contracts relating to the Company's Standard Listing

13.1. Financial Adviser Engagement Letter

By way of an engagement letter dated 3 May 2016 Cairn was appointed as financial adviser in connection with the Company's Standard Listing. Pursuant to the engagement the Company agreed to pay Cairn a corporate finance fee of £50,000 plus VAT together with costs and expenses relating to the 2016 Admission. The Company agreed to indemnify Cairn for any losses suffered by Cairn as a result of its engagement as financial adviser. Under the engagement letter the liability of Cairn to the Company is limited to a sum equivalent to three times the fees paid by the Company to Cairn.

13.2. Financial Adviser Admission Agreement

The Company entered into an Admission Agreement on 3 May 2016 which contained certain warranties and indemnities given by the Company and the Directors in favour of Cairn Financial Advisers LLP in relation to the contents of the 2016 Prospectus and the Company's Standard Listing.

13.3. *Broker Engagement Letters*

- (i) By way of an engagement letter dated 26 January 2016, Vicarage Capital was appointed as the Company's lead broker and placing agent in respect of the placing which accompanied 2016 Admission. In consideration of this role, the Company agreed to pay Vicarage Capital commission of 4 per cent. of funds raised pursuant to this placing. The Broker was retained to provide general broking services for a period of 12 months post the Company's Standard Listing. Pursuant to the engagement the Company agreed to pay Vicarage Capital a fee of £20,000 per annum in respect of this role, payable in quarterly instalments.
- (ii) By way of an engagement letter dated 13 January 2017, Hybridan was appointed as the Company's broker for a minimum period of 9 months. In consideration of this role, the Company agreed to pay Hybridan an annual retainer of £24,000 increasing to £30,000 after the first year.
- (iii) Pursuant to an agreement dated, PrimaryBid has agreed to facilitate the Subscription and Offer through the PrimaryBid platform. The terms of the agreement state that PrimaryBid will provide the following service to the Company:
 - (a) alert PrimaryBid's registered users to the regulatory announcement made by the Company regarding publication of the Prospectus and details of the Subscription and Offer;
 - (b) provide PrimaryBid's registered users with instructions as to how they can subscribe for Subscription and Offer Shares;
 - (c) maintenance of a "book of bids" to reflect the applications for subscriptions that PrimaryBid may receive through its website and collection of subscription proceeds relating to these bids;
 - (d) on completion of the Subscription and Offer, transfer the net subscription proceeds to the Company and agreement by PrimaryBid to transfer the relevant Subscription and Offer Shares to its registered users who have successfully subscribed for shares.

Pursuant to the terms, PrimaryBid will received a commission of 5 per cent. of Subscription and Offer Shares subscribed for through their platform.

- (iv) By way of an engagement letter dated 26 May 2017 the Company appointed Turner Pope to act as joint placing agent in respect of the Subscription and Offer. Pursuant to the engagement letter Turner Pope agreed to act as joint placing agent and to use reasonable endeavours to place new Ordinary Shares with investors pursuant to the Subscription and Offer at the Initial Issue Price. Conditional on Initial Admission, the fees charged by Turner Pope are as follows:
 - (a) A sales commission of 5% of the gross proceeds raised by Turner Pope;
 - (b) A corporate finance fee of £10,000;
 - (c) A handling commission of 0.5% where proceeds are raised by Novum and serviced by Turner Pope;
 - (d) The issue of such number of New Warrants over new Ordinary Shares in the Company exercisable at the Initial Issue Price as equals 5.0% (five per cent.) of the gross aggregate value of the funds raised from investors introduced by Turner Pope pursuant to the Subscription and Offer. Pursuant to the engagement letter the Company gives to Turner Pope customary indemnities.
- (v) By way of an engagement letter dated 26 May 2017 the Company appointed Novum to act as joint placing agent in respect of the Subscription and Offer. Pursuant to the engagement letter, Novum agreed to act as joint placing agent and to use reasonable endeavours to place new Ordinary Shares with investors pursuant to the Subscription and Offer at the Initial Issue Price. Conditional on Initial Admission, the fees charged by Novum are as follows:

- (a) A sales commission of 5% of the gross proceeds raised by Novum;
- (b) The issue of such number of New Warrants over new Ordinary Shares in the Company exercisable at the Initial Issue Price as equals 5.0% (five per cent.) of the gross aggregate value of the funds raised from investors introduced by Novum pursuant to the Subscription and Offer. Pursuant to the engagement letter the Company gives to Novum customary indemnities.

13.4. *Financial Adviser Agreement*

An agreement was entered into on 3 May 2016 between Cairn (1), the Company (2) and the Directors (3) pursuant to which Cairn agreed to act as the Company's financial adviser from the date of 2016 Admission.

13.5. *Lock-in and Orderly Market Agreement*

Lock-in and orderly market agreements entered into on 3 May 2016 between Cairn (1) the Company (2), and respectively each of the Orderly Market Persons (4), pursuant to which the Orderly Market Persons agreed with Cairn and the Company not to dispose of any interest in Ordinary Shares for a period of 12 months from the date of 2016 Admission, which undertaking has expired. The agreement also contains orderly market provisions which apply for a further period of 12 months after expiry of the 12 month lock-in period whereby the Orderly Market Persons may only dispose of any interest in their Ordinary Shares with consent of Cairn and Vicarage Capital not to be unreasonably withheld or delayed. The restrictions will not apply in the following circumstances:

- (i) a disposal to the personal representative of any Orderly Market Person;
- (ii) a disposal pursuant to an intervening court order;
- (iii) the acceptance or giving by an Orderly Market Person of an irrevocable undertaking to accept a general offer which has become or has been declared unconditional in all respects for the entire issued share capital of the Company, other than any Ordinary Shares held by the offeror or persons acting in concert with the offeror for the purpose of the Code in relation to such offer;
- (iv) a disposal pursuant to a compromise or arrangement between the Company and its creditors or any class of them or between the Company and its members or any class of them which is agreed by the creditors or members and sanctioned by the court under Part 26 of the Act;
- (v) any scheme of reconstruction effected pursuant to section 110 of the Insolvency Act 1986 in relation to the Company;
- (vi) a disposal of any Ordinary Shares which are issued to an Orderly Market Persons by way of rights after Admission.
- (vii) any Disposal made:
 - to a family member of an Orderly Market Person; or
 - to the trustee(s) of any trust, the beneficiaries of which are a Orderly Market Person and/or a family member of an Orderly Market Person, or a beneficiary of such a trust; or

provided always that:

- the Company complies with its obligations under the Model Code, the DTRs and any other disclosure requirements arising from the transfer; and
- any transferee referred to in paragraph (vi) above shall first undertake to Cairn, and the Company to be bound by the terms of the lock-in agreement as if he or she were the

Orderly Market Person and further provided that the Orderly Market Person consults with Cairn prior to any such disposal for the purposes of maintaining an orderly market.

Andrew Hollingworth and Neil Taylor may also make a disposal in order to raise funds to satisfy any liability resulting in a claim against him by Cairn pursuant to the Financial Adviser Admission Agreement (details of which are set out in paragraph 13.2 above), always provided that such a disposal would not be in breach of the Listing Rules, or any other regulatory rules and regulations applicable to the Company and the dealing in its securities.

