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If you have sold or otherwise transferred all of your Ordinary Shares, please forward this document, and the accompanying Form of Proxy, at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward delivery to the purchaser or transferee. The distribution of this document in jurisdictions other than the United Kingdom, including but not limited to the United States of America, Australia, Canada, Japan, New Zealand, or the Republic of South Africa may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdictions. Any person who is located outside of the United Kingdom and any person (including, without limitation, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this document to a jurisdiction outside of the United Kingdom should seek appropriate advice before taking any action.

This document does not constitute an offer to buy, acquire or subscribe for, or the solicitation of an offer to buy, acquire or subscribe for, Convertible Loan Notes and/or Ordinary Shares or an invitation to buy, acquire or subscribe for Convertible Loan Notes and/or Ordinary Shares.

I-NEXUS GLOBAL PLC

(Incorporated in England and Wales under the Companies Act 2006 with registered number 11321642)

Proposed issue of £1.325 million of Fixed Rate Unsecured Convertible Redeemable Loan Notes

and

Notice of General Meeting

You are recommended to read the whole of this document but your attention is drawn, in particular, to the letter from the Independent Non-Executive Director which is set out on pages 6 to 11 of this document. This letter explains the background to, and reasons for, the proposed issue of Convertible Loan Notes and contains a recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting. You should also refer to the section headed "Risk Factors" in part II of this document.

Notice convening a General Meeting of the Company, to be held at 10.00 a.m. on 4 November 2020 at i-Nexus Suite, George House, Herald Avenue, Coventry Business Park, Coventry CV5 6UB is set out at the end of this document.

The action to be taken by Shareholders in respect of the General Meeting is set out on pages 19 and 20 of this document. If you hold your Ordinary Shares in certificated form you are encouraged to complete the accompanying Form of Proxy and return it in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received by post or, during normal business hours only, by hand, to Share Registrars Limited or by scanning a copy of the Form of Proxy which should be emailed to voting@shareregistrars.uk.com. Whichever means of return is used it must be by no later than 10.00 a.m. on 2 November 2020 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)).

If you hold your Ordinary Shares in uncertificated form (that is, in CREST) you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the notice of the General Meeting set out at the end of this document). Proxies submitted via CREST must be received by the Company's agent (ID 7RA36) by no later than 10.00 a.m. on 2 November 2020 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)).

N+1 Singer, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting for the Company and no one else in connection with the Proposed Transaction and will not be responsible to any person other than the Company for providing the regulatory and legal protections afforded to clients of N+1 Singer nor for providing advice in relation to the contents of this document or any matter, transaction or arrangement referred to in it. N+1 Singer has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by N+1 Singer for the accuracy of information or opinion contained in this document or for the omission of any information.

A copy of this document will be available on the website of Solution Group plc at (<http://www.i-nexus.com>).

Forward-Looking Statements

This document includes statements that are, or may be deemed to be, “forward-looking statements” which reflect the Directors’ current views, interpretations, beliefs or expectations with respect to the financial performance, business strategy and plans and objectives of management for future operations of the Group. These statements include forward-looking statements with respect to the Group and the sector and industry in which the business currently operates. Statements which include the words “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “aims”, “targets”, “will”, “should” or “future”, “opportunity”, “potential” or, in each case, their negatives, and similar statements of a future or forward-looking nature identify forward-looking statements. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this document. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors’ 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, growth strategy and liquidity. While the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM Rules, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors’ expectations or to reflect events or circumstances after the date of this document.

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POTENTIAL NEW ISSUE STATISTICS

Number of Ordinary Shares in existence as at the date of this document	29,625,634
Maximum number of new Ordinary Shares that could be issued pursuant to the Convertible Loan Note Instrument	16,430,000
Percentage of enlarged Ordinary Share capital represented by the maximum number of new Ordinary Shares that could be issued pursuant to the Convertible Loan Note Instrument ⁽¹⁾	35.7 per cent.
Gross proceeds receivable from the issue of the Convertible Loan Notes	£1.325 million
Estimated net proceeds receivable from the issue of the Convertible Loan Notes (after expenses)	£1.235 million

Notes

- (1) Assuming there is maximum conversion of all of the principal amount of and rolled up interest attributable to the Convertible Loan Notes issued

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	<i>Date⁽¹⁾</i>
Posting of this document and the Forms of Proxy	19 October 2020
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 2 November 2020
Record time for voting at the General Meeting	6.00 p.m. on 2 November 2020
General Meeting	10.00 a.m. on 4 November 2020
Announcement of the results of the General Meeting	4 November 2020

Notes

(1) References to times in this document are to London times unless otherwise stated

PART I

LETTER FROM THE INDEPENDENT NON-EXECUTIVE DIRECTOR OF

I-NEXUS GLOBAL PLC

(Incorporated in England and Wales under the Companies Act 2006 with registered number 11321642)

Directors:

Richard Hugh Cunningham (*Non-Executive Chairman*)
Simon Peter Crowther (*Chief Executive Officer*)
Alyson Margaret Levett (*Chief Financial Officer*)
Nigel Leslie Halkes (*Non-Executive Director*)

Registered Office:

I-Nexus Suite, George House,
Herald Avenue, Coventry Business Park,
Coventry CV5 6UB

19 October 2020

Dear Shareholder,

Proposed issue of £1.325 million of Fixed Rate Unsecured Convertible Redeemable Loan Notes
and
Notice of General Meeting

1. Introduction

The Company announced today that it is proposing to raise in aggregate £1.325 million (before expenses) by way of the issue of Convertible Loan Notes to the Investors. The Convertible Loan Notes will be unlisted and non-transferable and no offer or invitation is being made to Shareholders more generally to purchase, acquire or subscribe for any of the Convertible Loan Notes in conjunction with the Proposed Transaction.

