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**Auctus Growth Plc
("the Company" or "Auctus")**

**Proposed Acquisition of HeiQ Materials AG
Placing and Subscription to raise gross proceeds of £20 million for the Enlarged Group
Further Placing to raise gross proceeds of £40 million for Selling Shareholders
Share Consolidation
Readmission of the Enlarged Share Capital to the Official List
Change of name to HeiQ Plc
and
Notice of General Meeting**

Auctus Growth Plc (LSE: AUCT) announces that it has conditionally agreed to purchase the entire issued and to be issued share capital of HeiQ Materials AG ("HeiQ").

Overview

- Proposed acquisition of HeiQ (the "Acquisition", forming the "Enlarged Group" together with HeiQ's subsidiaries) for a consideration of £119,571,088, to be satisfied through the issue of 106,759,900 ordinary shares in the Company ("Consideration Shares") at a deemed issue price of 112 pence per share (on a post consolidated basis).
- HeiQ is a fast growing and profitable company, established in 2005, which creates innovative technologies that add functionality, comfort, hygiene and sustainability to existing apparel, home textiles, technical textiles, medical textiles and devices and functional consumer products.
- Auctus is undertaking a conditional placing ("Placing") to raise £13.2 million for the Company (before expenses) by the issue and allotment of 11,789,142 Placing Shares.
- Selling Shareholders have agreed to sell, in aggregate, 35,714,287 Consideration Shares in the Placing at the Placing Price raising £40,000,000 before expenses for the benefit of the Selling Shareholders
- Further Subscription with investors to raise an additional £6.8 million for the Company by the issue and allotment of 6,068,000 Subscription Shares.

- It is anticipated that the funds raised will be used to strengthen the Enlarged Group's regulatory portfolio, enhance its direct to consumer marketing and build brand equity, expand its geographical footprint, expand its sales channels, upscale the product HeiQ GrapheneX and build a medical business unit in light of the robust growth that HeiQ Viroblock (one of HeiQ's current core technologies) has experienced due to the COVID-19 global pandemic.
- Proposed share consolidation of one new Ordinary Share for every three Existing Ordinary Shares.
- Enlarged Group will have a strong balance sheet and liquidity position with approximately £32 million of net current assets.
- Anticipated market capitalisation of Enlarged Group of approximately £141 million with an issued share capital of 125,891,904 Ordinary Shares on a consolidated basis.
- Subject to, inter alia, shareholder approval and readmission ("Readmission") to trading on the Standard segment of the Official List, the Acquisition of HeiQ and the Placing are expected to complete, and trading of shares in the Enlarged Group will commence on 7 December 2020.
- Company to change name to HeiQ Plc.
- New ISIN of GB00BN2CJ299, new SEDOL of BN2CJ29, and TIDM ('ticker' of HEIQ) effective from Readmission.

A general meeting of the Company (the "General Meeting") is being convened for 10:00am on 4 December 2020 at 47/48 Piccadilly, London W1J 0DT, and will be held as a closed meeting. The Acquisition of HeiQ constitutes a reverse takeover for the purposes of the Listing Rules and requires the publication of a prospectus ("Prospectus"), prepared in accordance with the Prospectus Regulation Rules, which sets out further information on the Placing, Subscription, Acquisition and the Enlarged Group. More detail on the background to and reasons for the Acquisition, Placing, Subscription and certain other proposals are included within the Prospectus, which also includes a notice of General Meeting.

The Prospectus has now been published and is also available to view on the Company's website at <http://www.auctusgrowthplc.co.uk>

Unless otherwise defined, capitalised terms within this announcement shall have the same meaning as those defined within the Prospectus.

Auctus Growth Plc Ross Ainger, Director	Tel: 020 7389 5010
Arlington Group Asset Management Limited (Financial Advisor and Joint Broker) Charles Cannon Brookes (Executive Director)	Tel: 020 7389 5010
Cenkos Securities plc (Joint Broker) Stephen Keys / Callum Davidson / Michael Johnson	+44 (0) 207 397 8900
Newgate Communications (Media Enquiries) Elisabeth Cowell/ Robin Tozer/ Megan Kovach	+44 (0) 20 3757 6882

Introduction

The Company today announces that it has conditionally agreed to acquire the entire issued share capital of HeiQ, the consideration for which is £119,571,088, to be satisfied by the issue and allotment to the HeiQ Shareholders of the Consideration Shares at a deemed issue price of £1.12 per Ordinary Share. The Acquisition will constitute a Reverse Takeover under the Listing Rules as it will result in a fundamental change in the business and management of the Company. Therefore, trading in the Existing Ordinary Shares was suspended with effect from 25 September 2020 pending the publication of the Prospectus and completion of the Acquisition. The Acquisition is conditional, inter alia, upon Readmission and the approval by Existing Shareholders of certain Resolutions at the Company's General Meeting to be held on 4 December 2020, notice of which is set out at the end of the Prospectus.