13.6. *New Lock In Agreement*

Lock-in agreement entered into on 24 May 2017 between Cairn (1) the Company (2), and the Founder, pursuant to which the Founder agreed not to dispose of any interest in Ordinary Shares (“Relevant Shares”) for a period of six months from the date of Initial Admission. The restrictions will not apply in the following circumstances:

- (a) a disposal made with the consent of the Company and Cairn if there is demand for the Relevant Shares from institutional or a strategic investor;
- (b) a disposal to the personal representative of the Founder;
- (c) a disposal pursuant to an intervening court order;
- (d) the acceptance or giving by the Founder of an irrevocable undertaking to accept a general offer which has become or has been declared unconditional in all respects for the entire issued share capital of the Company, other than any Ordinary Shares held by the offeror or persons acting in concert with the offeror for the purpose of the Takeover Code in relation to such offer;
- (e) a disposal pursuant to a compromise or arrangement between the Company and its creditors or any class of them or between the Company and its members or any class of them which is agreed by the creditors or members and sanctioned by the court under Part 26 of the Act;
- (f) any scheme of reconstruction effected pursuant to section 110 of the Insolvency Act 1986 in relation to the Company;
- (g) any disposal made:
 - (i) to a family member of the Founder; or
 - (ii) to the trustee(s) of any trust, the beneficiaries of which are an Founder and/or a family member of the Founder, or a beneficiary of such a trust;
 - (iii) for the purpose only of effecting the appointment of a new trustee or for the purpose of retiring as a trustee of a settlement of the type described in Clause 13.6 (f)(ii) above; or
 - (iv) to a beneficiary of a settlement of the type described in Clause 13.6 (f)(ii) above in accordance with the trust terms;

provided always that:

- the Company complies with its obligations under its share dealing code, the DTRs and any other disclosure requirements arising from the transfer; and
- any transferee referred to in paragraph 13.6 g(iii) and 13.6 (g)(iv) above shall first undertake to Cairn, and the Company to be bound by the terms of the lock-in agreement as if he or she were the Founder and further provided that the Founder consults with Cairn prior to any such disposal for the purposes of maintaining an orderly market.

- (h) a disposal of Ordinary Shares which are issued to Mr. Breith by way of rights after Initial Admission.

13.7. *Relationship Agreement*

A relationship agreement dated 3 May 2016 between the Company (1) Cairn (2) David Breith (3) and Andrew Hollingworth (4), whereby David Breith and Andrew Hollingworth agreed that all transactions and relationships between each of them and the Company or any member of the Group will be conducted on terms which allow the Company and the Group to carry on business independently, and all such transactions and relationships will be at arm's length and on a normal commercial basis. The agreement binds each of David Breith and Andrew Hollingworth for as long as they and their respective affiliates and connected persons together hold twenty per cent. or more of the issued share capital of the Company.

13.8. *Service Agreements*

Details of the service agreements between the Company and each of Andrew Hollingworth and Geoff Wilson are set out in paragraph 7.1 of this Part X.

13.9. *Letters of Appointment*

Details of the service agreements between the Company and Richard Horsman are set out in paragraph 7.2 of this Part X.

13.10. *Consultancy Agreements*

- (i) Details of the consultancy agreement between the Company and High Lees Farm Partnership dated 3 May 2016 pursuant to which High Lees Farm Partnership provides the services of Richard Horsman are set out at paragraph 7.2 of this Part X.
- (ii) By way of a consultancy letter dated 11 May 2017, Neil Taylor agreed to act as a consultant to the Group until 31 May 2017 to allow a handover to Geoff Wilson following Mr Taylor's resignation as Chief Financial Officer. Pursuant to the agreement, Mr Taylor agreed to make himself available at reasonable times for a fee to be agreed dependent on the level of involvement required from him.

13.11. *NED Warrant Deed*

Two Warrant Deeds executed by the Company on 3 May 2016 pursuant to which the NED Warrants are constituted. Each NED Warrant entitles the holder to subscribe for 1 new Ordinary Share at an exercise price of 8 pence at any time during the period commencing on the date of vesting (being midnight on second anniversary of 2016 Admission) ("Vesting Date") and expiring at midnight on the second anniversary of the Vesting Date. The NED Warrants were granted to Richard Horsman and Geoffrey Wilson in the amounts set out in paragraph 6.4 of this Part X. It is a condition of the NED Warrants vesting that the holder thereof is a director of the Company on the date of vesting. The NED Warrant Deeds contains the usual anti-dilution protections.

13.12. *Investor Warrant Deed*

A Warrant Deed executed by the Company on 3 May 2016 pursuant to which the Investor Warrants are constituted. Each Investor Warrant shall entitle the holder to subscribe for 1 new Ordinary Share at an exercise price of 8 pence at any time during the period commencing on the date of 2016 Admission and expiring at midnight on the second anniversary thereof save that in the event that the closing price of the Ordinary Shares is equal to or in excess of 24 pence for 10 consecutive trading days (being days upon which the Main Market is open for trading) then the Company may serve notice on the warrant holders requesting that they exercise their Investor Warrants within 14 days in lieu of which they shall lapse. The Investor Warrant Deed contains the usual anti-dilution protections.

13.13. *Adviser Warrant Deed*

A Warrant Deed executed by the Company on 3 May 2016 pursuant to which the Adviser Warrants are constituted. Each Adviser Warrant entitles the holder to subscribe for 1 new Ordinary Share at an exercise price of 8 pence per Ordinary Share (“Exercise Price”) at any time during the period commencing on the date of the Company’s Standard Listing and expiring at midnight on the second anniversary thereof. The Adviser Warrant Deed contains the usual anti-dilution protections.

13.14. *New Warrant Deed*

The warrant deed to be entered by the Company in relation to the new warrants over Ordinary Shares to be granted, conditional on Initial Admission, to certain advisers in connection with the Subscription and Offer and pursuant to which the New Warrants will be constituted. Each New Warrant will entitle the holder to subscribe for 1 new Ordinary Share at an exercise price equal to the Initial Issue Price per Ordinary Share at any time during the period commencing on the date of the Company’s Standard Listing and expiring at midnight on the 3rd anniversary thereof. The New Warrant Deed will contain the usual anti-dilution protections.

Conditional on Initial Admission, New Warrants are to be granted to Turner Pope and Novum on the basis set out in paragraph 13.3iv) of this Part X and New Warrants over 250,000 Ordinary Shares are to be granted to Cairn.

13.15. *Restructure Documents*

In May 2016, the Company entered into four share for share exchange agreements (together the “Share Exchange Agreements”) with David Breith pursuant to which the Company acquired from David Breith in consideration of the issue and allotment to David Breith of Ordinary Shares the entire issued share capital of each those of the subsidiaries described in paragraph 3 of this Part X. Each Share Exchange Agreement contains confidentiality provisions and limited warranties on the part of David Breith as to title and capacity. The number of Ordinary Shares issued to David Breith by way of consideration for each acquisition (as contained in the respective Share Exchange Agreement) are set out below:

<i>Subsidiary</i>	<i>Number and type of Subsidiary shares acquired</i>	<i>Number of Ordinary Shares issued and allotted to David Breith by way of consideration</i>
Toople.com	100 ordinary shares of £1.00 each	12,900,000
Toople Finance	100 ordinary shares of £1.00 each	150,000
Toople Management Services	100 ordinary shares of £1.00 each	150,000
AskMerlin Limited	100 ordinary shares of £1.00 each	25,800,000

13.16. *Loan between David Breith and Toople.com Limited*

David Breith, when a director of Toople.com, made director’s loans to Toople.com (“Founder Loan”) the outstanding balance of which as at the date of publication of this Document is £606,756. By way of a letter agreement dated 3 May 2016 (and amended by way of a deed of variation on 24 May 2017) the arrangements concerning the Founder Loan were formalised such that the Founder Loan:

- (i) is interest free;
- (ii) is not repayable for 3 years from the date of 2016 Admission and then only in the event that the Company is in profit and has sufficient funds to make the repayment;

the Company may, subject to being in profit and having sufficient funds, repay the Founders Loan prior to the expiry of the 3 year term.