Richard Cunningham, the Non-Executive Chairman, has agreed to participate in the Proposed Transaction and is one of the Investors who has agreed to subscribe for the Convertible Loan Notes following the passing of the Resolutions by Shareholders at the General Meeting. Richard Cunningham's participation in the Proposed Transaction is a related party transaction for the purposes of Rule 13 of the AIM Rules and, as a result, Richard Cunningham has not been involved in the decisions taken by the Board to proceed with the Proposed Transaction and, for the purposes of the Proposed Transaction, Nigel Halkes is the Company's Independent Non-Executive Director and is issuing this letter to the Company's Shareholders.

The Board has for several months been exploring the alternative funding options that are available to the Company, and following the conclusion of that review, the Independent Board is strongly of the belief that the Proposed Transaction is the only viable available option for securing the investment that is necessary to support the Company in the immediate to medium term, having regard to its current financial and trading position, and the need for certainty of funding within a limited timeframe.

The Proposed Transaction is conditional on the passing of the Resolutions by Shareholders at the General Meeting, including a special resolution which will give the Directors the required authority to disapply statutory pre-emption rights in respect of the potential future issue of new Ordinary Shares upon conversion of the Convertible Loan Notes.

The purpose of this document is to outline the reasons for, and provide further information on, the Proposed Transaction and to explain why the Independent Board believes this to be in the best interests of the Company and its Shareholders as a whole.

At the end of this document you will find a notice of the General Meeting at which the Resolutions will be proposed to approve the Proposed Transaction. The General Meeting has been convened for 10.00 a.m. on 4 November 2020 at i-Nexus Suite, George House, Herald Avenue, Coventry Business Park, Coventry CV5 6UB.

Your attention is also drawn to the risk factors set out in part II of this document and the summary of the key terms of the Convertible Loan Note in part III of this document.

The Independent Board strongly believes that the Proposed Transaction is in the best interests of the Company and its Shareholders as a whole. The Independent Board also stresses that it is very important that Shareholders vote in favour of the Resolutions at the General Meeting, as those Directors who hold Ordinary Shares intend to do. The Independent Board believes that if the Resolutions are not passed at the General Meeting and so the Proposed Transaction does not proceed, it is likely that in the very near future the Company may not be able to meet its obligations as they fall due, thereby forcing the Board to consider entering into administration or some other form of insolvency procedure under which the prospects for recovery of value, if any, by Ordinary Shareholders would be uncertain.

2. Background to and reasons for the Proposed Transaction, current trading and prospects

As has been the case for businesses of all sizes and across all sectors, the Company's performance during 2020 has been overshadowed by the COVID-19 Pandemic which, in the Company's case has forced management to implement drastic measures to preserve cash in response to a sudden and unprecedented drop-off in its customers' willingness to engage in new sales activity and existing customers' willingness to pay invoices in accordance with the agreed payment terms. The Company entered 2020 with new business generation already lower than had been anticipated and, as a result, the Directors implemented a restructuring of the business in January 2020 to preserve cash whilst seeking to maintain the right structure to support the Company's existing customers, secure new business and continue the development of its strategy execution software. Alongside this restructuring the Company implemented a new sales approach designed to restore momentum. Despite early positive signs of this change in strategy, the impact of the COVID-19 Pandemic from March 2020 onwards has caused sales cycles to extend and made it increasingly difficult to forecast future sales.

Within the interim results statement released by the Company on 28 May 2020, the Board reported that, in order to address the then developing situation, it had implemented further measures to reduce the Company's cost structure and attain a monthly operating breakeven position whilst acknowledging that the Company's continuing viability in the longer term would depend on two factors: securing new sales to existing and potential customers and, the Company's ability to continue to align its cost base with revenues as the economy emerged from lockdown.

At the same time, the Board first stated that additional capital resources would provide the Company with greater security and would allow flexibility to develop and execute its medium term recovery and growth plan. As a result, alongside preparing an additional cost reduction plan that could be implemented, if required, the Board announced that it was in the early stages of reviewing strategic options to introduce new capital to the Group.

On 8 September 2020, the Board released a further update on the Company's trading and financial position, reporting on operational progress including the Summer 2020 product release and the securing of a new customer, launching onto the new platform, along with a substantial service order for an existing customer.

Within the same announcement an update was provided on the progress being made in respect of the Board's strategic review of the Company's options to introduce additional capital. The Company reported that it had agreed a deferral and repayment plan with HMRC in respect of Pay As You Earn (PAYE) and National Insurance payments amounting to approximately £430,000 but had otherwise been unable to secure access to additional capital at that time. The Directors emphasised that, based on the Company's latest cash flow projections, they anticipated that the Company was likely to experience a cash shortfall by the end of the calendar year, albeit noting their expectation that the Company should return to a positive cash balance from February 2021 onwards, in line with the Company's regular seasonal cashflow profile. As a result, the Board further announced, as a key priority, its intention to scale up its efforts to source new financing facilities with immediate effect.