In addition, the Company is undertaking a cash placing to raise £13,203,840 by the issue of 11,789,142 Placing Shares in order to provide the Enlarged Group with further working capital. Readmission will also enable those HeiQ Shareholders who are selling Consideration Shares in the Placing pursuant to a Selling Shareholder Agreement (the "Selling Shareholders") to realise, in part, their investment in the Company. The Selling Shareholders have agreed to sell, in aggregate, 35,714,287 Consideration Shares in the Placing at the Placing Price raising £40,000,000 (before expenses). The Company will not receive any of the proceeds of the sale of the Consideration Shares in the Placing, which will be paid to the Selling Shareholders, subject to the deduction of the agreed brokers' commissions and the relevant stamp duty payment.

The Company has also entered into conditional binding agreements with the Subscribers to raise additional gross proceeds of £6,796,160 through the issue of an aggregate 6,068,000 Subscription Shares at £1.12 per Subscription Share. The Subscription is conditional, inter alia, upon completion of the Acquisition and Readmission.

Further details are set out in the Prospectus regarding the background to and reasons for the Acquisition and to demonstrate how it aligns with the Company's strategy and why the Directors believe that the Acquisition, Placing and Subscription are in the best interests of the Company and its Existing Shareholders.

The Placing and use of proceeds

Conditional, inter alia, on publication of the Prospectus and Readmission, the Company has raised gross placing proceeds of £13,203,840 through the issue of 11,789,142 Placing Shares at the Placing Price. The Selling Shareholders have also agreed to sell, in aggregate, 35,714,287 Consideration Shares in the Placing at the Placing Price raising £40,000,000 before expenses. The Company will not receive any of the proceeds of the sale of the Consideration Shares in the Placing, which will be paid to the Selling Shareholders, subject to the deduction of agreed commissions and the relevant stamp duty payment. The Company has also entered into Subscription Agreements with the Subscribers to

raise additional gross proceeds of £6,796,160 through the issue of an aggregate 6,068,000 Subscription Shares at £1.12 per Subscription Share. The Subscription is conditional, inter alia, upon completion of the Acquisition and Readmission. The Net Placing and Subscription Proceeds of £19,100,000, comprising the Gross Placing and Subscription Proceeds of £20,000,000 less brokers' commissions of £900,000, will be used to provide the Enlarged Group with further working capital. Further details of the Placing and Subscription, as well as the anticipated use of the proceeds, are set out in Part IV of the Prospectus. If the Placing, and therefore the Acquisition, does not complete for any reason, the suspension of the Existing Ordinary Shares will be lifted and trading in the Existing Ordinary Shares will recommence.

Proposed Board Changes

The current Board comprises Malcolm Burne, Nathan Steinberg and Ross Ainger. Upon Completion, each of the Directors will resign and the Board will comprise the following Proposed Directors:

- Carlo Riccardo Centonze, Executive Director
- Xaver Hangartner, Executive Director
- Esther Dale-Kolb, Non-Executive Director and Chairwoman
- Benjamin Bergo, Non-Executive Director
- Karen Brade, Non-Executive Director

A biography of each of the Proposed Directors on Readmission, together with information on the management team and key personnel, is set out in Parts III and V of the Prospectus.

Change of Name

To reflect the business of the Enlarged Group, the Board is proposing to change the name of the Company to HeiQ plc. As the current Articles permit the Board to change the name without the need for a shareholder resolution the Board has resolved, conditional on Readmission, to change the name of the Company to HeiQ plc. The change of name will be effective once Companies House has issued a new certificate reflecting the change of name. This is expected to occur on or around 7 December 2020.

Share Consolidation

The Directors consider that it is in the best interests of the Company's long-term development as a public quoted company to have a more manageable number of issued ordinary shares and to have a higher share price.

Accordingly, it is proposed that the Company's share capital be re-organised such that every three Existing Ordinary Shares be consolidated into one new Ordinary Share of £0.30.

As all of the Existing Ordinary Shares are proposed to be consolidated, the proportion of issued ordinary share holdings in the Company held by each Shareholder immediately before and immediately after Consolidation will, save for fractional entitlements, remain unchanged.

Shareholder approval of the Consolidation is being sought pursuant to Resolution 1 as set out in the notice of General Meeting.

Application for Admission to Trading

As the Acquisition constitutes a Reverse Takeover under the Listing Rules, the London Stock Exchange will cancel trading in the Existing Ordinary Shares on the Main Market for listed securities, and the FCA will cancel the listing of the Existing Ordinary Shares on the Standard Listing segment of the Official List by 8.00am on 7 December 2020. An application will be made for the Existing Ordinary Shares (following Consolidation) to be readmitted and the New Ordinary Shares to be admitted to a Standard Listing on the Official List of the FCA and to trading on the London Stock Exchange's Main Market for listed securities. It is expected that Readmission will become effective and that unconditional dealings will commence on the London Stock Exchange at 8.00am on 7 December 2020. The total number of Ordinary Shares in issue on Readmission will be 125,891,904 Ordinary Shares of £0.30p each, on a post consolidated basis.