The deed of variation entered into on 24 May 2017 amended the outstanding balance of the Founder Loan, as stated in the original agreement dated 3 May 2016, from £725,000 to £606,756. All

other terms of the Founder Loan remain as agreed on 3 May 2016. The outstanding balance was incorrectly stated in the original agreement on 3 May 2016.

13.17. *Short Term Loan between David Breith and the Group*

In addition to the Founder Loan set out in paragraph 13.16 above, David Breith, a substantial shareholder of the Company made short term loans to the Group of £65,000 for working capital purposes ("Short Term Loan"). This was repaid at the time of the 2016 Admission.

13.18. *Deed of Assignment – Toople.com*

On 3 May 2016, Toople.com Limited, Jedbull LLP and Payment Centre Limited entered a Deed of Assignment in Copyright with AskMerlin Limited. Pursuant to the deed, in consideration of the sum of £1, Toople.com, Jedbull and Payment Centre have assigned all copyright, database rights and all other rights throughout the world in the Merlin Software Platform to AskMerlin Limited.

13.19. *Deed of Assignment – Piotr Kwiatkowski*

Mr. Kwiatkowski entered a Deed of Assignment in Copyright with AskMerlin Limited on 8 March 2016. Pursuant to the deed, in consideration of the sum of £1, Mr. Kwiatkowski has assigned all copyright, database rights and all other rights throughout the world in the Merlin Software Platform to AskMerlin Limited.

14. Significant Change

Since 31 March 2017 (being the date to which the Historical Financial Information has been prepared for the Group), there have been no significant changes in the trading or financial position of the Group.

15. General

- 15.1. Crowe Clark Whitehill has given and has not withdrawn its written consent to the information incorporated by reference as set out in in the form set out in Parts VII of this Document and to the references to its name in the form and context in which they appear in this Document.
- 15.2. Save for the Standard Listing of the Ordinary Shares, the Ordinary Shares are not admitted to dealings on any recognised investment exchange nor has any application for such admission been made nor are there intended to be any other arrangements for dealings in the Ordinary Shares.
- 15.3. The accounting reference date of the Company is 30 September in each year.
- 15.4. The Company has no convertible securities in issue.
- 15.5. The financial information relating to the Group contained in this Document does not constitute statutory accounts within the meaning of section 434 of the Act.
- 15.6. Crowe Clark Whitehill was the auditor of the Company for the year ended 30 September 2016. Prior to this, Ian Todd & Co, Chartered Accountants was the auditor of the Company for the period covered by the historical financial information which is included in the 2016 Prospectus which has been incorporated by reference into this Document.
- 15.7. There are no investments in progress and there are no further investments on which the Directors have already made firm commitments which are significant to the Group.
- 15.8. Save as disclosed in this Document, the Directors are not aware of any trade uncertainties, demands or errors that are reasonably likely to have a material effect on the Group's prospects for the current financial year.
- 15.9. The Company has not been the subject of any public takeover bid by third parties during the last financial year, no any such bids following the end of the last financial year.

15.10. The Directors are not aware of any environmental issues which may affect the Company's utilisation of its tangible fixed assets.

15.11. There are no shareholders' agreements in place for the Group save for the Relationship Agreement.

15.12. The Company conforms with UK company law and is duly authorised according to the Company's articles of association.

15.13. The Company has all necessary statutory and other consents in relation to Admission.

16. Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the financial position or profitability of the Company or the Group.

17. Documents available for inspection

Copies of the following documents may be inspected at the head office of the Group, The Chapel, Britwell Road, Burnham Buckinghamshire, SL1 8DF during usual business hours on any day (except Saturdays, Sundays and public holidays) from the date of this Document until 12 months thereafter:

17.1. the Articles;

17.2. this Document;

17.3. the service contracts/letters of appointment of Directors referred to above; and

17.4. the material contracts referred to above.

In addition, this Document will be published in electronic form and be available on the Company's website at www.toople.com subject to certain access restrictions applicable to persons located or resident outside the United Kingdom.

PART XI

DEFINITIONS AND GLOSSARY

DEFINITIONS

In this Document, unless the context requires otherwise the words and expressions set out below shall bear the following meanings.

“2016 Admission”	admission of the entire issued share capital of the Company to the standard segment of the Official List of the UK Listing Authority by way of standard listing and to trading on the London Stock Exchange’s Main Market for listed securities which took place on 10 May 2016;
“2016 Prospectus”	the prospectus published by the Company on 4 May 2016 in connection with the Company’s admission to the standard segment of the Official List of the UK Listing Authority by way of standard listing and to trading on the London Stock Exchange’s Main Market for listed securities;
“Act”	the Companies Act 2006;
“Admission”	the admission (or Admissions) of the New Ordinary Shares to the standard segment of the Official List and to trading on the London Stock Exchange’s main market for listed securities, and “Admitted” shall be construed accordingly;
“Adviser Warrants”	the 100,000 warrants constituted by the Adviser Warrant Deed, each such warrant giving Cairn the right to subscribe for one new Ordinary Shares at an exercise price of 8 pence subject to the terms and conditions of the Adviser Warrant Deed;
“Adviser Warrant Deed”	the warrant deed dated 3 May 2016 constituting the Adviser Warrants, further details of which are set out in paragraph 13.13 of Part X;
“Application Form”	the application form pursuant to which Subscription and Offer Shares under the Offer are applied for, as set out in Part XII of this Document;
“Articles”	the Articles of Association of the Company, as amended from time to time;
“AskMerlin”	AskMerlin Limited, a company incorporated on 1 December 2008 in England & Wales with registered number 06762364, being a wholly owned subsidiary of the Company;
“Ask Merlin Poland”	AskMerlin ZOO, a company incorporated on 1 July 2015 in Poland with company number 0000565369 being a wholly owned subsidiary of AskMerlin;
“Audited Financial Statements”	means the audited financial statements of the Company for the years ended 30 September 2016 with comparative information for the year ended 30 September 2015 which the Company has published in accordance with the Listing Rule requirements;
“Board”	the board of directors of the Company;

“Broker”	Hybridan;
“Cairn”	Cairn Financial Advisers LLP of 62 – 63 Cheapside, London EC2V 6AX;
“City Code”	City Code on Takeovers and Mergers issued and administered by the United Kingdom Panel on Takeovers and Mergers, as amended from time to time;
“Company” or “Toople”	Toople Plc, a company incorporated in the UK with company number 010037980;
“Concert Party”	David Breith, Andrew Hollingworth, and Matthew Donaldson;
“Control”	an interest, or interests, in Ordinary Shares carrying in aggregate 30% or more of the voting rights of a company, irrespective of whether such interest or interests give de facto control;
“Costs”	total expenses incurred (or to be incurred) by the Company in connection with the Subscription and Offer and Admission, assuming full subscription, of approximately £0.18 million (exclusive of recoverable VAT);
“CREST”	the relevant system (as defined in the CREST Regulations) operated by Euroclear in accordance with which securities may be held and transferred in uncertificated form;
“CREST Applicant”	an applicant for Subscription and Offer Shares under the Subscription and Offer who submits a CREST Application;
“CREST Application”	an application for Subscription and Offer Shares under the Subscription and Offer made by electing for CREST in the Application Form, and conducted in accordance with the terms and conditions set out in Section (C) of Part XII
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001No. 3755), as amended;
“Crowe Clark Whitehill”	Crowe Clark Whitehill LLP of St Bride’s House, 10 Salisbury Square, London, EC4Y 8EH;
“Director Subscription”	the proposed subscription for 1,250,000 Initial Subscription and Offer Shares by Richard Horsman at the Initial Issue Price, conditional on Initial Admission;
“Directors”	the directors of the Company as at the date of this Document;
“Disclosure and Transparency Rules”	the disclosure rules and the transparency rules made by the FCA under section 73A of FSMA;
“Document”	this Document;
“Enlarged Share Capital”	the issued Ordinary Share capital of the Company on Admission consisting of the Existing Ordinary Shares and the New Ordinary Shares (assuming subscription under the Subscription and Offer in full and issue of the Fee Shares);
“Euroclear”	Euroclear UK & Ireland Limited;
“European Economic Area”	the European Union, Iceland, Norway and Liechtenstein;