Since that date, the Company has continued to build encouraging positive momentum within its sales pipeline, but the timing and size of actual sales remains uncertain and the latest available financial forecasts continue to show a cash shortfall building during the current quarter. It is against this background that the Independent Board is seeking to implement the Proposed Transaction. The Board has for several months

been exploring the alternative funding options available to the Company (including those specifically aimed at helping companies adversely affected by the COVID-19 Pandemic), and following the conclusion of that review (with all other options having been ruled out or proving not to be available to the Company), the Independent Board is strongly of the belief that the Proposed Transaction is the only viable available option for securing the investment that is necessary to support the Company in its immediate to medium term, having regard to its current financial and trading position, and the need for certainty of funding within a limited timeframe.

3. The Proposed Transaction

The Company has entered into the Convertible Loan Note Instrument pursuant to which the Company has created Convertible Loan Notes up to an aggregate principal amount of £1.325 million. The issue of the Convertible Loan Notes is conditional only upon the passing of the Resolutions at the General Meeting.

The Convertible Loan Notes are unsecured and non-transferrable and no application will be made for their admission to trading on any recognised securities exchange.

The Convertible Loan Note Instrument gives the holders of the Convertible Loan Notes the right to convert the Convertible Loan Notes they hold into Ordinary Shares at a price of 10 pence per Ordinary Share (which represents a premium of approximately 98 per cent. to the closing middle market price of 5.05 pence an Ordinary Share on 16 October 2020, being the latest practicable trading day prior to the date of this document) at any time on or prior to 4 November 2023.

Further details of the key terms and conditions attaching to the Convertible Loan Notes are set out in part III of this document.

The Investors have also entered into irrevocable undertakings with the Company whereby each of them has agreed to irrevocably and, save only for the passing of the Resolutions at the General Meeting, unconditionally to subscribe for the following aggregate amount of Convertible Loan Notes:

<i>Subscriber</i>	<i>Aggregate amount of Convertible Loan Notes</i>
Herald	£750,000
Richard Cunningham	£250,000
Bury Fitzwilliam-Lay and Partners	£125,000
Antrak Limited	£100,000
Didier Courtois Duverger	£100,000

Upon the passing of the Resolutions, the Company shall issue the Convertible Loan Notes to the Investors in the aggregate amounts as set out above, and execute and deliver certificates in respect of the Convertible Loan Notes subscribed for.

A copy of the draft Convertible Loan Note Instrument will be available for inspection at the Company's registered office from the date of this document until the time and date of the General Meeting.

4. Related Party Transactions

Richard Cunningham is a Director of the Company and its Non-Executive Chairman, whilst Herald is currently, prior to the Proposed Transaction and as at the date of this document, interested in (in aggregate) 4,082,846 Ordinary Shares, representing approximately 13.8 per cent. of the existing Ordinary Share capital of the Company, and is therefore regarded as a "Substantial Shareholder" for the purposes of the AIM Rules. Richard Cunningham has agreed to subscribe for Convertible Loan Notes with an aggregate par value of £250,000 and Herald has agreed to subscribe for Convertible Loan Notes with an aggregate par value of £750,000 pursuant to the Proposed Transaction. Richard Cunningham's and Herald's respective participations in the Proposed Transaction constitute related party transactions under Rule 13 of the AIM Rules.

The Independent Board considers, having consulted with N+1 Singer, that the terms of Richard Cunningham's and Herald's respective participations in the Proposed Transaction are fair and reasonable in so far as Shareholders are concerned.

5. Effect of the Proposed Transaction and Use of Proceeds

The net proceeds of the Proposed Transaction of £1.235 million will provide much needed additional working capital to facilitate the continued implementation of the Company's growth plan and will be applied entirely towards meeting the Company's ongoing working capital requirements.

After taking into account the receipt of the proceeds of the Proposed Transaction, the Directors are of the opinion that the Group has sufficient working capital for its present requirements that is, for at least 12 months from the date of this document. The Directors emphasise however that their central case financial projections assume a modest increase in monthly recurring revenues during the remainder of the FY21 financial year, more than reversing the trend experienced since the onset of the COVID-19 Pandemic and that, whilst the proceeds of the Proposed Transaction will provide the necessary flexibility in the event that the expected growth in revenues does not materialise in the near term, the Company's continuing viability in the longer term remains critically dependent on its ability to secure new sales to existing and potential customers. In addition, given the nature of the COVID-19 Pandemic it is not possible to know the potential impact of the ongoing crisis on the activities of the Group for the current financial year and beyond and, in particular, it is possible that as a direct or indirect result the Company will continue to experience a slower and/or lower sales conversion rate than the Directors have modelled within their central case financial projections. This could in turn have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

6. Additional Employee Share Option Awards

At the time of admission of the Company's Ordinary Shares to trading on AIM, all outstanding existing share options were vested and the original shareholders and management agreed that no further share options would be issued for a further 12 month period thereafter. The Board now believes that it is essential that Shareholders, debt holders and management's interests are aligned and that the management of the Company should be incentivised to drive the business forward during these challenging times.