“European Union”	an economic and political union of 28 Member States located in Europe;
“Euronext”	the European cross-border exchange for trading and clearing of cash products and derivatives on regulated and non-regulated markets;
“Existing Ordinary Shares”	the 100,000,000 Ordinary Shares in issue as at the date of this Document;
“Existing Shareholders”	the Shareholders of the Company prior to Admission; holding the Existing Ordinary Shares;
“FCA”	the Financial Conduct Authority of the United Kingdom (or any such body appointed in replacement thereof);
“Fee Shares”	the 5,000,000 new Ordinary Shares to be issued to the Directors and Neil Taylor at the Initial Issue Price in lieu of fees and remuneration owed, conditional on, <i>inter alia</i> , Initial Closing; as set out in paragraph 15 of Part I of this Document and paragraph 6 of Part X of this Document;
“Founder”	David Breith;
“Founder Loan”	the loan provided by David Breith as described in paragraph 13.16 of Part X;
“FSMA”	the Financial Services and Markets Act 2000 (as amended from time to time);
“Group”	the Company and the Subsidiaries from time to time;
“Historical Financial Information”	the historical financial information of the Group and its subsidiaries as referred to in Part VI of this Document, parts of which have been incorporated by reference into this Document as summarised in Part VII of this Document;
“Hybridan”	Hybridan LLP, whose registered office is 2 Jardine house, The Harrovian Business Village, Bessborough Road, Harrow, Middlesex, HA1 3EX;
“IFRS”	International Financial Reporting Standards as adopted by the European Union;
“Initial Admission”	Admission of New Ordinary Shares (including the Fee Shares) to be issued at the Initial Issue Price in connection with Initial Closing;
“Initial Closing”	the initial closing of the Subscription and Offer following the conditions set out in paragraph 2 of Part II being satisfied, being the point at which the Company has raised the Minimum Net Proceeds pursuant to the Subscription and Offer;
“Initial Costs”	Costs incurred in relation to New Ordinary Shares to be issued pursuant to Initial Close and Initial Admission;
“Initial Issue Price”	2 pence per New Ordinary Share;
“Initial Subscription and Offer Shares”	being the Subscription and Offer Shares to be issued at the Initial Issue Price pursuant to Initial Closing;

“Investor Warrants”	the 5 million warrants constituted by the Investor Warrant Deed, each such warrant giving the holder thereof the right to subscribe for one new Ordinary Shares at a price of 8 pence per share subject to the terms and conditions of the Investor Warrant Deed;
“Investor Warrant Deed”	the warrant deed constituting the Investor Warrants, further details of which are set out in paragraph 13.12 of Part X;
“Issue Price”	being the Initial Issue Price or such higher price as may be determined by the Directors following Initial Closing, in accordance with Paragraph 5 of Part II of this Document and notified via an RIS;
“Listing Rules”	the Listing Rules made by the FCA under Part VI of the FSMA;
“London Stock Exchange” or “LSE”	London Stock Exchange plc;
“Main Market”	the Main Market of the LSE;
“Member State”	a member state of the European Economic Area;
“Minimum Enlarged Share Capital”	the issued Ordinary Share capital of the Company on Initial Admission consisting of the Existing Ordinary Shares, the Fee Shares and the Minimum Net Proceeds Shares;
“Minimum Net Proceeds”	£1 million, being the minimum net proceeds to be received from the Subscription and Offer after deduction of Costs (in accordance with the terms set out in Paragraph 4 of Part II);
“Minimum Net Proceeds Condition”	a condition precedent to the Subscription and Offer which requires the Company to raise the Minimum Net Proceeds in order for the Subscription and Offer to proceed;
“Minimum Net Proceeds Shares”	57,000,000 Subscription and Offer Shares expected to be issued at the Initial Issue Price in the event that Minimum Net Proceeds of £1.00 million are raised and assuming that the gross proceeds of such amount is £1.14 million;
“NED Warrants”	the 3 million warrants constituted by the NED Warrant Deed, each such warrant giving the holder thereof the right to subscribe for one new Ordinary Share at a price of 8 pence per ordinary share subject to the terms and conditions of the NED Warrant Deed;
“NED Warrant Deeds”	the two warrant deeds each dated 3 May 2016 constituting the NED Warrants, further details of which are set out in paragraph 13.11 of Part X;
“New Warrants”	the warrants to be constituted by the New Warrants Deeds, each such warrant giving the holder thereof the right to subscribe for one new Ordinary Share at the Initial Issue Price subject to the terms and conditions of the New Warrant Deed;
“New Warrants Deeds”	the proposed warrant deeds constituting the New Warrants, further details of which are set out in paragraph 13.14 of Part X;
“Net Proceeds”	the net proceeds of the Subscription and Offer after Costs;
“New Lock-in”	the Lock-in agreement entered into by the Founder on Initial Admission as further detailed in paragraph 13.6 of Part X of this Document;
“New Ordinary Shares”	the Subscription and Offer Shares together with the Fee Shares;

“Novum”	Novum Securities Limited, authorised and regulated by the Financial Conduct Authority with registered office at 8-10 Grosvenor Gardens, London SW1W 0DH;
“Official List”	the Official List of the United Kingdom Listing Authority;
“Orderly Market Persons”	each of the Directors together with David Breith, Michael Hinch, Oliver Pruden, Barry French, Marie McNamee and Piotr Kwiatkowski (being certain shareholders prior to the Company’s Standard Listing);
“Ordinary Shares”	ordinary shares of 0.0667 pence nominal value in the capital of the Company;
“Overseas Shareholders”	holders of Ordinary Shares who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the UK or persons who are nominees or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the UK which may be affected by the laws or regulatory requirements of the relevant jurisdictions;
“Prospectus Rules”	the prospectus rules made by the FCA under section 73A of FSMA;
“Premium Listing”	a Premium Listing under Chapter 6 of the Listing Rules;
“Prospectus Rules”	the prospectus rules made by the FCA pursuant to section 73A of the FSMA, as amended from time to time;
“Registrar”	Share Registrars Limited;
“Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755) (as amended from time to time);
“RIS”	Regulatory Information Service
“Shareholders” or “Shareholder”	the holder or holders of Ordinary Shares
“Share Exchange Agreements”	the four share for share exchange agreements each entered into on 15 April 2016 between the Company and David Breith, further details of which are set out in paragraph 13.15 of Part X;
“Short Term Loan”	the short term loan previously provided by David Breith as described in paragraph 13.17 of Part X;
“Standard Listing”	a Standard Listing under Chapter 14 of the Listing Rules;
“Subscription and Offer”	the offer for subscription and subscriptions for the Subscription and Offer Shares on the terms and conditions described in Part II and Part XII of this Document;
“Subscription and Offer Shares”	up to 95,000,000 new Ordinary Shares to be issued at the Issue Price pursuant to the Subscription and Offer;
“Subsidiaries”	means collectively Toople.com, AskMerlin, AskMerlin Poland, Toople Finance and Toople Management Services;
“Substantial Shareholders”	David Breith and Andrew Hollingworth who together beneficially own approximately 65 per cent. of the Existing Ordinary Shares;

“Toople Finance”	Toople Finance Limited, a company incorporated on 25 January 2016 in England & Wales with registered number 09967768, being a wholly owned subsidiary of the Company;
“Toople.com”	Toople.com Limited, a company incorporated on 1 December 2008 in England & Wales with registered number 06762397, being a wholly owned subsidiary of the Company;
“Takeover Panel”	Panel on Takeovers and Mergers, regulatory body which administers the City Code on Takeovers and Mergers;
“Turner Pope”	Turner Pope Investments (TPI) Limited, authorised and regulated by the Financial Conduct Authority. FRN 739104 with registered address 550 Ley Street, Ilford, Essex, England, IG2 7DB;
“UK”	United Kingdom;
“UK Corporate Governance Code”	the UK Corporate Governance Code as published by the Financial Reporting Council in September 2014 and as subsequently amended from time to time;
“UKLA” or “United Kingdom”	the FSA acting in its capacity as the competent authority for the Listing Authority” purpose of Part VI of FSMA;
“Unaudited Interim Accounts”	the Group’s unaudited interim accounts for the six months ended 31 March 2017 (with comparative information for the six months ended 31 March 2016);
“Voting Rights”	all the voting rights attributable to the capital of a company which are currently exercisable at a general meeting;
“Warrants”	Investor Warrants, NED Warrants, Adviser Warrants and the New Warrants; and
“Working Capital Period”	the period of 12 months following the date of this Document;
“£” or “GBP”	United Kingdom pounds

In this Document, words denoting any gender include all genders and the singular includes the plural (and vice versa).

GLOSSARY OF TECHNICAL TERMS

“ADSL 2+”	Asynchronous Digital Subscriber Line extending existing ADSL capacity;
“BroadSoft”	a technology innovator in cloud PB
“Bundled Solution”	A collection of services for which pricing is not quoted for each element that it comprises;
“Carriers”	Communications providers with the ability to carry calls;
“CDR”	Call Detail Record/Call Data Record, being the records relating to voice calls;
“Cloud-based”	A product or service accessed through a data link/the internet;
“CRM”	Customer Relationship Management;
“Cloud PBX”	Cloud based PBX services;
“Data Services”	Broadband and Ethernet services;
“Direct”	Service supplied by the Group directly to the end user;
“DSL”	Digital Subscriber Line;
“Ethernet”	A commonly used networking protocol;
“EFM”	Ethernet First Mile;
“Fibre”	Fibre optic cable;
“Fixed Line”	Provision of communications services to premises using wired technology;
“Fixed Telephony Systems”	Provision of telephony services via a Fixed Line;
“FTTC”	Fibre to the Cabinet broadband service;
“Hosted Services”	Services provided to an end-customer via a Data Link;
“IP”	Internet Protocol;
“LLU”	Local Loop Unbundled;
“PBX”	Private Branch Exchange;
“Portal”/“Merlin Portal”	the Merlin platform through which customers access their services;
“SIP”	Session Initiation Protocol for VoIP handling;
“SIP Trunking”	The provision of VoIP services using SIP;
“SLA”	Service Level Agreement;
“Traditional Services”	Calls and lines using common signal paths;
“VoIP”	Voice over Internet Protocol

PART XII

TERMS AND CONDITIONS OF THE SUBSCRIPTION AND OFFER AND APPLICATION FORM

(A) Introduction

The Company is proposing to issue up to 95,000,000 Ordinary Shares pursuant to the Subscription and Offer at the Issue Price. The Subscription Offer will close within 12 months of the date of this Document, at the discretion of the Directors and on the basis set out in Part II.

This Part XII and the accompanying Application Form contain the formal terms and conditions of the Subscription and Offer. An investor subscribing for Subscription and Offer Shares (“Investor”) is advised to read the entirety of the prospectus of which this Part XII forms part, together with any supplementary prospectus.

The Ordinary Shares issued under the Subscription and Offer will, when issued fully paid, rank equally in all respects with all other Ordinary Shares, including as to voting and the right to receive all dividends and distributions.

Application will be made to the UK Listing Authority for the Ordinary Shares issued pursuant to the Subscription and Offer to be admitted to the standard segment of the Official List of the UKLA and to the London Stock Exchange for admission to trading on the main market for listed securities of the London Stock Exchange. The timing of Admission will be notified by the Company via an RIS.

As set out in Part II, investors may subscribe for Subscription and Offer Shares via subscription agreements, via completion on an Application Form annexed to these Terms and Conditions or via the PrimaryBid platform (further details of which are set out in Part II of this Document). The Terms and Conditions set out in this part XII are applicable to all investors subscribing for Subscription and Offer Shares.

All subscriptions for Subscription and Offer Shares are conditional on the conditions set out in paragraph 3 below and any Subscription and Offer Shares subscribed for will be issued at the sole discretion of the Company. The Company and any agent may require any Investor to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it (in its absolute discretion) sees fit and/or may require any such Investor to execute a separate placing letter, subscription agreement or additional application form.

(B) Certificated/Non-CREST applicants and investors

1. Applications

1.1. Applications to acquire Subscription and Offer Shares under the Subscription and Offer must be made on the Application Form attached at the end of this Document (or otherwise provided by the Company) or via the PrimaryBid platform in relation to investors who are eligible and registered to subscribe for shares in public companies using the PrimaryBid platform or such other route as the Company may deem appropriate (for example by way of subscription agreement) . All applications under the Subscription and Offer must be for Ordinary Shares with an aggregate minimum subscription price of £5,000 save that investors subscribing via PrimaryBid may subscribe for Subscription and Offer Shares with an aggregate minimum subscription price of £1,000. Investors may make more than one application however no investor’s holding in the Company should exceed 5 per cent. of the Enlarged Share Capital without the prior agreement of the Company.

1.2. By completing and delivering an Application Form to the Company, an Investor:

1.2.1. irrevocably undertakes to subscribe for the number of Ordinary Shares specified in the Application Form (or such lesser amount for which the application is accepted by the Company, in its discretion) at the Issue Price (noting the circumstances set out in paragraph 5

of Part II of this Document whereby the Issue Price may be increased above the Initial Issue Price), on these Terms and Conditions, and otherwise on the terms and conditions set out in this Document, the Application Form and the Articles, and an Investor agrees to be bound by and adhere to the Company's Articles as if it were directly a party to the same;

- 1.2.2. undertakes to pay (by such payment method as may be agreed with the Company) the Issue Price for each Ordinary Share (payable in full on application) in respect of which the application is accepted, and warrants that such remittance will be honoured on full presentation and agrees that if such remittance is not so honoured the Investor will not be entitled to be allotted and issued any Ordinary Shares nor to enjoy or receive any rights or distributions in respect of such Ordinary Shares unless and until the Investor makes payment to the Company in cleared funds for such Ordinary Shares;
- 1.2.3. undertakes that said Investor will upon request promptly provide to the Company and/or the Registrar such information and verification of identity as may be required to the satisfaction of the Company, its Registrar and any agents acting on their behalf to register the Investor as a shareholder in the Company and agrees that the Investor will not be entitled to be allotted and issued any Ordinary Shares nor to enjoy or receive any rights or distributions in respect of such Ordinary Shares unless and until such information is provided;
- 1.2.4. agrees that any error in the register of members of the Company arising as a result of said Investor's remittance not being honoured on first presentation in accordance with condition 1.2.2 above, failure to provide information by said Investor in accordance with condition 1.2.3 or as a result of any other error in connection with the application for Ordinary Shares, or as a result of termination of any agreement to allocate Ordinary Shares pursuant to these Terms and Conditions may be rectified and, in addition and without prejudice to the foregoing, and hereby irrevocably authorises the Company, or any person appointed by it for this purpose, to execute on the Investor's behalf any instrument of transfer which may be necessary to effect any re-allocation or sale of Ordinary Shares to any other person arising as a result of the foregoing. The right to rectify the register of members of the Company, and/or the power to re-allocate or sell Ordinary Shares contained in this paragraph, are in addition to any other rights, powers and remedies which would otherwise be available to the Company in the event of a breach by the Investor of these Terms and Conditions;
- 1.2.5. warrants and confirms that:
 - 1.2.5.1. the Investor is not a person engaged in money laundering;
 - 1.2.5.2. none of the monies or assets transferred or to be transferred to (or for the account of) the Company and its agents by the Investor are, or will be, the proceeds of criminal activities;
 - 1.2.5.3. the Investor is not a prohibited individual or entity or resident in a prohibited country or territory listed on the United States Department of Treasury's Office of Foreign Assets Control ("OFAC") website and that the Investor is not directly or indirectly affiliated with any country, territory, individual or entity named on an OFAC list or prohibited by any OFAC sanctions programmes;
- 1.2.6. undertakes to ensure that, in the case of the Investor's Application Form being signed by someone other than the applicant, the original of the relevant power of attorney or other authority (or a complete copy certified by a solicitor or a bank) is enclosed with the Application Form;
- 1.2.7. undertakes to pay interest at the rate prescribed in paragraph 2.2.3 below if the remittance accompanying the Application Form is not honoured on first presentation;
- 1.2.8. acknowledges that any application may be rejected in whole or in part at the sole discretion of the Company; and