Currently, the Board is authorised to issue up to 10 per cent. of the issued share capital of the Company under a long term incentive programme ("**LTIP**") and options in respect of Ordinary Shares. The following total number of options in respect of Ordinary Shares are currently available to be issued by the Board:

LTIP	1,774,296 Ordinary Shares (representing 6 per cent. of the issued share capital)
Ordinary Share options	1,182,864 Ordinary Shares (representing 4 per cent. of the issued share capital)

Given there are currently no LTIP's or share options granted, the Board propose to issue the following LTIP's on completion of the issue of the Convertible Loan Notes (all of which will vest at 10 pence per Ordinary Share and be subject to the achievement of agreed performance criteria):

First allocation (to vest on 31 August 2021)

● Simon Crowther	–	369,645
● Alyson Levett	–	266,144
● Other employees (in total)	–	251,359

Second allocation (to vest on 31 August 2022)

● Simon Crowther	–	369,645
● Alyson Levett	–	266,144
● Other employees (in total)	–	251,359

The vesting of the LTIP options is subject to remaining employed by the Company at the date of vesting, achieving agreed monthly recurring revenue targets for the respective years and will require the approval of the Company's remuneration committee.

7. Potential dilutive effect resulting from the Proposed Transaction

The Convertible Loan Notes are capable of being converted into new Ordinary Shares at a price of 10 pence per Ordinary Share. In the circumstances whereby all of the principal amounts of the Convertible Loan Notes are converted on this basis they will upon full conversion represent 30.9 per cent. of the issued share capital as enlarged by such conversion (assuming there has not been any other share issuances). Accordingly, upon full conversion of all of the principal amounts of the Convertible Loan Notes, existing Shareholders will experience dilution of approximately 45.0 per cent. In the circumstances whereby all of the rolled-up interest attributable to the Convertible Loan Notes is also converted on this basis they will upon full conversion represent 35.7 per cent. of the issued share capital as enlarged by such conversion (assuming there has not been any other share issuances). Accordingly, upon full conversion of all of the principal amounts of and rolled-up interest attributable to the Convertible Loan Notes, existing Shareholders will experience dilution of approximately 55.6 per cent.

8. General Meeting

Set out at the end of this document is a notice convening the General Meeting of the Company to be held at 10.00 a.m. on 4 November 2020 at i-Nexus Suite, George House, Herald Avenue, Coventry Business Park, Coventry CV5 6UB, at which the Resolutions summarised below will be proposed:

Resolution one – authority to allot securities

Resolution one is proposed as an ordinary resolution. This means that, for the Resolution to be passed, more than 50 per cent. of the votes cast must be in favour of the Resolution. Resolution one grants the Directors authority to allot Ordinary Shares, or grant rights to subscribe for or convert any security into Ordinary Shares, up to an aggregate nominal value of £1,643,000. This will enable the Directors to issue the Convertible Loan Notes to the Investors. The authority granted by this resolution shall expire on 5 November 2023.

Resolution two – disapplication of pre-emption rights

Resolution two is proposed as a special resolution. This means that, for the Resolution to be passed, at least 75 per cent. of the votes cast must be in favour of the Resolution. Resolution two shall disapply the statutory pre-emption provisions set out in the Companies Act in respect of the allotment of Ordinary Shares, or granting of rights to subscribe for or convert any security into Ordinary Shares, up to an aggregate nominal value of £1,643,000. This disapplication shall expire on 5 November 2023.

Resolution two is conditional on Resolution one being passed so that, if Resolution one is not passed, neither of the Resolutions will become effective and the issue of Convertible Loan Notes will not be implemented.

9. Irrevocable Undertakings

Each of the Directors who hold Ordinary Shares and each of the Investors have given an irrevocable undertaking to vote in favour of the Resolutions in respect of their own beneficial holdings (and that of their associates) of Ordinary Shares, together totalling 8,727,112, representing in aggregate 29.46 per cent. of the issued Ordinary Shares.

10. Actions to be taken in respect of the General Meeting

Please check that you have received the following with this document:

- a Form of Proxy for use in respect of the General Meeting; and
- a reply-paid envelope for use in connection with the return of the Form of Proxy (in the UK only).

Whilst lodging a form of proxy does not ordinarily preclude a member from attending and voting at the meeting, due to the COVID-19 Pandemic restrictions, no additional members over and above the quorum requirement will be able to attend the General Meeting. You are strongly encouraged to complete, sign and return your Form of Proxy appointing the ‘Chairman of the meeting’ as your proxy in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received, by post or, during normal business hours only, by hand, to

Share Registrars Limited at The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR or a scanned copy be emailed to voting@shareregistrars.uk.com. Whichever means of return is used this must be done by no later than 10.00 a.m. on 2 November 2020 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)). Shareholders should note that for the purposes of the General Meeting only, Nigel Halkes, as the Independent Non-Executive Director, will be the Chairman for the General Meeting.

If you hold your Ordinary Shares in the Company in uncertificated form (that is, in CREST) you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of the General Meeting set out at page 20 of this document). Proxies submitted via CREST must be received by the Company's agent (ID 7RA36) by no later than 10.00 a.m. on 2 November 2020 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)).

Appointing a proxy in accordance with the instructions set out above will enable your vote to be counted at the General Meeting. It should be noted that, as a result of the ongoing COVID-19 Pandemic, voting on all Resolutions will be conducted by way of a poll, rather than on a show of hands.

11. Importance of the vote

IT IS VERY IMPORTANT that Shareholders vote in favour of the Resolutions at the General Meeting. The Independent Board believes that if the Resolutions are not passed at the General Meeting and so the Proposed Transaction does not proceed, it is likely that in the very near future the Company may not be able to meet its obligations as they fall due, thereby forcing the Board to consider entering into administration or some other form of insolvency procedure under which the prospects for recovery of value, if any, by Ordinary Shareholders would be uncertain.