1.2.9. agrees to these Terms and Conditions and undertakes to comply with the same.

2. Acceptance of applications

2.1. The Investor agrees that acceptance of its application shall be constituted by the Company by notifying the London Stock Exchange of the basis of allocation, or such other basis as the Company may determine, in its discretion.

2.2. The Company and its agents reserve the right to:

2.2.1. treat as invalid any application not complying fully with these Terms and Conditions or not in all respects completed or in accordance with the instructions on the Application Form;

2.2.2. waive in whole or in part any of the provisions of these Terms of Conditions, whether generally or in respect of one or more applications, including in particular (but without limitation) to accept an application for Ordinary Shares under the Subscription Offer where an Investor has agreed in some other manner satisfactory to the Company and its agents to apply for Ordinary Shares;

2.2.3. require an Investor to pay interest or its other resulting costs (or both) if the remittance accompanying the application is not honoured on first presentation. If the Investor is required to pay interest, the Investor will be obliged to pay the amount determined by the Company to be the interest on the amount of the failed remittance from the date on which the basis of allocation under the Subscription and Offer is publicly announced, until the date of receipt of cleared funds. The rate of interest will be the then published bank base rate of a clearing bank selected by the Company plus two per cent. per annum; and

2.2.4. accept or reject, in whole or in part, any application, at their absolute discretion.

3. Conditions

3.1. The contracts created by the acceptance of applications made pursuant to the Application Form (or other form of subscription agreement) will be conditional on the admission to trading of the relevant Ordinary Shares to the standard segment of the Official List of the UKLA and the main market for listed securities of the London Stock Exchange.

3.2. The Subscription and Offer is conditional on the Conditions set out in paragraph 4 of Part II of this Document.

3.3. The Company expressly reserves the right to determine, at any time prior to admission as described in paragraph 3.1, not to proceed with the Subscription and Offer or to reject any Application Form received.

3.4. An Investor will not be entitled to exercise any remedy of rescission for innocent misrepresentation (including pre-contractual representations) at any time after acceptance. This does not affect any other rights an Investor may have.

3.5. Acceptance of applications made pursuant to the Subscription and Offer are subject at all times to the Listing Rules and in particular the requirement for a minimum of 25 percent. of the Company's issued share capital to be held in public hands at all times.

4. Return of application monies

If any application is not accepted, or is accepted in part only, or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance of the amount paid on application will be returned to Investors without interest.

5. Warranties, acknowledgments and confirmations

By completing an Application Form, an Investor:

- 5.1. warrants that if it signs the Application Form on behalf of somebody else or on behalf of a corporation, it has due authority to do so on behalf of that other person and that such other person will be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these Terms and Conditions and undertakes to enclose a power of attorney or other authority or a complete copy thereof duly certified by a solicitor or a bank;
- 5.2. acknowledges that, if it is not resident in the United Kingdom, no action has been taken to permit a public offer in its jurisdiction and that, if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its application, warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with the application in any territory and that it has not taken any action or omitted to take any action which will result in the Company or its agents or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Subscription and Offer or the application;
 - 5.2.1. confirms that in making an application it is not relying on any information or representations in relation to the Company and the Ordinary Shares other than that contained in this Document (as may be supplemented by a supplementary prospectus) on the basis of which alone the application is made, and accordingly agrees that no person responsible solely or jointly for this Document or any part thereof shall have any liability for any such other information or representations;
 - 5.2.2. acknowledges that no person is authorised in connection with the Subscription and Offer to give any information or make any representation other than as contained in this Document (as may be supplemented by a supplementary prospectus) and, if given or made, any information or representation must not be relied upon as having been authorised by the Company or any of its agents;
 - 5.2.3. warrants that it is either a company or other body corporate duly incorporated and validly existing with authority to sign the Application Form and to apply for Ordinary Shares or an individual who is not under the age of 18 years old on the date of the application;
 - 5.2.4. agrees that all documents and monies sent by post, by or on behalf of the Company or any of its agents, will be sent at the Investor's risk and, in the case of documents and returned monies, may be sent to the Investor at the address as set out in the Application Form;
 - 5.2.5. confirms that it has reviewed the restrictions contained in these Terms and Conditions and warrants and undertakes, that it (and any person on whose behalf the Investor applies) complies or has complied with the provisions of these Terms and Conditions;
 - 5.2.6. warrants that it is not in the United States, or subscribing for the Ordinary Shares for the account of any person in the United States, and is not a Canadian person, or an individual, corporation or other entity resident in any EEA state (other than the UK), the Republic of South Africa, Japan or Australia or any other jurisdiction where it would be unlawful; and
 - 5.2.7. warrants that the details relating to the Investor as set out in the Investor's Application Form are correct.

6. CREST

The Subscription and Offer Shares will be capable of being transferred by means of the CREST system. Investors who wish to take account of the ability to trade their Subscription and Offer Shares in uncertificated form (and who have access to a CREST account) may arrange through their professional adviser to convert their holding into dematerialised form.

7. Miscellaneous

- 7.1. To the extent permitted by law, all representations, warranties and conditions, express or implied and whether statutory or otherwise (including, without limitation, pre-contractual representations but excluding any fraudulent representations), are expressly excluded in relation to the Ordinary Shares and the Subscription and Offer.
- 7.2. The rights and remedies of the Company and its agents under these Terms and Conditions are in addition to any rights and remedies which would otherwise be available to them, and the exercise or partial exercise of one will not prevent the exercise of others.
- 7.3. The Investor authorises the Company or any person appointed by it, as the Investor's agent, to do all things necessary to effect registration of any Ordinary Shares subscribed for in the Investor's name and authorises any representatives of the same to complete any document required therefor.
- 7.4. The Investor agrees that it is a condition of application that any information supplied by an applicant or on his behalf or derived from the processing thereof may be used by the Company and its agents, and/or disclosed to the Company, its agents or advisers in connection with and for the purposes of the Subscription and Offer and, for the purposes of the UK Data Protection Act 1998 (or any statutory modification or substitutions), and the Investor consents to the use and disclosure of this information.
- 7.5. The Investor agrees that a failure to receive, process or accept its application for Ordinary Shares does not give rise to any right of action by any person against the Company, its agents or any other person, and that the non-receipt by any person of this Document or any other related document shall not invalidate the Subscription and Offer in whole or in part or give rise to any right of action by any person against the Company its agents or any other person.
- 7.6. The Investor agrees that all applications, acceptances of applications and contracts resulting therefrom under the Subscription and Offer shall be governed by and construed in accordance with English law and that, for the benefit of the Company and its agents, the Investor submits to the non-exclusive jurisdiction of the English courts and agrees that nothing shall limit the right of the Company, its agents or their agents or advisers to bring any action, suit or 72 proceedings arising out of or in connection with any such applications, acceptances and contracts in any other manner permitted by law or in any court of competent jurisdiction.
- 7.7. Completed Application Forms, together with payment, must be returned so as to be received by post to the Company's head office (The Chapel, Grenville Court, Britwell Road, Burnham, Buckinghamshire, SL1 8DF) or by email to the designated email address provided by the Company.
- 7.8. If an Investor receives a copy of this Document or an Application Form in any territory other than the United Kingdom, it may not treat it as constituting an invitation or offer, nor should the Investor, in any event, use an Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to the Investor or an Application Form could lawfully be used without contravention of any registration or other legal requirements and the Company has, in its absolute discretion, approved the Investor's application under the Subscription and Offer. It is the Investor's responsibility, if it is outside the United Kingdom and wishing to make an application for Ordinary Shares under the Subscription and Offer, to satisfy itself that it has fully observed the laws of any relevant territory or jurisdiction in connection with its application, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory. The Company reserves the right, in its absolute discretion, to reject any application received from outside the United Kingdom.