12. Recommendation

The Independent Board strongly believes that the Proposed Transaction is in the best interests of the Company and its Shareholders as a whole. Accordingly, the Independent Board recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting as those members of the Board (and that of their associates) who hold Ordinary Shares intend to do in respect of their entire beneficial holdings of 2,675,702 Ordinary Shares representing 9.03 per cent. of the current issued Ordinary Share capital.

Yours faithfully,

Nigel Halkes

Independent Non-Executive Director

PART II

RISK FACTORS

Investing in the Company is speculative and involves a high degree of risk. As at the date of this document, the Board considers the following risks to be the material risks of which they are aware and the most significant risks for Shareholders and potential investors. However, it should be noted that this list of risks is not exhaustive and that additional risks and uncertainties not currently known to the Board, or that the Board currently deems immaterial, may also have an adverse effect on the Group's financial condition, business, prospects and/or results of operations. The risks listed below do not necessarily comprise all the risks associated with an investment in the Company.

The order in which risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential harm to the Group's financial condition, business, prospects and/or results of operations.

If any of the events described in the following risks actually occur, the Group's business, financial condition, results or future operations could be materially affected. In such circumstances, the price of the Ordinary Shares could decline and investors could lose all or part of their investment. The Group's performance may be affected by changes in legal, regulatory and tax requirements in any of the jurisdictions in which it operates as well as overall global financial conditions. The information set out below does not purport to be an exhaustive summary of the risks affecting the Group.

1. Resolutions not being passed

Unless the Resolutions are passed at the General Meeting, the Proposed Transaction cannot take place. In such circumstances, the Company will not receive the subscription monies from the issue of the Convertible Loan Notes. If this were to happen, the Company will suffer a significant shortfall in its cash position which may, in the very near future, leave the Company unable to meet its obligations as they fall due and force the Board to consider entering into administration or some other form of insolvency procedure under which the prospects for recovery of value, if any, by Ordinary Shareholders would be uncertain. Accordingly, it is important that Shareholders vote in favour of the Resolutions so that the Proposed Transaction can take place and the Company can receive the subscription monies from the issue of the Convertible Loan Notes.

2. Working capital

Whilst the Directors believe that the net proceeds of the Proposed Transaction will provide the necessary flexibility to satisfy the Company's near-term funding requirements, there can be no guarantee as to the Company's medium to longer term working capital requirements and, therefore, the Group may need to seek additional capital over and above that raised from the issue of the Convertible Loan Notes, whether from further equity issues, the issue of further debt instruments or additional bank borrowings to finance its investments or for other business purposes in the longer term. No assurance can be given as to the availability of such additional capital at any future time or, the terms upon which such additional capital would be available.

The Directors emphasise however that their central case financial projections assume a modest increase in monthly recurring revenues during the remainder of the FY21 financial year, more than reversing the trend experienced since the onset of the COVID-19 Pandemic and that, whilst the proceeds of the Proposed Transaction will provide the necessary flexibility in the event that the expected growth in revenues does not materialise in the near term, the Company's continuing viability in the longer term remains critically dependent on its ability to secure new sales to existing and potential customers. In addition, given the nature of the COVID-19 Pandemic it is not possible to know the potential impact of the ongoing crisis on the activities of the Group for the current financial year and beyond and, in particular, it is possible that as a direct or indirect result the Company will continue to experience a slower and/or lower sales conversion rate than the Directors have modelled within their central case financial projections. This could in turn have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

3. COVID-19 Pandemic

The COVID-19 Pandemic has affected the performance of the business of the Group. The restrictions being imposed in the UK, as well as similar lockdown measures introduced internationally (particularly in the US which is the Group's largest market) have created uncertainty around when normal business will resume. As at the date of this document, given the nature of the crisis, the Group is not aware of the full extent of the effects of the COVID-19 Pandemic for the current financial year or beyond.

The global economic slowdown resulting from the COVID-19 Pandemic requires a number of businesses worldwide to make adjustments to their operating models. In addressing the impact of the COVID-19 Pandemic on its markets and its customers, the Group has taken swift and decisive action to reduce its operating cost base in cash terms since the start of the crisis. Staffing expense reductions have been implemented and this has been combined with reduced discretionary spending. This has reduced the Group's monthly operating cost significantly to approximately £360,000.

Whilst the Group continues to monitor the situation on a regular basis and may be able to introduce further cost saving measures if needed, it is possible that in the longer term the COVID-19 Pandemic will have a material adverse effect on the Group's business, results of operations, financial condition and prospects. Also, there is no assurance that the implementation of the Company's strategic and operational changes introduced to date will be successful under current or future market conditions. Furthermore, if there were to be further outbreaks of the COVID-19 Pandemic either globally or in the Group's markets this could materially adversely affect the Group's business, results, financial condition and prospects.

4. Reliance on counterparties

There is a risk that parties with whom the Group trades or has other business relationships may be unable to pay the Group in a timely manner, or at all. Some of the Group's customers may seek to renegotiate their pricing and/or payment terms with the Group. Furthermore, as a result of the COVID-19 Pandemic and global economic slowdown some of the Group's customers may enter into bankruptcy or insolvency proceedings and be in a position whereby they are unable to pay the Group all or some of the payments to which the Group is owed. If any of these risks arise, this could have an adverse impact on the Group's business, revenue, financial condition, profitability, prospects and results of operations

5. Dependence on key executives and personnel

The Group is managed by a limited number of key personnel, including the Directors and senior management, who have significant experience within the Group and the sectors it operates within. Whilst executive remuneration plans, incorporating long-term incentives, have been implemented to mitigate this risk, there is no certainty that key personnel will not leave. If members of the Group's key senior team depart, the Group may not be able to find effective replacements in a timely manner, or at all and its business may be disrupted or damaged.