(C) CREST Investors

1. Introduction

Investors may apply for new Ordinary Shares to be settled directly into CREST, in accordance with the Terms and Conditions set out in this Section (C) of Part XII.

2. Procedure for application and payment

- 2.1. CREST Applicants should refer to the CREST Manual for further information on the CREST procedures referred to below.
- 2.2. Each valid CREST Applicant will, subject to the provisions of these Terms and Conditions, receive a credit to its stock account in CREST of equal to the amount contained on the valid Application Form received by the Company, subject to the maximum number of new Ordinary Shares for which it is entitled to apply to acquire under the Subscription and Offer (being the maximum size of the Subscription and Offer).
- 2.3. Applications under the Subscription and Offer will be allocated in such manner as the Directors may determine, in their absolute discretion, and no assurance can be given that the applications by CREST Applicants will be met in full or in part or at all.
- 2.4. Excess monies in respect of applications which are not met in full will be returned to the CREST Applicant (at such person's risk) without interest as soon as practicable by way of CREST payment or cheque if required.
- 2.5. The CREST stock account to be credited will be an account under the participant ID and member account ID contained on the valid Application Form received by the Company.
- 2.6. If, for any reason, the stock accounts of CREST Applicants cannot be credited, such persons will be advised to apply in the Subscription and Offer using the Application Form attached to this Document and in accordance with the Terms and Conditions set out at Section (B) of this Part XII above.pp

3. CREST account details

- 3.1. CREST Applicants who want to apply for Subscription and Offer Shares under the Subscription and Offer must provide the Company or, if requested by the Company, and/or the Registrar, with details of the CREST account into which the Ordinary Shares are to be deposited, and such other information as the Company or the Registrar request.
- 3.2. If a CREST Applicant does not provide all the CREST details as required pursuant to paragraph 3.1 above within the timescale required by the Company or the Registrar (as the case may be), the Company reserves the right (at its discretion):
 - 3.2.1. to reject the CREST Application and refund the payment to the CREST Member in question (without interest); or
 - 3.2.2. treat the application as being for certificated shares and to issue a share certificate accordingly.
- 3.3. The contract created by the acceptance of a CREST Application under the Subscription and Offer will be conditional on admission of the relevant Subscription and Offer Shares becoming effective by not later than 12 months following the date of this Document. If this does not occur, monies paid by a CREST Applicant for Subscription and Offer Shares will be refunded, without interest, as soon as practicable thereafter. Any interest earned on such monies, will be retained for the benefit of the Company.
- 3.4. The Company reserves the right to reject in whole or part or to scale back or limit any CREST Application. The Company may treat CREST Applications as valid and binding if made in accordance with the prescribed instructions and the Company may, at its discretion accept a CREST Application

in respect of which payment is not received by the Company prior to the closing of the Subscription and Offer. If any CREST Application is not accepted in full or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance thereof will be returned (without interest) by returning each relevant CREST Applicant's CREST payment except where the amount is less than £5.

- 3.5. A CREST Applicant who makes or is treated as making a valid application in accordance with the procedures set out in this section:
- 3.5.1. offers to subscribe for the number of Subscription and Offer Shares specified in the Application Form (or such lesser number for which the CREST Application is accepted) on the terms of and subject to this Document, including these terms and conditions, and subject to this Document and Articles;
 - 3.5.2. represents and warrants to the Company that it has the right, power and authority, and has taken all action necessary, to make the application under the Subscription and Offer and to execute, deliver and exercise its rights, and perform its obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for Subscription and Offer Shares or acting on behalf of any such person on a non-discretionary basis;
 - 3.5.3. agrees that (i) any monies returnable to the CREST Applicant may be retained pending the completion of any verification of identity required by the Money Laundering Regulations 2007 and (ii) monies pending 74 allocation will be retained in a separate account and that such monies will not bear interest;
 - 3.5.4. undertakes to provide satisfactory evidence of the CREST Applicant's identity within such reasonable time (in each case to be determined in the absolute discretion of the Company and the Registrar) to ensure compliance with the Money Laundering Regulations 2007;
 - 3.5.5. authorises the Registrar to procure that the CREST Applicant's name (together with the name(s) of any other joint CREST Applicant(s)) or any nominee (e.g. CREST) is/are placed on the register of members of the Company in respect of such Subscription and Offer Shares referred to above;
 - 3.5.6. agrees with the Company that all CREST Applications, acceptances of CREST Applications and contracts resulting therefrom shall be governed by and construed in accordance with English law, and that the CREST Applicant submits to the jurisdiction of the English Courts and agrees that nothing shall limit the right of the Company to bring any action, suit or proceeding arising out of or in connection with any such CREST Applications, acceptances of CREST Applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;
 - 3.5.7. confirms to the Company that in making the CREST Application he is not relying on any information or representation in relation to the Company and the Subscription and Offer Shares other than that contained in this Document and, accordingly agrees that no person (responsible solely or jointly for this Document or any part thereof or involved in the preparation thereof) shall have any liability for any such information or representation;
 - 3.5.8. irrevocably authorises the Company or any person authorised by it to do all things necessary to effect registration of any Subscription and Offer Shares subscribed by or issue to the CREST Applicant into its name(s) or into the name(s) of any person(s) in whose favour the entitlement to any such Subscription and Offer Shares has been transferred and authorise any representative of the Company to execute any document required therefor;
 - 3.5.9. agrees that, having had the opportunity to read this Document, it shall be deemed to have had notice of all information and representations concerning the Company and the Subscription and Offer Shares contained therein;