6. The Group may not be able to protect its intellectual property or may be faced with claims relating to the infringement of third party intellectual property rights

The Group relies on a combination of both registered and unregistered intellectual property rights as well as confidentiality and non-disclosure clauses and agreements with employees, customers and suppliers to define and protect rights to the intellectual property in its products. It also relies on extensive product, industry and market "know-how" that cannot be registered and may not be subject to any confidentiality and non-disclosure clauses or agreements. Although the Group intends to continue to protect its rights, there can be no guarantee that any of its know-how or registered or unregistered intellectual property rights, or claims to such rights, will now or in the future successfully protect what is considered to be the intellectual property underlying the Group's products in any or all of the jurisdictions in which it does business, or that the Group's registered or unregistered rights will not be successfully opposed or otherwise challenged. To the extent that innovations and products are not protected by patents, copyrights or other intellectual property rights, third parties (including competitors) may be able to commercialise the Group's innovations or products or use the Group's know-how, which could have a material adverse effect on its business, results of operations and financial condition. In addition, legal protection of intellectual property rights in one country will not provide protection in certain other countries where the Group operates. If the Group fails to protect its rights and others are able to improperly use its products, this failure may have a material adverse effect on its

revenues, results of operations and prospects. The Group may face claims that it is infringing the intellectual property rights of others. If any of its products are found to infringe the patents or other intellectual property rights of others, the sale of such products could be significantly restricted or prohibited and the Group may be required to pay substantial damages.

7. The Group relies on third parties to deliver services which are integral to the Group's business and its ability to generate revenue

The Group contracts with third parties to perform functions or operations that are integral to the Group's products and services, including third party suppliers for integration software, and cloud hosting. The Group is at risk as to the availability, price and quality offered by such third party suppliers. Any significant changes in these factors could adversely affect profit margins and have a material adverse effect on the Group's business, results of operations and financial condition. Further, the Group's third party suppliers may not be responsive to the Group's needs or may experience problems with their own operations beyond the Group's control. The Group's reliance on third party suppliers increases the risk of disruption to its operations. If the Group is unable to effectively utilise its third party suppliers, or if such third party service providers experience business difficulties or are unable to provide business services as anticipated, the Group may not be able to provide its services and may need to seek alternative service providers or resume providing these business processes internally, which could be costly and time-consuming and have a material adverse effect on the Group's business, results of operations and financial condition.

8. Open source software ("OSS")

Some of the Group's proprietary software incorporates elements of OSS, the use of which by the Group is subject to terms of applicable licenses. Although the Group's technical team have spent years building knowledge of the OSS used, the Board acknowledges that there are risks associated with the use of OSS. The Board considers the following as being the most likely to be experienced by the Group: OSS may contain a virus or viruses, contain a bug or bugs that the developers cannot fix, development support may cease from time to time, OSS may come with very limited informal support arrangements, or it may be made available without a warranty or assurance. The above may therefore impact the Group's ability to deliver its product to its customers effectively and potentially affect its reputation and ability to generate repeat business.

9. Exchange rate

A significant proportion of the Group's revenues are denominated in foreign currency, principally US dollars. Since the Group reports its financial results in sterling, fluctuations in rates of exchange between sterling and non-sterling currencies, particularly US dollars, may have a material adverse impact on the Group's financial results.

10. Future issues of Ordinary Shares will result in dilution

In the event the Investors convert all of the principal amount of and rolled up interest attributable to their Convertible Loan Notes into new Ordinary Shares at the conversion price of 10 pence per Ordinary Share this will represent 35.7 per cent. of the issued share capital as enlarged by such conversion. Accordingly, upon full conversion of all of the principal amounts of and rolled up interest attributable to their Convertible Loan Notes, existing Shareholders will experience dilution of approximately 55.6 per cent.

In addition, the Group may require additional capital in the future which may be provided by way of an equity raise or by additional issue of debt securities convertible into Ordinary Shares, or rights to acquire these securities. Any such issues may exclude the pre-emption rights pertaining to the then outstanding shares. If the Company raises significant amounts of capital by these or other means, it could cause dilution for the Company's existing Shareholders. Moreover, the further issue of Ordinary Shares could have a negative impact on and/or increase the volatility of the market price of the Ordinary Shares.

11. No guarantee that the Ordinary Shares will continue to be traded on AIM

The Company cannot assure investors that the Ordinary Shares will always continue to be traded on AIM or on any other exchange. If such trading were to cease, certain investors may decide to sell their Ordinary

Shares, which could have an adverse impact on the price of the Ordinary Shares. Additionally, if in the future the Company decides to obtain a listing on another exchange in addition or as an alternative to AIM, the level of liquidity of the Ordinary Shares traded could decline.

12. Forward-looking Statements

This document contains forward-looking statements that involve risks and uncertainties. All statements, other than those of historical fact, contained in this document are forward-looking statements. The Group's actual results could differ materially from those anticipated in the forward-looking statements as a result of many factors. Investors are urged to read this entire document carefully before making an investment decision. The forward-looking statements in this document are based on the relevant Directors' beliefs and assumptions and information only as of the date of this document, and the forward-looking events discussed in this document might not occur. Therefore, Investors should not place any reliance on any forward-looking statements. Except as required by law or regulation, the Directors undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future earnings or otherwise.

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

PART III
SUMMARY TERMS OF THE CONVERTIBLE LOAN NOTE

The key terms and conditions of the Convertible Loan Note Instrument are as follows:

- a) The issue of the Convertible Loan Notes is conditional only on the passing of the Resolutions at the General Meeting. There are no other conditions to the issue of the Convertible Loan Notes.
- b) The aggregate nominal value of the Convertible Loan Notes is £1,325,000 and there is a minimum subscription amount of £100,000 by an Investor for Convertible Loan Notes.
- c) The Convertible Loan Notes are unsecured and non-transferrable and no application will be made for their admission to trading on any recognised securities exchange.
- d) The Investors have irrevocably agreed to subscribe for the amount of the Convertible Loan Notes as set out against their names in part I of this document immediately upon the passing of the Resolutions at the General Meeting.
- e) Following the issue of the Convertible Loan Notes, the Investors may issue a conversion notice before the date on which the Convertible Loan Notes are to be redeemed (see g below) notifying the Company that they wish to convert part or all of their Convertible Loan Notes into Ordinary Shares at a conversion price of 10 pence per Ordinary Share.
- f) The Investors may convert the Convertible Loan Notes they hold, in part or all, at their sole discretion, provided that the conversion will not result in a holder of Convertible Loan Notes, together with any persons acting in concert with it, being interested in Ordinary Shares carrying in aggregate more than 29.9 per cent. of the voting rights of the Company.
- g) The Company is entitled at any time following the date which is 12 months after the date of issue of the Convertible Loan Notes to require the Investors to convert, in part or all, their Convertible Loan Notes on a pro-rata basis into Ordinary Shares at the conversion price of 10 pence per Ordinary Share, provided the closing bid price of an Ordinary Share as shown in the Daily Official List of the London Stock Exchange for a period of at least 60 consecutive days is equal to or exceeds £0.79 per Ordinary Share.
- h) Any Convertible Loan Notes not converted shall be redeemed on 4 November 2023.
- i) Interest shall accrue on the Convertible Loan Notes at the rate of 8 per cent. per annum and shall roll up, but shall not be compounded, and all accrued interest that is outstanding shall be payable in full on the date the Convertible Loan Notes are redeemed or, alternatively, the Investors may choose to convert the rolled up interest into Ordinary Shares at the same conversion price of 10 pence per Ordinary Share.
- j) In the event that the Company is in default of any payment obligation under the Convertible Loan Note Instrument, default interest shall accrue (compounded quarterly) at the higher of 10 per cent. per annum and the base rate for the time being of Barclays Bank plc.
- k) The Convertible Loan Note Instrument sets out certain events of default, on the occurrence of which the holders of Convertible Loan Notes may, in their sole discretion, require immediate repayment of the amounts due to them in respect of the Convertible Loan Notes. These include:
 - a. the Company failing to make any payment due under the Convertible Loan Note Instrument within seven days of such payment becoming due;
 - b. material breach by the Company of the Convertible Loan Note Instrument which is not cured within 30 days;
 - c. a breach of warranty given by the Company pursuant to the Convertible Loan Note Instrument;
 - d. the Company ceasing or threatening to cease or becoming unable to pay its debts as they become due or ceasing to carry on all or substantially all of its business;
 - e. an encumbrancer taking possession or a receiver, administrative receiver, administrator or similar officer being appointed in respect of the whole or any substantial part of the Company's undertaking, property or assets; or
 - f. the Company initiating or consenting to bankruptcy, insolvency or composition proceedings.

DEFINITIONS

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

“AIM”	the market of that name operated by the London Stock Exchange
“AIM Rules”	together, the AIM Rules for Companies and the AIM Rules for Nominated Advisers (each as amended from time to time)
“ARR”	annual recurring revenue
“Board” or “Directors”	the directors of the Company whose names are set out on page 6 of this document
“Business Day”	any day on which the banks are open in England and Wales for the transaction of business, other than a Saturday, Sunday or public holiday
“Companies Act”	the Companies Act 2006 (as amended from time to time)
“Company”	Solution Group plc, a company incorporated and registered in England and Wales with company number 11321642
“Convertible Loan Notes”	the £1.325 million unsecured convertible redeemable loan notes 2020 with a fixed interest rate of eight per cent. per annum, a redemption date of 4 November 2020 and a conversion price of 10 pence per Ordinary Share
“Convertible Loan Note Instrument”	the loan note instrument dated 16 October 2020 in connection with the Convertible Loan Notes
“COVID-19 Pandemic”	the novel coronavirus disease 2019 pandemic
“CREST”	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear UK & Ireland Limited
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended from time to time)
“Form of Proxy”	the form of proxy attached to this document for use by Shareholders in connection with the General Meeting
“General Meeting”	the general meeting of the Company to be held at i-Nexus Suite, George House, Herald Avenue, Coventry Business Park, Coventry CV5 6UB at 10.00 a.m. on 4 November 2020, notice of which is set out on pages 19 to 20 of this document
“Group”	the Company and its subsidiaries
“Herald”	Herald Investment Management Limited
“Independent Board”	all of the directors except for Richard Cunningham
“Independent Non-Executive Director”	Nigel Leslie Halkes
“Investors”	Herald, Richard Cunningham, Bury Fitzwilliam-Lay and Partners, Antrak Limited and Didier Courtois Duverger