- 3.5.10. confirms that it has reviewed the restrictions and procedures contained in these terms and conditions;
- 3.5.11. agrees that all documents and cheques sent by post to, by or on behalf of the Company will be sent at the risk of the person(s) entitled thereto;
- 3.5.12. represents and warrants that in connection with its CREST Application such CREST Applicant has observed the laws of all relevant territories, obtained any requisite governmental or other contents, complied with all 75 requisite formalities and paid any issue or transfer or other taxes due in connection with its CREST Application in any territory and that it has not taken any action for itself or as nominee, agent or on behalf of any person which will or may result in the Company or any person responsible solely or jointly for this Document or any part thereof or involved in the preparation thereof acting in breach of the regulatory or legal requirements of any territory in connection with the Subscription and Offer or its application;
- 3.5.13. save where the CREST Applicant has satisfied the Company that an appropriate exemption applies so as to permit it to subscribe, represents and agrees that it is not (i) a US Person (meaning any person who is a US Person within the meaning of Regulation S and is not acting on behalf of a US Person, that it is not purchasing with a view to re-sale in the US or to or for the account of a US Person and that it is not an employee benefit plan as defined in section 3(3) of ERISA (whether or not subject to the provisions of Title 1 of ERISA) or an individual retirement account as defined in section 408 of the US Internal Revenue Code or (ii) a resident of any of the Excluded Territories or any other territory or acting on behalf of any person in any territory in which the subscription by the CREST Applicant or by it on behalf of any person for Subscription and Offer Shares under the Subscription and Offer would be unlawful or in breach of any applicable regulations without further action on the part of the Company; and
- 3.5.14. agrees, on request by the Company, or the Registrar on behalf of the Company to disclose promptly in writing to the Company or the Registrar any information which the Company, or the Registrar, may reasonably request in connection with the CREST Application and authorises the Company or the Registrar on behalf of the Company, to disclose any information relating to the CREST Application as the Company or the Registrar considers appropriate.
- 3.6. It is the responsibility of any person outside the UK wishing to apply for Subscription and Offer Shares under the Subscription and Offer for himself or on behalf of any person to satisfy himself as to full observance of the laws of any relevant territory in connection with any such application, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in any such territory and paying any issue, transfer or other taxes required to be paid in any such territory.
- 3.7. The Subscription and Offer Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, US Persons. The Company has not been and will not be registered as an "investment company" under the Investment Company Act and investors will not be entitled to the benefits of the Investment Company Act. In addition, relevant clearances have not been, and will not be, obtained from any securities commission or authority of any province of any of the Excluded Territories and, accordingly, unless an exemption under any relevant legislation or regulations is applicable, none of the Subscription and Offer Shares may be offered, sold, renounced, transferred or delivered, directly or 76 indirectly, in any of the Excluded Territories. Unless the Company has expressly agreed otherwise in writing or unless an exemption under relevant legislation or regulation is applicable (the applicability of which the CREST Applicant hereby represents and warrants), the CREST Applicant represents and warrants to the Company that it is not a US Person or a resident of any of the Excluded Territories and that it is not subscribing for such Subscription and Offer Shares

for the account of any US Person or resident of any of the Excluded Territories and that it will not offer, sell, renounce, transfer or deliver, directly or indirectly Subscription and Offer Shares subscribed for by the CREST Applicant in the United States or any of the Excluded Territories or to any US Person or resident of any of the Excluded Territories. No CREST Application will be accepted if it bears an address in the United States or any of the Excluded Territories unless an appropriate exemption is available as referred to above.

- 3.8. Such personal data held is used by the Registrar to maintain the Company's register of Shareholders and mailing lists and this may include sharing such data with third parties in one or more of the countries mentioned in paragraph 3.9 below when (i) effecting the payment of dividends and redemption proceeds to Shareholders and the payment of commissions to third parties and (ii) filing returns of Shareholders and their respective transactions in shares with statutory bodies and regulatory authorities. Personal data may be retained on record for a period exceeding six years after it is no longer used.
- 3.9. The countries referred to in the above paragraph include, but need not be limited to, those in the European Economic Area and any of their respective dependent territories overseas, Argentina, Australia, Brazil, Canada, Hong Kong, Hungary, Japan, New Zealand, Singapore, South Africa, Switzerland and the United States of America.
- 3.10. By becoming registered as a holder of Subscription and Offer Shares in the Company, a person becomes a data subject and is deemed to have consented to the processing by the Company and the Registrar of any personal data relating to them in the manner described above.
- 3.11. The basis of allocation will be determined by the Directors at their absolute discretion. The right is reserved to reject in whole or in part and/or scale down and/or ballot any CREST Application or any part thereof. The right is reserved to treat as valid any CREST Application not in all respects completed in accordance with the instructions in this Document.
- 3.12. If for any reason it becomes necessary to adjust the expected timetable as set out in this Document, the Company will make an appropriate announcement to an RIS giving details of the revised dates. In particular, the Directors have the discretion to extend the last time and/or date for CREST Applications, and any such extension will not affect CREST Applications already made, which will continue to be irrevocable.

4. Anti-money laundering regulation

- 4.1. The Registrar may be obliged to establish the identity of the CREST Applicant or the person or persons on whose behalf a CREST Applicant makes an application.
- 4.2. Submission of an Application Form constitutes a warranty and undertaking by the applicant to provide promptly to the Registrar such information as may be specified by the Registrar as being required for the purposes of the Money Laundering Regulations 2007. Pending the provision of evidence satisfactory to the Registrar as to identity, the Registrar may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the new Ordinary Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the CREST Application for the new Ordinary Shares will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

5. Overseas applicants

Overseas applicants should note that new Ordinary Shares will not be credited to stock accounts in CREST of persons with registered addresses in the United States or an Excluded Territory or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

6. General

Notwithstanding any other provision of this Document, the Company reserves the right to send CREST Applicants an application form instead of crediting the relevant stock account, and to allot and/or issue any new Ordinary Shares in certificated form.

(D) Application Form

Completed Application Forms, together with payment (save for CREST Investors), must be returned so as to be received by post to the Company's head office at The Chapel, Grenville Court, Britwell Road, Burnham, Buckinghamshire, SL1 8DF or by email to investors@toople.com. Cheques should be made payable to Toople Plc.

Section 1 – Investor's Personal Details			
Title <i>(Mr/Mrs/Miss/Ms/Other)</i>			
First name(s)			
Last name			
Date of Birth <i>(DD/MM/YYYY)</i>		National Insurance No.	
Country of birth			
Permanent Address			
		Postcode	
Mailing Address (if from different country)			
		Postcode	
Email			
Telephone (home)			
Telephone (mobile)			
Are you an existing shareholder in the Company? <i>(Tick box)</i>			
Section 2 – Tax Residency			
Please indicate all countries in which the Investor is resident for the purposes of that country's income tax.			
If the Investor is a US citizen, Green Card holder, or US resident, you must complete and return an IRS			
Country of Tax Residency	Tax Identification Number (TIN)	No TIN	



Section 3 – Investor’s Subscription (subject to Company acceptance)	
Total Subscription Amount (<i>There is no maximum limit on the size of your subscription except as dictated by the Terms and Conditions of the Subscription & Offer. It must be for a minimum of £5,000 and must be in multiples of £1,000 thereafter</i>)	£
Method of payment (e.g. cheque enclosed or CREST)	
Section 4 – Investor’s Bank Account Details for Receipt of Payments from Toople Plc (e.g. Dividends)	
Account Name	
Account Number	
Sort Code	
Bank or Building Society	
UK Address	
	Postcode
Section 5 – Investor’s Declaration	
<p>By signing this Application Form, you confirm that:</p> <ol style="list-style-type: none"> 1. You have read and understood the Toople Plc Prospectus in particular, but not limited to, the section headed “Risk Factors”. 2. You have read and agree to be bound by the Terms and Conditions set out in Part II and Part XII of the Prospectus. 3. If you have ticked Section 1 above to confirm that you are an existing shareholder of Toople Plc, we do not require any identity documentation. If you have not ticked Section 1 above, you have either supplied an Identity Verification Certificate from a financial adviser or Intermediary or, where you do not have a certificate, you have supplied the following: <ol style="list-style-type: none"> (a) A copy of your passport or driving licence certified by a bank or solicitor stating that it is a “true copy of the original and a true likeness of the client” followed by your name; and (b) An original or certified copy of a bank or building society statement or utility bill being no more than 3 months’ old showing your name and address. 	
<p>Data Protection</p> <p>Please note that your personal details will not be passed to any other third parties without your consent and so will not be used for any marketing purposes other than as set out here. The personal information provided in this Application Form shall be stored on a database and shall be used by the Company and its agents to process your application.</p>	