“London Stock Exchange”	London Stock Exchange plc
“N+1 Singer”	Nplus1 Singer Advisory LLP, the Company’s nominated adviser and broker
“Ordinary Shares”	ordinary shares of £0.10 each in the capital of the Company
“Proposed Transaction”	the issue of Convertible Loan Notes to the Investors as contemplated by this document
“Registrars”	Share Registrars Limited of 27/28 Eastcastle Street, London, W1W 8DH
“Resolutions”	the resolutions to be proposed at the General Meeting, as set out in the notice of General Meeting on page 19 of this document
“Shareholders”	holders of Ordinary Shares at the date of this document
“subsidiaries”	has the meaning given to it in the Companies Act
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“US”	the United States of America

All references in this document to “£”, “pence” or “p” are to the lawful currency of the United Kingdom.

NOTICE OF GENERAL MEETING

SOLUTION GLOBAL PLC

(Incorporated in England and Wales under the Companies Act 2006 with registered number 11321642)

Notice is given that a general meeting of Solution Group plc ("**Company**") will be held at i-Nexus Suite, George House, Herald Avenue, Coventry Business Park, Coventry CV5 6UB at 10.00 a.m. on 4 November 2020 for the purposes of considering and, if thought fit, passing the following resolutions. Resolution 1 will be proposed as an ordinary resolution and resolution 2 will be proposed as a special resolution.

ORDINARY RESOLUTION

1. That, pursuant to section 551 of the Companies Act 2006 ("**Act**"), the directors be and are generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for, or to convert any security into, shares in the Company up to an aggregate nominal amount of £1,643,000, **provided that** (unless previously revoked, varied or renewed) this authority shall expire on 5 November 2023, but the Company may make an offer or agreement before this authority expires which would or might require shares to be allotted or rights to subscribe for, or to convert any security into, shares to be granted after this authority expires and the directors may allot shares or grant such rights pursuant to any such offer or agreement as if this authority had not expired.

This authority is in addition to all existing authorities under section 551 of the Act.

SPECIAL RESOLUTION

2. **That:**
 - (a) subject to the passing of resolution 1 and pursuant to section 570 of the Act, the directors be and are generally empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority granted by resolution 1 as if section 561 of the Act did not apply to any such allotment; and
 - (b) (unless previously revoked, varied or renewed) this power shall expire on 5 November 2023, but the Company may make an offer or agreement before this power expires which would or might require equity securities to be allotted for cash after this power expires and the directors may allot equity securities for cash pursuant to any such offer or agreement as if this power had not expired.

This power is in addition to all existing powers under section 570 of the Act.

By order of the board

Secretary
19 October 2020

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint more than one proxy to exercise all or any of his rights to attend, speak and vote in his place on a show of hands or on a poll provided that each proxy is appointed to a different share or shares. Such proxy need not be a member of the Company. A form of proxy is enclosed. Whilst ordinarily lodging a form of proxy does not preclude a member from attending and voting at the meeting, due to the COVID-19 Pandemic restrictions, no additional members over and above the quorum requirement will be able to attend the General Meeting at 10.00 a.m. on 4 November 2020. Members are therefore strongly encouraged to complete and return a form of proxy appointing the 'Chairman of the meeting' as their proxy to ensure their votes are included in the poll vote conducted on the resolutions.
2. To be valid, the form of proxy must be completed, signed and must either be returned by post or, during normal business hours only, by hand, to the Company's registrar, Share Registrars Limited at The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR or a scanned copy be emailed to voting@shareregistrars.uk.com. Whichever means of return is used this must be done by no later than 10.00 a.m. on 2 November 2020, or not less than 48 hours before the time appointed for any adjournment thereof (not including weekends or public holidays).
3. Any power of attorney or any such other authority under which the form of proxy is signed (or a duly certified copy of such power of attorney) must be included with the form of proxy.
4. In the case of joint holders, any one holder may sign the form of proxy. The vote of the senior holder (first named registered shareholder) who tenders a vote whether in person or by proxy will be accepted to the exclusion of votes from other joint holders.
5. Any corporation which is a member may appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same shares. As no additional members or their representatives will be able to attend the General Meeting at 10.00 a.m. on 4 November 2020, corporate members are strongly encouraged to complete and return a form of proxy appointing the 'Chairman of the meeting' as their proxy to ensure their votes are included in the poll vote.
6. To abstain from voting on the resolution, select the "Vote withheld" box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting on his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any matter which is put to the General Meeting.
7. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), entitlement to vote at the General Meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company as at 6.00 p.m. on 2 November 2020 or, if the General Meeting is adjourned, as at 48 hours before the time appointed for any adjournment thereof (not including weekends or public holidays) (as the case may be). In each case, changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to vote (and the number of votes they may cast) at the meeting.
8. You may not use any electronic address provided either in this notice of General Meeting or any related documents (including the form of proxy) to communicate for any purposes other than those expressly stated.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent (ID 7RA36) by 10.00 a.m. on 2 November 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
11. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
13. Voting on all resolutions will be conducted by way of a poll, rather than on a show of hands.